

Australian youth face historic social reversal

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Young people in Australia, aged 15–24 years, are the first generation since World War II to face lower living standards than their parents. That is the conclusion of a recent report by the Foundation for Young Australians (FYA), which provides an outline of the worsening social and economic conditions.

The report, titled “Renewing Australia’s Promise,” shows that today’s youth confront higher unemployment and under-employment, more insecure part-time and casual work, extreme housing costs, greater debts and higher tuition fees than their counterparts three decades ago. This historical retrogression is a damning indictment of the capitalist profit system.

The job prospects for youth today are among the worst on record. Even on understated official figures, youth unemployment is around 15.7 percent for 15–24 year-olds, and 28.7 percent for those 15–19 years old. In some working class areas, unemployment has reached depression-era levels of over 40 percent.

Combined overall rates for unemployment and under-employment (those unable to find sufficient work) among youth is now almost 30 percent, compared to under 20 percent in 1985. On average, young people currently remain unemployed for five months.

The FYA report notes that, today, approximately 50 percent of young people are in part-time work, 2.8 times higher than 1985, when it was at 16 percent. Youth under-employment is at 17.5 percent, 3.4 times higher than in 1985. In 2015, full-time employment for young workers was at 40 percent, down from approximately 70 percent in 1985.

One of the most staggering aspects of the reversal of workers’ conditions is exorbitant housing costs, facilitated by a speculative property bubble. The report notes that in the mid-1980s the average Sydney home cost six times the average full-time annual income in the state of New South Wales (NSW).

Last year, the average home costs 13 times the average full-time annual income in NSW, and the average Sydney homebuyer required 15 years to save a deposit.

This places home ownership out of reach for many working class youth, while many others have been forced to take on huge mortgages, leaving them vulnerable to fluctuations in their incomes.

The report reveals that the average rental costs have increased by 44 percent since 2005, forcing many youth to continue living with their parents, or move into overcrowded shared housing. Hundreds of thousands of working class households have moved to cheaper housing in the outer suburbs of major cities, producing intolerable travelling times to get to work.

The report also identifies a protracted assault on education. The cost of a three-year university degree in 2016 averages \$26,298, up from \$19,518 in 2011, and around 2.5 times more than in 1991. From 1974 to 1987, university courses were free. In 1987, the Hawke Labor government introduced HECS payments to shift tuition costs from the government to students, and a mountain of student debt has grown ever since.

There has been an increase in the numbers of students completing school and university, but many end up not working in fields in which they are qualified. Among university graduates, 29 percent are working in jobs not relevant to their degree, while for Vocational Education and Training (VET) graduates the figure is 62 percent.

Overall, regardless of the qualifications and merits of students, there has been a reversal in the conditions of life of thousands of young people.

None of the major parties have addressed these issues during the campaign for the July 2 federal election. Instead, their policies are designed to push more unemployed youth into cheap labour, and use them to drive down wages and conditions for all workers.

Labor Party leader Bill Shorten has proposed a

program that will offer minimum wage traineeships for 30,000 young people per year, on the pretence of providing training for non-existent jobs.

Likewise, the Liberal-National government's PaTH (Prepare, Trial Hire) scheme aims to force unemployed youth under the age of 25 into six-week "pre-employment" courses, providing private employers with low-cost interns, effectively working for \$4 an hour on top of their dole payments.

As for the trade unions, they have enforced decades of job destruction and erosion of workers' conditions, creating the conditions for the super-exploitation of young workers.

The FYA report underscores the historical trajectory of the attack on working people by successive governments, both Labor and Liberal-National. The protracted assault on working conditions over the past 30 years is not simply the outcome of their regressive policies. Their policies are determined by the profit interests of the major banks and corporations, reflecting the relentless processes of the capitalist profit system itself.

Regardless of which party forms government after July 2, the financial and corporate elite will insist that the working class has to bear the brunt of the deepening impact of the 2008 global economic breakdown.

The Socialist Equality Party insists that young people must have the right to free, high-quality education, a decent job, healthcare, affordable housing, and access to leisure, art, culture, sport and entertainment. But this is not possible without breaking the grip of the financial oligarchy and its political servants.

If the living standards of millions of workers and youth are not to be devastated, the capitalist system must be overthrown through an international struggle of the working class on the basis of a socialist program to reorganise society to meet the needs of all, not the profit requirements of a wealthy few.

To contact the SEP and get involved, visit our web site or Facebook page.

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