

# Australian governments condemn workers and young people to destitution during Melbourne lockdown

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**8 June 2021**

The refusal of the Victorian state Labor administration and the federal Liberal-National Coalition government to provide any but the most minimal financial assistance to ordinary people during a lockdown of Melbourne, the country's second-most populous city, has intensified an already acute social crisis.

Charity groups and welfare organisations have reported a surge of people seeking food assistance, while many renters are facing the prospect of eviction.

The lockdown was imposed across Victoria on May 28 after two cases of COVID-19 were detected three days earlier. In just over two weeks, the cluster has grown to 94 new cases, including infections of the highly-infectious Delta variant, which has devastated India.

The lockdown was prematurely lifted in regional Victoria after one week but maintained for another seven days in Melbourne. The state Labor government is preparing to overturn it in that city as well, when it is due to elapse tomorrow, even though new infections continue to be recorded each day. This is in line with a campaign by the corporate and financial elite for the abolition of all safety measures, whatever the medical consequences.

The callous attitude of the ruling class on the health front is paralleled by an indifference to intensifying social hardship.

The Melbourne lockdown was the first of more than a few days' duration to be called in Australia since the federal government terminated its JobKeeper program. This provided businesses whose operations were impacted by the pandemic with up to \$750 a week, to pay a portion of their wages bill.

While it amounted to a cash handout to businesses, the abolition of JobKeeper was aimed at ending any, even nominal, government assistance for workers impacted by the coronavirus crisis. The end of JobKeeper was accompanied by a return of the JobSeeker unemployment payment to the below poverty-level pre-pandemic rate.

Within one month, this caused at least 56,000 Australians to lose their employment, according to data received by the tax office and reported by Treasury Secretary Dr Steven Kennedy at a senate estimates hearing Tuesday last week. Downplaying the impact of this loss, Kennedy said the department "would expect many of those who lost employment at the end of JobKeeper to regain employment in coming weeks."

The situation in Melbourne paints a different picture and reveals just how devastating the impact of the removal of JobKeeper is, under conditions in which the pandemic is far from over.

Steve Phillips, manager of the Community Support organisation in the Melbourne suburb of Frankston told the Australian Broadcasting Corporation (ABC) that last year they had "double the amount of client cases" compared with 2019. In the first quarter of this year, material aid requests to the centre were up 500 percent on the same time last year.

Phillips said, "People are making decisions in our community every day about what they can go without, and a lot of the time it's food or essential medicines."

Despite this high demand, Phillips said the centre was waiting to find out if they would receive a grant this financial year as they are facing "135 percent less federal funding" and currently do not know how they will maintain operations.

Dave McNamara, chief executive of Foodbank Victoria, told the ABC that in April "distribution was up 15 percent. In May it was up 19 percent and that's before the [latest] lockdown started." With the recent lockdown, McNamara reported that a number of agencies had to close because volunteering is not safe.

Other food banks in Melbourne have reported a rapid increase in demand. Planetshakers Pentecostal church, which has five relief centres across Melbourne and Geelong, said demand was five times higher than before the pandemic. Hare Krishna Food for Life told the *Age* that requests for

assistance had risen 100 percent since the lockdown.

Particularly hard hit are international students, who continue to be refused basic supports, such as the unemployment allowance, from the state and federal governments. They were also not eligible for the meagre JobKeeper payments and have been forced, through much of the pandemic, to rely on charity.

A pop-up food bank for international students opened in Victoria in October last year. Since the May lockdown was declared, demand has shot up by 50 percent. On June 2, five days after the start of the lockdown, 620 people visited the centre, the largest number recorded since its opening. Two days earlier they ran out of fresh food for the first time when 521 people visited, up from the daily average of 400.

Filipino student Marco Castaneda, interviewed at the food bank by the *Age*, explained that every day since the pandemic broke out, he had considered returning home. “We’re really struggling,” he said, “we don’t have any source of income, that’s why we’re here to get some food.”

With the moratorium of rent evictions having ended on March 28, 2021, many people face the prospect of being thrown out of their homes. The Salvation Army reported that 270 people who were classified as experiencing or at risk of homelessness sought a meal on May 31, up from an average of 200.

Eirene Tsolidis Noyce, secretary of the Renters and Housing Union (RAHU), told the *Guardian* that the pandemic had worn down the financial reserves of many renters, amid an ongoing property bubble. “For some people, 67 percent of their income is going to rent, so having two weeks with no work again is going to put these people into further precarity unless those rental protections are put in place again,” Noyce said.

RAHU has seen a 10 percent increase in the number of people coming to them for help since the end of the moratorium. “We have members carrying a lot of debt from the last 12 months, which is anywhere from \$2,000 to \$18,000 in deferred rental payments, due to not being able to pay rent at all in the past year,” Noyce explained.

A report by the Better Renting advocacy group last year revealed that from 5 to 15 percent of all renters may be in rental debt. A rent debt “bomb” has grown which cuts across the picture of a strong “economic recovery” in Australia, painted by Labor and the Coalition alike.

On top of the existing social hardship, when the Victorian lockdown began, an unknown number of casual employees were thrown out of work overnight, losing their primary or sole source of income. For the first week of the lockdown, they received nothing. Only several days into the restrictions did the Victorian state government announce a \$250 million subsidy, but this was directed to businesses.

After lobbying from the state administration, the federal government agreed to provide paltry assistance for the second week of the lockdown, well below the earlier JobKeeper rates.

The package potentially gives \$500 a week to those without pay, but only if they averaged more than 20 hours on the job. Those who previously averaged fewer hours will receive just \$335. There are extensive criteria, however, even to be provided these payments. If a worker has \$10,000 or more in savings they are not eligible and those on the sub-poverty-level JobSeeker welfare payments cannot apply.

The measure is aimed at entrenching the social hardship exacerbated by the pandemic and signalling that workers thrown on the scrapheap will receive next to nothing.

The package was also aimed at ensuring that there are no future lockdowns. The payment will only start in the second week of any such lockdown, effectively starving families in the first. It also enshrines the federal definition of a coronavirus hotspot, which declares that an outbreak can only be declared if an area records an average of more than ten infections per day over at least three days.

Based on this definition, the current situation in Melbourne may not have been classified as an outbreak and none of the previous clusters this year would have met the threshold.

The government definition was accepted by the national cabinet, which is composed of the federal administration and the state and territory leaders, most of them from the Labor Party. So was the pitiful level of federal assistance to ordinary people impacted by the Melbourne lockdown.

In other words, the political establishment is committed to an agenda that jeopardises the health and safety of ordinary people, by allowing COVID-19 to spread so there are no obstructions to corporate profit. At the same time, the pandemic crisis is being used to intensify an onslaught on the social rights and conditions of ordinary people, as the profits of the oligarchy soar.



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