

Australian government withdrawing COVID payments to workers to enforce “reopening” drive

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Amid the country’s worst COVID outbreak since the pandemic began, Australian governments are stepping up a campaign to lift limited lockdown measures, force workers into unsafe places of employment, and herd teachers and students into classrooms that will function as petri dishes for the virus.

Treasurer Josh Frydenberg today announced that the federal government will soon end disaster payments to workers who have lost their jobs or hours as a result of the pandemic. The measure is a transparent attempt to force workers into dangerous workplaces and low-paid jobs with inferior conditions, under threat of being placed on the poverty-level JobSeeker unemployment allowance.

The scrapping of the payments is tied to the “National Cabinet” plan for “reopening” the economy adopted by the federal government and all the state and territory leaders, mostly from the Labor Party. Under the “roadmap,” lockdown measures are to be terminated once adult vaccination rates reach 70 percent, with most other safety restrictions overturned at the 80 percent mark.

Governments admit that this program, which is based on corporate profit interests, not public health and science, will result in a major spike in infections under conditions in which the hospital systems of New South Wales (NSW) and Victoria are already in crisis. Medical facilities in other states and territories are nearing capacity also, despite having limited or non-existent COVID transmission.

The ending of the payments is intended to serve as a battering ram against widespread opposition among workers and young people to the dangerous reopening drive. The payments were always grossly inadequate,

being capped at \$750 a week for those who had lost more than 20 hours of work a week, \$450 for people whose shifts were cut by 8-20 hours, and \$200 for anyone who lost more than 8 hours but received other federal income support, such as a student allowance or parenting payment.

Once states reach the 70 percent target, predicted to be early next month in NSW and late October in Victoria, “the automatic renewal of the temporary payment will end and individuals will have to reapply each week that a Commonwealth Hotspot remains in place to confirm their eligibility.” In other words, workers will be made to go cap in hand every week to request a payment, which could well be denied to them.

Once 80 percent vaccination is reached “the temporary payment will step down over a period of two weeks before ending.” In the first week, there will be a flat payment of just \$450 for anyone who has lost hours, even if more than 20, and only \$100 for those on any other form of income support. For many workers, the \$450 will be less than half the wage they would otherwise have received from their employers.

The government statement contemptuously declared: “For those who haven’t already returned to the workforce following the end of the temporary payment as the economy opens up, the social security system will support eligible individuals back into work.” In practice, jobless workers will be on the \$320 a week JobSeeker payment from the second week that the disaster supplement tapers off. For many, this will be less than required to meet mortgage or rent payments, let alone other expenses.

Frydenberg linked the cutoff to forcing the population to accept being threatened with illness, and even death,

for the foreseeable future. “As I have said before, we can’t eliminate the virus, we need to learn to live with it in a COVID-safe way,” he said.

Frydenberg said the move would aid an economic “bounce back” as “restrictions ease.”

This announcement demonstrates the content of the supposed “recovery.” On top of a deep-going social crisis that already exists, broad sections of the working class are to be pushed into poverty and social misery. They are to serve as a vast pool of cheap labour for the major corporations and businesses.

The government’s move coincided with public complaints from business chiefs over a supposed labour shortage. Significantly, the executives who have spoken out include those of Australia Post and the major supermarket chains, Coles and Woolworths.

Together with the trade unions covering Australia Post, its management has used the pandemic to impose a major restructure. The introduction of an “alternative delivery model” last year resulted in a massive increase to workloads as the national postal service focused on lucrative parcel deliveries in preparation for privatisation. While the delivery model is currently being recalibrated, in close collaboration with the unions, anecdotal reports indicate that the overhaul forced hundreds of longstanding posties, with full-time permanency, to leave the company.

While some of the shortages at Coles and Woolworths have been ascribed to staff being forced to isolate after potential COVID exposures, the two corporations also have deepened an offensive against full-time positions during the pandemic. Coles is in the midst of a restructure aimed at shuttering five warehouses in New South Wales and Queensland and replacing them with two automated facilities by 2024, at the cost of around 2,000 jobs. Woolworths is seeking to close four warehouses over the same time period, to the destruction of some 1,300 positions.

Both companies have sought to undermine the conditions of supermarket staff, including by slashing overtime payments.

In other words, the winding back of the disaster payments is one prong in a sweeping corporate restructuring being enforced by the unions. Throughout the pandemic, corporate publications and government leaders have described the crisis as an “opportunity” to institute pro-business changes to workplace relations,

centring on the destruction of full-time positions and the few rights that workers retain.

Deaths and hospitalisations continue to increase in Australia’s two most populous states. Today saw record fatalities during the current outbreak, with 15 deaths in NSW and 7 in Victoria. Infections in NSW continue to be above 800 a day, amid lower testing rates than previously, while daily cases in Victoria are approaching 1,000.

Nevertheless, both state governments—one Liberal-National and the other Labor—are preparing to lift lockdowns from next month, on October 11 in NSW and later in the month or early November in Victoria.

Official modelling produced by governments in both states indicates that these policies threaten to crash their hospital systems. In NSW, doctors and nurses continue to speak out publicly about the unprecedented crisis they face, even before a predicted spike in COVID admissions late next month. In Victoria, Royal Melbourne, one of the state’s largest hospitals, was compelled to close its COVID-testing clinic yesterday so it could divert staff to overwhelmed emergency and intensive care units.

All the policies of the governments and the ruling class, from the assault on jobs and conditions, and refusal to provide workers’ financial assistance, to endangerment of health and safety, and chronic underfunding of the hospital systems, flow from the subordination of social need to private profit. The crisis, on multiple fronts, underscores the need for the establishment of workers’ rank-and-file committees to prosecute a struggle in defence of health and lives and social rights, guided by an opposed socialist perspective.



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