



“The future of work in Australia”

The Hon. Barry O. Jones

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**THE FUTURE OF WORK IN
AUSTRALIA**

The Eleventh Sambell Memorial Oration
delivered by

The Hon. Barry O. Jones, MP
National President, Australian Labor Party

~~B4696~~

on
11 August 1992

Brotherhood of St Laurence

G.T. Sambell Memorial Trust

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FOREWORD

In honour of Geoffrey Tremayne Sambell

Geoffrey Tremayne Sambell was born in Broadford, Victoria in 1914 and later attended Melbourne Boys' High School. His leadership qualities were recognised when he was selected for the Lord Somers Camp, after which he played rugby with Powerhouse. This fostered his interest in young people and led him into a leadership role in the Church of England Boys' Society.

During a short but promising business career he was involved with St Mark's Social Settlement during the 1930s. He was then called to the ministry and he entered Ridley College and was ordained in 1940. After serving a curacy at St John's East Malvern he served with great distinction as a Chaplain with the Australian Military Forces, both in the 57/60 and 2/11 battalions in New Guinea where he was mentioned in dispatches. After the war he completed his Bachelor of Arts at Melbourne University.

In 1947 he was appointed Director of the Melbourne Diocesan Centre, a co-ordinated multi-parish and chaplaincy venture based in the inner city. While in that position he was appointed as Archdeacon of Melbourne in 1961 when he became for a time the Director of Home Missions. In the midst of his Diocesan responsibilities and his leadership of the Brotherhood of St Laurence, he was also Warden of the Mission to Streets and Lanes, and involved in other welfare activities including the Victorian Council of Social Service. He was consecrated Bishop in St Paul's Cathedral Melbourne on 24 February 1962 and subsequently enthroned Archbishop of Perth in 1969. He died in December 1980 after an outstanding Episcopate in Western Australia and throughout the national church.

The G.T. Sambell Memorial Oration has been established by the Brotherhood of St Laurence to commemorate his work. His connection with the Brotherhood was longstanding and arose out of his deep social concern which had been the chief among the several

forces which led him into full-time service of the church. He had great organising ability, recognised by Fr Tucker who invited him to join the Brotherhood in 1949. He was firstly involved as a member of the Board of Directors, then as Bursar, Director of Social Services and in 1956 Director and Deputy Chairman of the Board; later in the 1960s he became Chairman of the Board, a post he retained until he moved to Perth.

Geoffrey Sambell was a big man, in body, mind and spirit. Long before he died (at the age of 66) his influence had been felt far and wide in the Anglican Communion and in the ecumenical movement beyond. He twice represented the Australian Church at the East Asia Christian Conference, and was the representative of South-East Asia on the Executive Officer's Advisory Committee of the Lambeth Consultative Body. In Australia he was the dynamic Chairman of the General Synod Social Responsibilities Commission, which under his leadership spoke out for the national church on social questions. He was respected and listened to by Government at both State and Federal levels, and in 1978 he was appointed Chairman of the Federal Government's Social Welfare Advisory Committee.

He was a forceful character who could, and sometimes did, ride roughshod over opposition, backing his judgment and knowing that he was right. But behind the bluff exterior he had the heart of a pastor who never spared himself for anyone—clergyman or layman—who needed his help. He had vision, but it was a very “down to earth” vision; he was a loyal Anglican, but at the same time a wholehearted ecumenic; he was a missionary missionary, but spurned paternalism or ecclesiastical triumphalism; he was an ordained priest, but no one welcomed the rediscovered “priesthood” of the laity more than he did or had more friends amongst them.

Leader, pastor, organiser, financier—he was all these, but much more, a man of God.

G. T. SAMBELL ORATIONS

- 1981 Why Care? The Basis for Christian Social Action; Frank Woods.
- 1982 God, People and Resources: A Christian Comment on the Values of Australian Society; Oliver Heyward.
- 1983 Educating for Justice: A Conversation with the Church about its Life and Gospel; Denham Grierson.
- 1984 Giving and Receiving: The Framework of Social Support for Individuals and Families; Jean McCaughey.
- 1985 Ancient Laws and Modern Dilemmas; David Scott.
- 1986 Parish Piety and Public Pragmatism; Michael Challen.
- 1987 “Be It Ever So Humble... There’s No Place Like Home”; Peter Hollingworth.
- 1988 Leadership and Vision in Social Action: When the Dream Expires. Can the Vision Revive?; Robert Dann.
- 1989 “Lucky St George” or “Knowing What It is”: Christianity and the Current Crisis; Veronica Brady.
- 1990 “Renewing the Commonwealth”; Brian Howe.



THE FUTURE OF WORK IN AUSTRALIA

ARCHBISHOP SAMBELL

I was flattered, and then humbled, to have been invited to deliver the 11th G.T. Sambell Memorial Oration.

Geoffrey Tremayne Sambell (1914–1980) was a remarkable man and I was privileged to know him, even if only slightly.

I first met him in 1949 when I took part in a camp organised by the Brotherhood of St Laurence down at Ocean Grove.

The moving spirit was the Rev. Geoffrey Sambell. This was his first year with the Brotherhood, of which he became Director in 1956.

Boys from Melbourne High School (his old school) were invited to mix in with what were then called the “underprivileged”.

Years later my mother worked for the Brotherhood, managing the salvage division and when I visited her at work, which was fairly often, I sometimes talked with him.

He was a very impressive figure. I was taken with the description that Bishop Robert Dann gave in his 1988 Oration:

His was not a formally trained and disciplined mind when it came to social issues. But he had an unerring instinct, primitive and passionate if you like, which invested him with authority and power. He seldom strayed from his original, dynamic call and he was prompt in its recovery.

After he was called to Western Australia in 1969 to become the first Australian-born Anglican Archbishop of Perth, I saw him occasionally at airports and, after 1978, in Canberra after my

translation to the House of Representatives and his appointment as Chairman of the Federal Government's Social Welfare Advisory Committee.

He had a remarkable quality for leadership.

His death in December 1980 was a blow not only to the Church he loved but to the nation.



THE CENTRALITY OF WORK

In inviting me to deliver the 1992 Oration, Bishop Michael Challen asked me to open up the theme of "The future of work" and it is proposed that the orations in 1993 and 1994 develop the same subject.

My book *Sleepers, Wake!* (Oxford University Press 1982) was subtitled, "Technology and the Future of Work". The subject has interested me for many years.

Some of this Oration is drawn from *Sleepers, Wake!* and also from material I wrote for the report of the House of Representatives Standing Committee for Long Term Strategies, *Expectations of life: increasing the options for the 21st Century* (AGPS 1992).

Work is central to all economic and social life and probably to the human condition itself. In the technologically advanced "First World", there are two distinct trends in the 20th Century; a sharp increase in life expectancy, especially active life, and the reduced need for labour inputs (especially physical work). This leads to the paradox that people live longer but work less. Paid employment provides the income which is so important for quality of life, the identity which is so important for self-esteem and social confidence, and the meaningful activity which is so important for feeling useful and avoiding boredom. Work is critical to self-recognition or definition ("I'm a plumber") and community

recognition (“He/she’s still working”, with its coded implication, “He/she is still useful”). Naturally some jobs are more rewarding than others: the greater the skill, the education required and the degree of responsibility, generally speaking, the greater the work satisfaction. In the post-industrial era we are moving away from a world in which employment is dominated by repetitive mechanical tasks needing physical effort (the world of Ford and Taylorism) and gradually moving towards an economy in which most employees will have a range of skills and the chance to carry out a variety of tasks—however traumatic the sense of dislocation during the period of transition may be.

While some employees look forward eagerly to retirement and take it as early as they can, others resent the compulsion to retire and would like to continue working for as long as they choose. While there have been few studies of the factors determining the decision to retire, it is clear that the decision hinges most crucially on these questions: state of health, level of retirement income and work satisfaction.

For women the position is rather different from that of men. Married women who have not been in employment can expect little change in their lives beyond, for better or for worse, having their husband around the house more often, with the possibility that this change will increase the level of their domestic labour. Women who have worked are less likely than men to have superannuation cover and are more likely to want to continue working, or even to seek work, at later ages.

In 1911, 72 per cent of males aged between 65-70 were in the work force, a time when their life expectation was only 55 years. By 1961 participation had fallen to 40.1 per cent, and by 1984 it was 10 per cent, at a time when life expectation had risen to 72 years. The effects of the increasing number of old people in Australia on work patterns should be the subject of ongoing debate. It has long been felt that, from an equity point of view, the restrictions on the employment of older people should be relaxed and their freedom of choice increased. That is vital. Older people (and indeed, the

middle aged) should have the freedom to choose whether to retire or to continue working, but freedom is only theoretical if the iron law of necessity prevents people from having a range of future options from which to choose.

To continue working, people need as a minimum:

- adequate health and fitness;
- a satisfying job; and
- the sense of being valued as useful, not a beneficiary of charity.

Australia is a “post-industrial society”, using the term as a neutral description of an economy where the majority of the labour force is no longer employed in agriculture, mining, manufacturing, construction and directly related industrial services such as retailing, storage and transport. About 78 per cent of the Australian labour force is employed in “services”, as conventionally defined. Manufacturing reached a plateau as a proportion of the labour force in Australia in 1945, stayed there for two decades, then started to fall, a 46 per cent contraction over 27 years (27.6 per cent in 1965, 15 per cent in 1992).

This “post-industrial” phenomenon also occurred in the United States, the United Kingdom, Canada, Sweden, Japan, West Germany, France, Italy, New Zealand, and other countries over roughly the same period. In each case industrial employment reached a peak, and then began to fall rapidly. The trend is unlikely to change. It is essential that we do not confuse the *size* of an economic sector and its *strength*: in agriculture, mining and manufacturing there is often an inverse relation between percentage of the labour force and sectoral strength.

What Australia is currently experiencing is not an industrial society in decline which needs temporary support—tariffs, quotas, bounties—for restoration, but a new type of society with different economic bases. It is no longer a national, self-sufficient economy but an aspiring major contributor to a global one. Knowledge and skill have replaced raw material and muscle-power or the

traditional willingness to work harder; we have a post-industrial or information society which is operating pretty much as one would expect, but which needs the shock of recognition to enable it to fulfil its productive capacity. It must be recognised as the economic paradigm for economies like ours.

My book *Sleepers, Wake!* proposed what I immodestly called “Jones’ Eight Laws” of which 1, 2 and 6 are central to this Oration.

- 1 Employment levels are culturally determined. (The questions of whether women work, whether people enter the labour force early or late, whether they do the same work as their parents, have striking national, regional, class and ethnic variations.)
- 2 Technological innovation tends to reduce aggregate employment in the large scale production of goods and services, relative to total market size, after reaching maturation and to increase employment at lower wage rates in areas complementary to those technologically affected. (Mechanised farming created a labour surplus in the cities, the automation of telephone exchanges led to rapid growth in quasi-domestic service employment, such as fast food.)
- 6 Rising levels of employment depend on increased demands for a diversity of services, many stimulated by education. Over-specialisation and economic dependence in particular regions on a single employment base inhibits the development of service activity. (Simple societies reduce the range of jobs available, complex societies enlarge them.)

In the years 1965–89, 3.5 million new jobs were created in Australia (an unusually high rate of growth), not one of them *net* in manufacturing. Most of these new jobs were in two areas:

- 1 Low grade service jobs, many of them traditional domestic or quasi-domestic service translated to the market economy, such as the eating and drinking business, care of children and the aged, cleaning and maintenance.
- 2 “Information” work, essentially white collar, including accountancy, banking, teaching, law, the arts, welfare, computing, bureaucracy, research and communications.

Neither growth area was anticipated, planned for, or specifically trained for.

Governments have been extraordinarily slow to grasp the significance of the growth of the “information” labour force, people collecting, processing and disseminating information, which is now so large and homogenous as to require recognition as a separate element in labour force statistics; it cannot be aggregated as part of the general “Services” category essentially a mere residual category (odd for something so large).

By 1992 “information” related employment in Australia accounted for 42 per cent of the labour force. All of us at this Oration fall into this category—clergy, public servants, welfare workers, politicians, journalists.

The growth of “information” employment mirrors the explosive increase in education: it provides many work opportunities for the better educated, especially the computer literate. It provides no opportunities for the traditional proletariat workers who relied on their physical capacity and were traditionally described as “hands”.

The next 20 years may well see more unexpected growth.

CHANGING PATTERNS IN WORK AND TIME-USE

Greater productivity caused by technological change generally leads to increases in income and a reduction of the working year. However, it is far from certain how far further technological advances will lead to a dramatic reduction in labour demand.

In 1908 the average working week in Australia was 52 hours. The period 1908–47, an era of generally high productivity growth resulted in a gradual 12-hour decrease in weekly hours and an increase in holidays.

The years 1947 to 1992, marked by generally lower productivity gains, have seen the introduction of the world’s most generous long service leave, provisions for sick leave, and increases in annual

leave. The working year has contracted (by more than 20 days). The working week has barely reduced at all, taking overtime and moonlighting into account. The participation rate, to be discussed later, is unusually high and despite the depressingly high unemployment figures, especially among the unskilled, in particular regions, suggestions that we face an imminent collapse of work are premature.

Labour statistics indicate some striking national variations.

Australia used to have the shortest working year (229 days, from which deductions need to be made for long service and sick leave). However, Germany's working year is now 221 days. France and Sweden work for 225 days, Canada for 229, the UK for 230, the US for 231 and Japan for 232.¹

In most OECD countries, work accounts for between one-sixth and one-seventh of a lifetime.

TWO TYPES OF EMPLOYMENT AND TIME USE

There are two basic and fundamentally contradictory forms of employment and time use in modern society:

- 1 labour/time-saving;
- 2 labour/time-absorbing.

In Volume 1 of *Capital*, Karl Marx distinguishes briefly between "dense" and "porous" employment, and refers to

... the compulsory shortening of the hours of labour. This gives an immense impetus to the development of productivity and the more economic use of the conditions of production ... The denser hour of the 10-hour working day contains more labour, i.e. expended working power, than the more porous hour of the 12-hour working day.²

1 Ibis Business Papers: *Employment in the Nineties and Beyond* (August 1992): quoted with kind permission of Phil Ruthven.

2 Penguin, London, 1976, p.534.

This distinction is implicit in his *Grundrisse*, Notebook VII.³

Labour/time-saving work (usually called “capital-intensive”) is characteristic of the division of labour and technological efficiency in agriculture, mining, manufacturing construction and some services (e.g. retailing, storage, or bulk transport). It is directed towards the maximum output of some tangible “good” (or maximising access to it) for a minimum investment of labour and time. Its success is measured objectively—by market profitability, “cost efficiency” and productivity (a relative test). With new employment patterns, the development of a global economy, and adoption of new technology, a decreasing proportion of Australians need to be employed in labour/time-saving work.

Labour/time absorbing work (usually called “labour-intensive”) is characteristic of most service employment in sophisticated economies. Historically, it included those for whom work and existence were inextricably linked, unaffected by “division of labour”: farmers in subsistence agriculture, domestic work and childrearing by women, and people devoted to a vocation-centred life where market forces were irrelevant (religious, craft workers, poets, musicians). Now it includes education, health and welfare, provision of meals and accommodation, information services, administration, research, tourism and entertainment. Its products are increasingly costly and their “value” notoriously difficult to measure, except subjectively. An increasing number of Australians are employed in such occupations.

Within all advanced economies there are two employment sectors, which co-exist but with completely different aims, organisation, funding and technology; “the market sector” and “the convivial sector”.

The market sector is essentially capitalist (even where the state provides the capital) and investment aims to provide goods and tangible economic services—food, housing, clothing, energy, vehicles,

3 Penguin, London, 1976.

entertainment, tourism—which are sold, with the intention of profit, to satisfy domestic needs and, where appropriate, for export).

The convivial sector is largely (and will be increasingly) publicly funded and/or managed. It includes education, municipal, health and welfare services, much of entertainment, sport and the arts, and some information services. Most of its products are non-economic and incapable of being exported or sold at a profit: many of them (e.g. nursing services) are “consumed” each day and have to be provided again. The aim of this sector is primarily community well-being—something which economists and statisticians find notoriously hard to measure as yet—although it makes an indirect contribution to the market sector through education and health, and its influence on patterns of demand. The convivial sector is theoretically egalitarian and community-based, although in practice it may become centralised and bureaucratic.

TECHNOLOGY, UNEMPLOYMENT, CLASS AND CULTURE

The impact of technology on employment cannot be understood in isolation: class, cultural and regional factors must be taken into account as well. Technology has a negative effect on working-class jobs such as high volume process production work and a positive effect on small volume high value-added professional work. Manufacturing and construction have overwhelmingly working-class labour forces, with a very high migrant component in most states. In our white Anglo-Saxon Protestant society, in the golden age of “full employment” which ran to 1973, the most physically arduous, boring and dangerous jobs were reserved for working-class migrants. Now, with the growing use of robots, numerically controlled tools and CAD/CAM (computer aided design and manufacture) many of these jobs are disappearing. The blue collar labour force is in significant decline. In 1947 64.8 per cent of Australia’s labour force was “blue collar”, falling to 38.5 per cent by 1989.

The poorly educated are at grave risk: the highly educated are in a better position although there are some exceptions such as the over 50s, and the problem of over-qualification in some subject areas is serious. Unemployment is overwhelmingly a class phenomenon, highly concentrated in areas marked by over-specialisation in manufacturing such as the central and western suburbs of Sydney and Melbourne.

One major impact of technology is to require a higher mean skill level and many jobs previously held by the unskilled have disappeared. There is little demand for 15-year-old unskilled youths, even at the bargain basement wage rates proposed by Dr John Hewson.

As I have been saying for years, postcodes determine life-styles and life-chances, far more than technology. Identify someone's postcode and a fair estimate can be made of his or her educational background and prospects for satisfying work.

The barriers to reduced unemployment levels in working-class and rural areas are cultural, psychological and environmental, not just economic. In many areas high productivity and quality of life are inversely related so that the area fails to attract new people, new skills and new capital which could diversify the traditional employment bases. Instead the trend towards over-specialisation and obsolescence is speeded up, especially when there is an inadequate education base.

There is a cultural chasm in employment expectations between the working class and the middle class. Middle-class people, with their adaptability and flexibility, enter the labour force late, often in their 20s, move in and out of careers and localities as easily as they move in and out of marriages, they break continuity with working holidays and overseas travel and can leave work early or late as it suits them without worrying too much about whether they will have 35, 40, 45 or 50 years of it. They are generally relaxed about adapting to new technology. People employed in the new "Information" sector are overwhelmingly middle class. Working

class people suffer from considerable cultural rigidity, often being anchored to a particular job type and to a specific region. Home ownership is a factor which ties them to declining regions—"Who would buy my house if I move?", they ask. Many men started at 15, expecting a 50-year stretch (long service leave notwithstanding). They dared not get off the treadmill, even temporarily, for fear of never getting back on. At 65, they often self-destructed when compulsory exclusion from work meant the curtailment of income, some loss of life's purpose and an end to the primary social relationship, often followed by rapid physical deterioration.

REGIONAL FACTORS

For an accurate picture of unemployment regionally and sectorally, the Government should publish a detailed map to indicate the specific location of types of work which are developing and those in decline.

It would be even more illuminating, if somewhat brutal, to mark with flags those areas which are dominated by jobs which were characteristic of the 1950s, those characteristic of the 1960s, the 1970s and those thereafter.

A Federal electorate such as Kooyong (Kew, Hawthorn, Canterbury) would be marked by a flag indicating 1980s and 1990s type jobs characteristic of a post-industrial society, dependent on high levels of education, high income levels, high participation by women, and low unemployment.

Some traditional working class or rural electorates still find themselves in a time warp—with the labour force dominated by mainstream employment of the 1930s, 1940s and 1950s. It is easy to see why 1950s jobs are under threat—because the world of the 1990s is not looking for 1950s' skills. These areas lack the skill base or the investment levels needed to make an easy transition to the world of work of the 1990s. Transition from a 1950s' work situation (with 1950s' skills) to one matching the 1990s is not merely difficult: it may be impossible.

We have failed to take these sectoral, regional and temporal factors seriously in discussing unemployment.

In the past decade, the labour market has shown extraordinary and often unexpected volatility: for example with the 86,000 jobs created in the months June–July 1992. However, the figures indicate an increasingly serious factor—the large numbers of long-term unemployed who suffer the psychological and economic change of exclusion from work for more than one year.

Statisticians habitually present unemployment statistics as a national aggregate—11 per cent across the board at the moment. These figures are usually broken down into state and territorial figures as well but are rarely subdivided into the specific areas where people live and where the social impact of unemployment is felt.

In a way, the national figures can be regarded as a convenient statistical fiction. From a Canberra perspective they are all important to provide a “top down” view. But from the “bottom up” perspective national aggregations may be misleading.

Loss of manufacturing jobs seems of only minor significance in Canberra, where that sector is very small, only 3.75 per cent of its labour force.

Employment in textiles, clothing and footwear (TCF) (94,300 people) accounts for 1.2 per cent of all jobs in Australia—in Canberra the figure is barely 0.1 per cent!

However, in many areas in Victoria and South Australia TCF employment is far higher, and the social and economic impact of sectoral unemployment can send shock waves throughout communities.

In Wills (including Brunswick, Coburg, Essendon, Fawkner, Glenbervie, Oak Park, Pascoe Vale and Strathmore), textiles accounted for 1.2 per cent of employment in 1986, clothing and footwear 5.4 per cent, a total of 6.6 per cent. Stretched across the

electorate, these figures are slightly less than employment in education (7.1 per cent) and a little more than health (6.0 per cent). However, in Brunswick and Coburg, TCF employment is a little higher (8.1 per cent and 7.7 per cent).

Some economic rationalists argue optimistically that a decline in traditional employment areas in particular geographical regions will lead to a freeing up of the labour market and the creation of new types of work. A spokesman for the Melbourne Tasman Institute brightly suggested on radio that tourism had good prospects for Wills. I would have thought that a five star international hotel, even with casino, was an unlikely prospect for Brunswick or Coburg.

In times of recession the very factors that once led to high levels of sectoral employment in specific regions will have extremely negative effects. At one time the availability of large numbers of semi-skilled or unskilled migrant women would have been seen as a major factor to attract investment in textiles, clothing and footwear in particular towns or suburbs. When demand is reduced anyway and consumers are looking for a more diversified range of products not to mention the impact of foreign mass production at low unit cost coupled with the decline of tariff protection and quotas, then the very factors which encouraged an artificially high level of employment (both regionally and sectorally) led to rapid rates of job loss.

There is no magic in tariffs, which can help to create an illusion of job security. It is worth noting that in the period 1985-89 when TCF tariffs *rose*, job loss was higher than in the years 1989-92, when they *fell*. Victoria, historically the most protected state, boasted the best national employment figures for more than 90 months in the 1980s until the cold winds of economic reality led to a harsher, sharper fall than in any other state.

The problem of economic over-specialisation has been acute in many areas—especially economies devoted to mining, dairying, sugar, timber—where the workers had no second line of defence.

PARTICIPATION RATES

Participation rates are important indicators of the economic, social and personal impact of unemployment.

Australia defines “participation rate” in an unusual way: those people aged 15 years *or more* “in work or actively seeking it”. The participation rate is expressed as a percentage of all people including those in their 70s and beyond, in or out of care. The current figure: 63.2 per cent is very high, close to our historic high of 63.4 per cent.

This 63.2 per cent includes at present 11 per cent unemployed, that is, 11 per cent of 63.2 per cent: if we deduct the product of 63×11 (i.e. 7 per cent) from 63.2, this takes the actual number in work—both full and part-time—back to 56 per cent, which would have been defined as “full employment” in the 1960s, sometimes even “over-full employment”.

The labour force of the 1990s is radically different from that of two or three decades ago. It is quite difficult to compare them.

The labour force of the 1960s was overwhelmingly male and unskilled. Now more than 62 per cent of females in the age group 15–64 are offering for work. A high proportion of over-60s used to be still at work: now barely 50 per cent are.

The great bulk of 15 to 19-year-olds used to be competing for jobs—now more than two-thirds are involved in secondary or tertiary education, including TAFE.

Youth unemployment in 1992 is radically different from what it was in 1982. The proportion of young people actually looking for work has fallen dramatically as the overall demand for skills has increased and entry to the labour force is now several years later than it used to be. However, the contracting number of jobs available for unskilled 15 to 19-year-olds highlights a serious social problem, compounded by regional factors: the problem is not evenly spread across the nation.

Considering the deductions from the old labour force, the current level of the participation rate is surprisingly high.

Male unemployment is a highly visible social factor. Jobless men can be observed in the street. Female unemployment is far less visible. When women return to unpaid domestic duties the significance of their income loss often seems to be ignored.

Statistics used by the Organisation for Economic Co-operation and Development (OECD) define the total labour force in two ways (i) as a percentage of population from 15 to 64 years and (ii) as a percentage of total population.

There are striking national variations—and these variations, as much cultural as economic in significance—have a major impact on how unemployment levels are recorded and perceived.

In category (i) the labour force as a percentage of those aged 15–64, in 1990 Australia's figure was 74.4. In category (ii) the labour force as a percentage of total population, the Australian figure for 1990 was 49.8. Other figures were:

	(i)	(ii)
Sweden	83.2	53.5
United States	76.6	50.3
United Kingdom	75.8	49.5
Canada	75.5	51.7
Australia	74.4	49.8
Japan	74.1	51.7
New Zealand	71.5	47.2
Italy	61.1	42.7
Ireland	60.8	37.3
Spain	58.8	39.4
OECD average	71.4	47.5

If Australia had the participation rates of Spain, Ireland or Italy we would have a massive labour shortage. If we had Sweden's rate we would be regarded as an employment wasteland.

Where female employment used to be skewed towards menial, quasi-domestic employment (cleaning, repetitive work), and manufacturing the 1986 Census returns indicated that by far the highest rates of female employment is in relatively affluent areas (of 25 Federal seats where between 42.2 and 46.8 per cent of women are in the labour force, 18 are held by the Liberal Party) and the lowest in traditional working class or rural areas (of 25 Federal seats with rates between 32.5 and 37 per cent, 15 are held by the ALP, seven by the National Party, three by the Liberals).

The female participation rates as recorded by OECD are also strikingly varied, again (i) as a percentage of females 15–64 and (ii) as a percentage of the total female population.

	(i)	(ii)
Sweden	81.1	50.7
United States	68.1	44.1
United Kingdom	65.1	41.4
Australia	62.3	41.0
Japan	60.4	41.3
New Zealand	59.3	38.8
Canada	58.2	45.4
Italy	44.5	30.6
Spain	40.9	25.9
Ireland	38.9	23.5
OECD average	59.3	38.8

Unemployment has a devastating impact on the Koori community—but stretched across a nation the figures might seem too small for comment: a dangerous fallacy when we reflect that social damage always has specific victims, it cannot be generalised.

There is some variation in participation rates in the Australian states, and this is even greater in the Territories.⁴

New South Wales	62.3
Victoria	63.3
Queensland	63.9
South Australia	61.6
Western Australia	65.0
Tasmania	60.2
Northern Territory	72.2
Australian Capital Territory	72.8
Average	63.2%

FINDING ALTERNATIVES

Many voters have ready-made solutions to current levels of unemployment proffered whenever a politician comes into sight.

These fall into several familiar groups:

- make job sharing mandatory, so that a larger number of workers carry out a given amount of work;
- get rid of older workers and create opportunities for the young;
- get rid of women and create opportunities for men or
- get rid of migrants, or at least reduce the migrant intake, and create opportunities for locals.

Superficially attractive as these ideas might seem (depending on whether one stands to lose or gain), they are based on a fallacy: the concept that at any given time there is a finite amount of work and that one worker off automatically means another worker on.

4 ABS, July 1992.

This does not happen in the real world. The real labour market is extremely segmented, taking account of skills, regions and experience. The retirement of an experienced female office worker, nurse or teacher will not automatically create any opportunities for unskilled males. The location of prospective vacancies and the place where the job seekers live are often ill-matched.

Job sharing is an important factor in the labour market and it suits some workers, for example women with young children, to share an income, 50-50. But there are limitations. Theoretically having 40 workers on the job for 30 hours a week ought to be the equivalent of 30 workers for 40 hours per week (the mathematics are the same, anyhow) but in practice it rarely works out like that. It is difficult to split five jobs by a fifth each to provide one additional wage. The emphasis on work sharing is also defensive and pessimistic, assuming that the labour force will be static—or in decline—for the foreseeable future.

Arguments for the abolition of holiday loadings, overtime and for substantial reductions in labour and “on costs” assume a pessimistic view about a static labour market, often accompanied by the false assertion that Australia’s labour costs are unusually high. (Compared with other OECD members Australia’s labour costs are low. Unfortunately productivity is low too.)

The skills of the aged are rarely matched by the young, who generally need to learn on the job.

I am no enthusiast for mandatory retirement and I resist the concept of “statutory senility”. Nevertheless, if people want to get out of the labour force early, they ought to be able to do it. Similarly if they want to stay on later.

The development of universal superannuation cover ought to make this easier. I have long advocated the idea of “Guaranteed Minimum Income” (GMI), enabling income support to be paid as appropriate to individuals, recognising a gradation of needs. This would make it easier for recipients to move in and out of the labour force as they wished (if the job market was buoyant).

One sensible reform is long overdue: the reduction of eligibility for the Age Pension for males to the age of 60 years. The retirement age of 65 is an extremely arbitrary figure. (Retirement at age 65 is often wrongly attributed to Bismarck, who is said to have argued that hardly anyone would live long enough to collect the pension.) Women can “retire” at 60 already. It is an injustice that men cannot do the same.

Men aged 60 or more find overwhelming difficulty in getting back to work once they leave, or suffer a period of illness. They receive an unemployment benefit of \$306.10 per fortnight for a single man.

If they were eligible for the Age Pension they would receive \$306.10 per fortnight—exactly the same amount. It would cost the revenue no more for such men to transfer from one fund to the other—but there would be other benefits, largely psychological. A man could then say: “Now I have retired—and I can find something useful to do, such as volunteer work”. Now he says: “I can’t find a job, and I feel useless and unwanted”.

It might also have the effect of encouraging men to retire, perhaps reducing the participation rate by as much as 1–2 per cent—a useful reduction in the published unemployment figures.

Migrants are an easy target. Often they do physical work that never appealed to laid-back Australians and it is very important not to encourage discrimination against them.

However, my colleague and friend Clyde Holding has drawn attention to one aspect of the Closer Economic Relationship (CER) with New Zealand which deserves some scrutiny at a time when we are comparing the New Zealand, Australian and Victorian economies.

Under CER New Zealanders have ready access to Australia and its labour market, and many avail themselves of that opportunity. Australians have similar access to New Zealand but do not take it up.

Paul Keating has been reminding us this week that the New Zealand labour force has not grown since 1983, while the Australian labour market has grown by 25 per cent in the same period.

Clyde Holding points out:

At the 1986 census there were 211,670 New Zealanders living in Australia, making up 1.37% of the workforce. Using this as a base, it is easy to compare how over-represented New Zealanders are in terms of the workforce, receiving welfare payments, as part of the prison population, etc. The New Zealand born population in Australia is over-represented in terms of both its male component and the numbers in the age groups 20-24 and 25-29 in relation to the Australian population.

The number of New Zealanders in the Australian workforce as at May 1992 is 184,100. This is 2.1% of the workforce. The high labour force participation rate of New Zealand born adults is due to the concentration of the population in the younger working age groups where participation rates tend to be high. The total New Zealand full-time labour force is 1,278,204 (according to the 1986 census) of which 17,388 are Australian born.

Australians make up 1.4% of the New Zealand labour force. The number of New Zealanders working in Australia is 14.4% of the New Zealand labour force.

As at February 1992 18,798 New Zealanders were collecting Job Search Allowance and New Start Allowance (Unemployment Benefits). This was 2.36% of Unemployment Benefit recipients. Unemployment Benefit is Australia \$A281.90/fortnight and in New Zealand \$A244.00/fortnight, giving New Zealanders an incentive to come to Australia to claim this benefit.⁵

The New Zealand unemployment level is kept artificially low at Australia's expense.

If the 184,100 New Zealanders were back home they would take the unemployment rate there from 11 per cent to 25 per cent, and reduce ours from 11 per cent to 9 per cent since Australians could take up the jobs vacated.

5 A. C. Holding, MP "Proposal for Caucus regarding New Zealand Immigration", St Kilda, August 1992.

As their figures look healthier, ours look worse. It would be interesting to have some comments on this from Mr Bolger and Dr Hewson.

SOME EMPLOYMENT OPTIONS

Making appropriate responses to the changing nature and expectations of work in a post-industrial (or post-service) society depends, unless we are merely prescribing palliatives, on recognising and understanding what is happening. Analysis comes first. The remedies proposed arise from the analysis, and recapitulate my central thesis in a step-by-step program.

The greatest stimulator of employment is a growth in investment, economic activity and the revival of confidence.

Robust optimism and a willingness to invest can be a great employment stimulator as the years 1983–86 demonstrated in Australia.

Nevertheless, in the absence of new investment and the revival of economic vitality, there are still opportunities for labour force absorption.

Such work would need to be:

- labour/time-absorbing (and consequently low in productivity);
- not subject to direct competition from technology;
- not subject to foreign competition (or needing tariff protection or quotas to survive);
- not based on large scale capital intensive enterprise;
- not based on producing commodities which have an extended life;
- not based on a new invention or technological form;
- low resource using (not entropic);

- aimed at the satisfaction of individual needs (e.g. providing a million different garments rather than the same garment a million times);
- based on fulfilling human needs on a continuing basis (e.g. restaurants, entertainment, sex-related employment), not once and for all;
- in itself an output of production (i.e. activity for activity's sake, such as professional sport, research, gardening, music and craft, welfare industries).

In 1982, in *Sleepers, Wake!* I identified some possible areas for future work expansion, not all of them desirable, and many of them small scale. Many have developed as I predicted.

- Education, including recurrent education and training for the semiskilled and unskilled.
- Home-based employment, including domestic work, maintenance and gardening on a contract basis, home security.
- Leisure, tourism, sport and gambling.
- Dining out.
- Provision of drink, drugs and commercial sex (and treating their adverse effects).
- Craftwork, the arts and entertainment generally.
- Individualised social, welfare and counselling services (especially geriatric or psychiatric).
- Individualised transport systems, e.g. taxis, personal drivers, fixed-route minibuses (such as the peseros of Mexico), courier services, point-to-point delivery.
- Public sector employment: armaments, armed forces, police.
- Hobby-related work, including do-it-yourself (DIY) work in the informal economy, antiques and collecting.
- Small-unit energy generation (solar, wind) and subsistence farming.

- Manufacture of leisure and solar-energy equipment (boats, games, solar heaters and collectors).
- Materials recycling.
- Recognising that some existing forms of work are essentially “welfare industries”, where the main output is employment.
- Nature-related work, including gardening in the widest sense: the care and preservation of wildernesses, forests, deserts and parks, coastlines, the development and care of footpath networks.
- Care of animals, including selling, breeding and grooming pets.

“FAREWELL TO THE WORKING CLASS”?

The French socialist writer André Gorz published *Adieu au Proletariat*⁶ in 1980 and this appeared in English translation in 1982. He writes very much in the spirit of the young Marx, author of the *Grundrisse* (1857–58).⁷

He argues the need for a philosophy of time use. If it was a good thing in the 19th Century to campaign for working hours to be reduced from 80 to 60, and then in the 20th Century from 56 to 40, then why is it not a good thing for work to be reduced to 20 or 10 hours a week, if economic and technological advances enable this to be paid for equitably? Should the reduction of work be welcomed and encouraged or feared and fought against?

Gorz argues my point (or I argue his) that we define work as an activity carried out for someone else, in return for a wage, according to forms and time schedules laid down by the person paying the wage, and for a purpose not chosen by the worker. He calls this “heteronomous work” and it is carried out primarily for exchange-value, not use-value.

6 English translation: *Farewell to the Working Class* Pluto Press, London, 1982.

7 op. cit.

The abolition of work will only be emancipatory if it also allows the development of autonomous activity. Thus the abolition of work does not mean abolition of the need for effort, the desire for activity, the pleasure of creation, the need to co-operate with others and be of some use to the community. Instead, the abolition of work simply means the progressive, but never total, suppression of the need to purchase the right to live ... by alienating our time and our lives. The demand to work less does not mean or imply the right to rest more, but the right to live more.

There is an extraordinary ambiguity about the ownership, control and use of computerised technology. To begin with, ownership, control and use are not synonymous. The computer can be used as a revolutionary instrument to overturn existing configurations of power and disperse it from the centre to the periphery. (This is the optimistic view that Tom Stonier takes in his *The Wealth of Information*.)⁸ Alternatively, computerised technology can be used as a counter-revolutionary instrument to shore up existing structures and reinforce the centre.

Gorz writes:

The computerised socialisation of autonomous activities runs directly against the aspirations of work in post-industrial society. Instead of enlarging the sphere of individual autonomy, it can only subordinate the activities constituting this sphere to the productivist criteria of profitability, speed and conformity to the norm.⁹

He goes a little too far here—but it will happen if we let it.

Gorz points to the paradox that:

The socialisation of production inevitably implies that microprocessors or ball bearings, sheet metals or fuels are interchangeable whenever they are produced ... This interchangeability is a fundamental precondition for reducing the length of working time. The depersonalisation, standardisation and [international?] division of labour constitute the prerequisites to both a reduction of working hours and its desirability.

8 Methven, London, 1983.

9 *Adieu au Proletariat*.

In the 19th Century industrial workers were generally referred to as “hands” as if the physical use of their hands was the only part of them which interested the employer. Now we must think increasingly of the whole person, the whole worker.

Workers face an unpleasant dilemma. Technological change is adding significantly to unemployment for the poorly educated, but existing modes of employment continue to exploit a fair-sized unskilled proletariat in unpleasant jobs. About one worker in five is still physically disadvantaged by working conditions—on assembly lines, afflicted by excessive noise, heat or fumes, inhaling asbestos, digging underground, lifting heavy weights. Should such jobs be done by machine? Yes, but we must reject the facile optimism that suggests that all displaced workers will find new and agreeable jobs in the brave new world. We appear to be exploiting much of the working-class and unemploying an increasing part of it simultaneously. Post-industrial technology can provide enormous increases in output and raise consumption levels appreciably while decreasing the need for a large labour force. It is essentially a matter of choice whether the results of this change provide hardship or benefit for society. If we adopt a high-productivity plus low-employment mix, it will be necessary to provide economic, social and psychologically satisfying alternatives to work for the less gifted. This will involve the following moves on the part of society.

- Recognition that work need no longer be the primary mechanism for the redistribution of wealth.
- Education based on the personal needs of each individual rather than the industrial needs of the community.
- Encouraging individuals to recognise the value of individually determined time use.
- Developing new forms of participation and recognition.

None of these alternatives will be easy. But they are inescapable, and must be tackled immediately.

Herbert Marcuse argued¹⁰ that post-industrial socialism will adopt feminine values or it will not exist at all and this implies a cultural revolution replacing the principle of performance, the ethic of competition, accumulation and the rat race with the value of reciprocity, tenderness, spontaneity and love of life in all its forms.

The lesson we should draw from the technological revolution is that we can make our employment levels exactly what we want them to be between now and the year 2000. But we must assert the right to choose, both individually and collectively.

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10 One-Dimensional Man, Abacus, London, 1972.

Barry Jones is a politician, writer and broadcaster who is currently National President of the Australian Labor Party. He has been a Labor Member of the House of Representatives since 1977 for the Victorian Electorate of Lalor and is Chairman of the House of Representatives Committee for Long Term Strategies.

Barry is a Member of the Executive Board of UNESCO in Paris and has been a consultant for OECD. He is also an honorary Visiting Professor at the University of Wollongong and a director of CARE Australia.

He was Minister for Science 1983-90 in the first three Hawke Governments and held other portfolios including Technology, Customs, Small Business, Prices and Consumer Affairs.

Formerly a public servant, high school teacher, lawyer, arts administrator, and university lecturer, Barry has also worked extensively in radio and television. He was a member of the Victorian Parliament 1972-77.

In 1985 Barry became the only Australian Minister invited to address a Summit meeting of the "Group of Seven" northern industrial powers, in Ottawa. In 1987 he chaired OECD's review of the Yugoslavian economy, and in June 1990 was part of an international group invited to investigate "perestroika" in the USSR.

His work in reviving the Australian film industry was recognised with the Raymond Longford Award in 1986. And for his services to Science, including writing *Sleepers, Wake!*, Barry was awarded a D. Sc. by Macquarie University in 1988, and elected as a Fellow of the Academy of Technological Sciences and Engineering (FTS) in 1992.

Barry Jones Bay in the Australian Antarctic Territory, and *Yalkaparidon jonesi*, a rare extinct family of marsupials, were named for him.

Barry's books include *The Macmillan Dictionary of Biography* (1981), now in its third edition, and *Sleepers, Wake!: Technology and the Future of Work* (1982) now in its 17th impression, having been translated into Chinese, Japanese, Korean, Swedish and braille.