

# Women, Welfare and Low-Paid Work

## Return-to-work strategies for disadvantaged women

Veronica Sheen and Jan Carter

May 2008



**Melbourne Citymission**  
Building Inclusive Communities

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This report was written by Veronica Sheen in collaboration with Professor Jan Carter. Veronica conducted the project fieldwork while Jan, chair of the steering committee, undertook significant developmental and conceptual work for the project. Other members of the steering committee were Sally James of Melbourne Citymission and Associate Professor Margarita Federico of Latrobe University.

**Published by:**

Melbourne Citymission  
PO Box 13210, Law Courts PO  
Melbourne, Victoria, 8010  
**P** 03 8625 4444  
[www.melbournecitymission.org.au](http://www.melbournecitymission.org.au)

**For more information, contact:**

Sally James  
General Manager  
Community Development  
Melbourne Citymission  
**P** 03 8625 4444  
**E** [Sjames@mcm.org.au](mailto:Sjames@mcm.org.au)

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## About Melbourne Citymission

Melbourne Citymission is an independent, not-for-profit, non-denominational community organisation. It is a leader and innovator in providing services to individuals, families and communities experiencing disadvantage or marginalisation.

Melbourne Citymission:

- empowers individuals, families and groups to overcome barriers that prevent them from actively participating in education, work and the broader community.
- responds to disadvantage in strategic, local and flexible ways. We promptly adapt to developments on-the-ground and use our resources in the most effective and efficient way.
- works to identify and address the structural barriers that confront individuals, through advocacy, research and social policy work.



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# Executive Summary

Australian women's participation in the workforce has greatly increased over the past 20 to 30 years, however, there is still significant occupational segregation: "men's jobs" and "women's jobs".

Overall, these "women's jobs" are paid at significantly lower rates than "men's jobs". A large proportion of women (45% of female employees) are in part-time jobs. Many are also concentrated in casual jobs that offer less protection and conditions than permanent jobs, for example, no (or limited) access to annual and sick leave. This is especially true for disadvantaged women.

This report examines disadvantaged women's engagement with, and experience of, the Australian labour market.

It:

- investigates the prospects for disadvantaged women, who are reliant on social welfare payments, to obtain jobs that sustain them and their families; and
- provides a basis for improving their present and long-term well-being.
- the report findings are based on a review of existing Australian and international research on women's workforce participation—particularly welfare-to-work schemes—as well as focus groups and interviews with disadvantaged women who were using Melbourne Citymission services in October and November 2007.

## Key findings from this study

- **Disadvantaged women struggled to find jobs which provided a living wage. In addition, those with children or other dependents reported significant difficulties in finding jobs that enabled them to support their families, under conditions that allowed them to balance the demands of a family and the demands of work.**
- **Workforce participation often did not produce a marked improvement in women's quality of life, due to the nature of the jobs on offer.**
- **Disadvantaged women had low expectations of being able to progress in jobs.**
- **Disadvantaged women reported highly negative experiences in dealing with Centrelink and a lack of assistance from the Job Network services.**
- **Disadvantaged women who were mothers felt trapped between seemingly contradictory social policy imperatives to care for children on the one hand and assume personal responsibility for paid work on the other.** They felt the care for their children was implicitly downgraded by government and paid work accorded priority.
- **Some women reported that further education and training gave them more control over their engagement with the labour market.**
- **Some women reported that they benefited from projects designed to build social capital in local areas.**

## Key findings from national and international research

Many welfare-to-work programs have been predicated on the notion that getting a job, any job, will provide a gateway to economic prosperity and wellbeing.

This claim is not supported by international research. In fact, the evidence shows that adequate income (including income supplements from government), together with ongoing support and

childcare, are critical to the success of welfare-to-work strategies. Outcomes are improved when appropriate education and training opportunities are provided.

While there is some evidence that a low-paying job can be a stepping stone to a better-paying job, it is by no means guaranteed, especially for women who tend to have less job mobility than men and can be locked into low-pay jobs for longer periods.

The failure of these policies to assist disadvantaged jobseekers find well-paid, sustainable employment has led to trials of 'new generation' programs in the UK and US.

A feature of these new programs is supporting participants after they find work, with a view to long-term job security and improved employment prospects. This report considers the implications of these demonstration programs for Australian social and economic policy.

## Recommendations

We call for:

1. a new Australian model for supporting disadvantaged women to participate in the labour market.

Key elements of this model would include:

- flexibility—current programs compel disadvantaged jobseekers, especially women, to take any job, even when hours, pay rates and tenure do not provide a pathway out of poverty and, in some cases, represent a backwards step.
- ongoing support to ensure disadvantaged women attain long-term employment that provides a living wage and entitlements that enable them to balance their caring responsibilities. Support should focus on both the transition into work and trajectories in work.
- access to education and training that will support disadvantaged women to advance their careers and improve their income-earning capacity and work conditions.

**This Australian model should be informed by the 'new generation' Employment Retention and Advancement programs now being trialled in the UK and US.**

2. **industrial relations policy that provides protection for workers in casual and precarious jobs.** Industrial law should address the issue of entitlements for casual workers.
3. **an alignment of social and employment policies for all Australian women.** Current welfare-to-work policies deny disadvantaged women with children the same choices about workforce participation as other Australian women. The caring responsibilities of single mothers are over-shadowed by the imposts of mutual obligation.
4. **an urgent review of Centrelink welfare-to-work policies and practices.**
5. further debate on the role of non-government agencies in delivering employment services for disadvantaged groups. Over the past decade, many NGOs became involved in delivering the former Howard government's employment services, attempting to balance delegated coercive powers with their mission to improve the economic and social circumstances of disadvantaged jobseekers, including women. This led to ethical tensions and undermined the advocacy role of many non-government organisations.

# 1. Introduction

## 1.1 Background

This project aims to provide a basis for policy and program changes that will better assist disadvantaged women to find jobs that improve their material circumstances and overall well-being for themselves and their dependants. This includes improving their ability to build a sense of security and to plan for the future. A requirement for an employment-focussed strategy for disadvantaged women is that the pay and conditions attainable must be sufficient to overcome existing disadvantages and to improve material circumstances, well-being, a sense of security and an ability to plan for the future. A strong focus on workforce participation as the most desirable outcome of service intervention is increasingly being challenged by the pay and conditions attainable in many of the jobs available to disadvantaged women.

The project was generated by a census of Melbourne Citymission clients which revealed a disproportionate number of female clients when compared with the 2001 Australian Census. In addition, concerns had emerged through the organisation that the various programs aimed to assist female clients to find paid employment were struggling to meet their objectives. Broader inquiries with other agencies revealed a concern about the type of jobs that their female clients could find.

## 1.2 Objectives and research questions

By understanding the employment market for disadvantaged women through this research project, more appropriate and effective assistance may be provided. It may also enable a revision of the assumptions behind service intervention strategies for disadvantaged people in general. In addition, the research provides a basis for policy development and advocacy for disadvantaged women through avenues such as the Fair Pay Commission, which sets minimum wage levels, and the Federal Government, which sets income security and employment assistance policy. The research may also identify broader issues around the contemporary labour market for disadvantaged people which relate to current welfare policy.

The key research questions for the project were:

- Do low-paid jobs lead to better paying jobs and provide a pathway out of poverty for disadvantaged women?
- How effective are current welfare reform and welfare-to-work strategies in placing disadvantaged women in jobs that alleviate poverty?
- What is the link between women's employment and broader issues of economic growth and development? What is the effect of labour market deregulation?
- How effective are current mechanisms in promoting the employment of disadvantaged women in fostering long-term social and economic benefit?
- What works in terms of the long-term retention and advancement of women in employment?
- What is the subjective experience of women in low-paid employment and how is their experience affected by social policy?
- What are the gaps and deficits in policy understandings about disadvantaged women and work?
- What is the role of community agencies in assisting disadvantaged women in the labour market?

### 1.3 The focus of the study: disadvantaged women

In the Melbourne Citymission Snapshot Survey (2004), the client base had the following characteristics:

- Receiving some form of government pension or allowance (94% of clients);
- Having a low weekly income by community standards;
- Greater likelihood of experiencing financial stress (42% of clients);
- Having a disability or long-term health condition (60% of clients);
- Lacking employment of any kind (only 17% of clients had job);
- Living in an area assessed as disadvantaged by the Vinson report (Vinson, 2004) (49% of clients);
- More likely to be living in rental accommodation than owning or purchasing a home (58% in rental accommodation, compared with 25% of the general population);
- Lower likelihood of having completed secondary school (29%, compared with 47% for the general Melbourne community).

Women constituted 61% of these clients.

A typical welfare client of Melbourne Citymission is a single woman, with or without children, receiving some sort of government payment, not in paid employment, living in rental accommodation in a disadvantaged area, and who did not complete high school.

Based on this profile, we have defined these women as 'disadvantaged'. Our definition is consistent with that used by Saunders (Saunders et al, 2007, p viii). He argues that contemporary disadvantage in Australia constitutes three key elements of poverty, deprivation and social exclusion which overlap and interconnect but which have rather different conceptual bases:

*Poverty is a situation in which someone's income is so inadequate as to preclude them from having an acceptable standard of living. It exists when people's actual income is below a poverty line.*

*Deprivation exists when a lack of resources prevents people from accessing the goods and activities that are essential. Following international convention it is defined as an enforced lack of socially perceived essentials.*

*Social exclusion exists when people do not participate in key activities in society. Whereas deprivation focuses on what people cannot afford, what matters for exclusion is what people do not do.*

#### Method

Three forms of data collection were undertaken for this study: a critical literature review of relevant research and policy documents; focus groups with women who were current clients of Melbourne Citymission; and in-depth interviews with select women from the focus groups.

#### Scoping the questions through secondary sources.

Secondary sources—including published statistics, policy submissions, articles and books across a broad range of disciplines—were examined.

## Focus groups and in depth interviews

A series of focus groups and in-depth interviews were conducted with women who were clients of Melbourne Citymission.

The focus groups investigated the women's engagement with the labour market, exploring their experience with:

- ease or difficulty in finding jobs;
- income from jobs;
- education and training;
- use of networks to obtain jobs;
- job stability and advancement within jobs;
- pressures in relation to balance between work and caring responsibilities; and
- issues pertinent, particularly to young women and older women.

Following these focus groups, follow-up, in-depth interviews were undertaken with some women. These interviews explored women's lived experience negotiating work and welfare. The interviews also enabled a better understanding of the complex fabric of people's lives, the opportunities and constraints and the choices they need to make.

## 1.4 Structure of the report

The report is divided into three parts and 10 sections.

### Part A: Policy and literature review

- Chapter two examines the state of play of women's employment in Australia and contextualises this within the broader elements of economic restructuring that has occurred in the last 20–25 years and the growth of the 'new economy'. It also examines the broader issues around precarious employment.
- Chapter three considers the question of the effectiveness of welfare to work as a policy strategy to place disadvantaged women in jobs and alleviate poverty.
- Chapter four examines job mobility. An underpinning of government strategy in employment is that a low-wage job is a stepping stone to better-paying jobs. This section examines the debate and the evidence.
- Chapter five investigates the linkages between women's employment and economic growth. It considers the role of labour market deregulation and the former Howard government's Work Choices as a policy instrument to create greater labour market flexibility and the impact that this may have on long-term economic growth.
- Chapter six examines new generation employment retention and advancement demonstration programs in the US and UK which are mainly targeted at single parents receiving welfare payments. The section considers the implications for Australian practice in this area.

### Part B. Research findings

- Chapter seven reports on the focus groups which were undertaken at the end of 2007 with women associated with Melbourne Citymission programs.

## Part C. Analysis and solutions

- Chapter eight discusses the implications of the research focussing on pernicious interactions between the new precarious labour market and social policies and how this plays out in the lives of women. The chapter considers some emergent and new themes that are outside the scope of much contemporary policy debates.
- Chapter nine proposes sustainable policy settings for disadvantaged women and areas of needed reform.

### 1.6 Voices of women: portraits of labour market transitions

A central premise of this report is that an understanding of the *lived experience* of women on welfare seeking and getting work has been absent from social policy formation and implementation. As a consequence, before outlining the research findings and policy analysis, this section is devoted to hearing the voices of six women at various stages of the process of trying to gain a foothold in the workforce. The women volunteered to be interviewed in a semi-structured, one-on-one interview for the study. The portraits divide along two broad themes.

- Four women—Lynette, Sandra, Shani and Esma—tell of the difficult conditions they face in the world of precarious employment.
- Two women—Susan and Amina—report on the multiple disadvantages they face in the labour market and the way that community agencies have been central to opening up opportunities for them and brokering new relationships to the world of work.

#### Lynette and Sandra—the return to full time work and precarious employment

The ‘portraits’ show the tensions and strains for women making their way in the “new” economy. The stories of Lynette and Sandra provide a mirror on employment practices in certain areas of the contemporary labour force and the difficulties of finding ongoing employment. Both women need to find full-time work now their youngest children are shortly to turn 16 and they will lose their Parenting Payment (formerly the sole parent pension). Although their children are older, it is their parenting needs that remain uppermost in the minds of Lynette and Sandra.

**Lynette** is a single mother in her mid-40s. She has a 15-year-old daughter and other adult family members living with her. Over the past 20 years, her principal source of income has been a single parent pension (currently called Parenting Payment Single). Lynette will lose her Parenting Payment in four months’ time, when her daughter turns 16. If she is not in paid employment she will be going on to unemployment payments, Newstart Allowance. At the time of speaking with her, she was required by Centrelink to be looking for jobs of at least 20 hours of work per week. The pressure was on to find a job. She had a part-time job with the council for 18 years but she has given this job up because of the low number of hours in the middle of the day, and the need to be available for more substantive work.

*Since I’ve given up the (council) job, I’ve been in and out of work all the time practically. It’s hard but... I felt... like my age went against me for a lot of jobs... at the last job, it was alright though. I apply for a lot of jobs on line... mainly online through seek.com*

*(Job agency) put me into a couple of jobs which didn’t work out... They say “work’s run out or we don’t need anyone from (job agency)”. I was working for (big retail chain)—that was a full time job—that was through the distribution centre in (Melbourne suburb)... I worked there for four days and then they said “no we don’t want anyone through (job agency) now we want to go through labour hire” and I wasn’t with labour hire at that time.*

*Because I am nearly there (end of Parenting Payment) I have to put in a form every fortnight... I have to look for at least 20 hours (per week).*

*The only time I didn't get a benefit was last week because I'd earned \$1400 that fortnight. I'm still no better off but I did it (laugh)... that's in the fortnight... but usually I still get a little bit (of pension)... I haven't been earning over the (Centrelink) limit... That (declaring gross income) is wrong because you have to tell them that, say I grossed \$700 but I only brought home \$500 but you had to tell them that you grossed that \$700 but it's stupid... They deduct you on the \$700 not the \$500 that you bring home.*

*You're never guaranteed any length of time job. A few of the (labour hire) agencies— I worked for (labour hire company)... one week at (clothing manufacturer) joint then the next week I worked 2 days at (company) all through the same agency— then they had no more work. So then the next week I worked at (company) in (Melbourne suburb) and that lasted for 2 weeks— That was supposed to last until March next year... Now we were guaranteed that and we signed the form and everything and then at the end of the week they said "oh... we've run out of work and we won't have any work for a week"... so I said ok fair enough.*

*So end of week come, I ring (labour hire company) and they said "no they haven't rung us yet, there's no work yet". They didn't ring me until I had started with this other joint (logistics company), for me to go back there, that was about five weeks later. They expect you to just sort of hang around—and wait for the phone to ring. It's wrong; they just have one week here and one week there. That's why I am glad, I am hoping for this job I'm starting on Monday to work out for me.*

*With the job you are going into now are you going to be better off than on Centrelink payment? Well I hope so... well I don't know... rent will go up (Ministry of Housing rent)... I don't know whether I will have to pay full rent. .or if they will go on what I am bringing home so and I won't know what I am bringing home until I start working... I have never told them about my other jobs because they have never lasted that long to tell them. Probably won't be better off... will have to give my pension card up, won't get cheap registration... \$400 for registration... We won't get free medical anymore.*

*The full-time job on Monday... casual for 3 months then supposed to become permanent... like I said to my daughter even if it is just 3 months full on work at least it will get me over holidays, the Christmas period, my daughter's school— She needs \$500 for courses for next year. She is in year 11...*

*If the job doesn't work out... A lot of people keep telling me to do aged care... but as these women that were here today said they have done aged care and still no better off anyway... I am worried if I put all my effort into doing all these sorts of courses it won't get me anywhere.*

*I would like to get my forklift license or something like that because there are so many jobs out there for people with forklift licenses... a lot of them employ women these days...*

*When I get a new job... I think I like this job then I lose it... I understand why some women here get depressed because I got a bit like that too but I don't go to the doctors to get medication or anything... I just mope around... and then the next week I pull myself together again and say I can't do this (keep going like this) and then I am back looking again.*

*You just can't walk into any factory these days and say "here's my resume, have you got any jobs going, can you put my name down for a job". You used to be able to do that with supermarkets. I mean if I can't get into (supermarket chain!)... I had been working for 6 months at (supermarket chain) and still I can't get into (related supermarket chain). and yet I was working for (the same company).*

*These group interviews... about 30 people... 5 or 6 people at each table... You have to sit around talking... They have people walking around and listen to you talking... I don't know how they can judge. Then if you pass that you get see the manager and go and see him. You have to give a demonstration of something that might have to happen at the shop... I prefer one on one interview...*

**Sandra** is a single mother in her late-30s. Her children are in their mid to late teens, with the youngest now 15. She receives Centrelink payments, but is required to find work with her youngest turning 16 next year. She has been in and out of work over a number of years.

Speaking about the pressures to find work from Centrelink, Sandra says:

*I have just been through a really serious domestic violence thing... Still an ongoing court case at the moment... Through that I have been trying to look for work as well which has been really difficult because I have got 3 children... They are all teenagers... but it doesn't make it any easier because they have been through a lot of stress too and I have to be there for them a lot... My youngest is 15, my oldest is 20 and I have one 16 as well. The hard thing is to explain (to Centrelink) that you can't attend appointments for whatever reason." I have been to counselling with my kids"... "I've been in hospital"... Now it has come down to the point where "that's no excuse" or "you didn't ring". Well I did ring but it just wasn't passed on... The communication is not there between the network (Centrelink) and agencies*

*For job interviews, I have had to go to agencies because my qualifications aren't what that should be any more... I am willing to learn another job if they show me what to do. I am willing to do that...*

*I have been doing a Certificate 4 course in disability support... at the moment we are starting up a work placement which entitles us to get our certificate at the end of it and hopefully it will turn into... casual work to start with. So that that should be good. It has been a really good course. It has helped me a lot, in lots of ways... personally as well as emotionally... the whole lot. And it has given us other certificates a long with it which has been a really good help in finding other employment as well... e.g. we get a first aid certificate,... so we can look in other places. Without those certificates you don't have anything.*

*I have had lots of jobs in the past. In the last couple of years mainly labouring, mainly through agencies. I have been registered with 12 agencies. I keep registered... it is mainly warehouse, industry work. I keep registered. From one in particular I got into the OH&S (occupational health and safety) side of things... Trying to get into that to help staying in employment.*

*They (the jobs) don't last very long because a lot is seasonal work in warehouses... If you don't do other things... that why I have done other things. That's why I did OH&S in pretty much a male environment. If you don't do that (other things) so they have a reason to keep you there, you're dispensable... You're just another number on the books...*

*Finding a job... It will be easier now... I am confident of that. The nature of the course (disability support)... it's such a big industry and it is open... I am more of a people person, I like working with people, helping people... so would like to be helping people in a residential house like in the work placement... That would be really good thing for me... But maybe the employment side of things... helping people find work.*

*Permanent or casual? I tend to permanent... I want full time work... with casual work against part time work I would prefer casual... more money... as you are living day to day, week to week... but your full time job is more stable.*

*With casual employment, you can be driving down the highway and get a call and told it has been cancelled... You can be called at the drop of a hat... You could be sleeping... And get a call to come in... just part and parcel of what you have to do these days... a lot of pressure on your family... You have to "be there in an hour"... run out the door and go... You have to grab your boots and go... You have to talk to the kids on the way to work... but it is still hard that you are not there for them... Like my daughter was going through a stage where she was getting anorexia... She is still upset of what happened with her Dad... She wants me there when she needs me. I wasn't there when she needed me.*

*Better off in work than on Centrelink payments? Yes I will be better off in work because I don't have to put my kids in child care... I am personally better off, mentally better off... if it is a decent paying job... Some casual work is paying \$12 or \$13 per hour that is just not enough you might as well be staying on Centrelink payments but anything above that yes it is a bonus to you...*

*Looking into the future... what is the role of work? You need to be suited for the job... If you are not suited it can make you very depressed... You're just turning up for work for survival... You need to be suited... If you have something, a goal to aim for... you are a better worker... a better person all round... For me working with people, even lecturing or helping people... I have never done it as much as I wanted to... I worked with AMES (Adult Migrant English Service) as a volunteer... with new migrants coming to the country training in English in their homes... you get a sense of achievement, personal achievement...*

*You really need to do ongoing training... things are changing all the time... important as you get older even in labouring... I went back to uni when my youngest went to school to do IT, that was the way to go back then but two years down the track that was so outdated so I would have to go back to do another one but then I said 'I can't keep doing this... Stay home with my kiddies'*

*But you do need ongoing training.even in labouring they want you to have certificates eg logistics. You can go to TAFE to do a certificate in logistics. But doesn't make you able to do the job*

*I have had a lot of stress... I have had to live in refuges and so forth in the past... not easy to keep employment because you can't ring up and say I can't be in today and tomorrow... I was really honest with them... but they say" it doesn't matter" they want you there and then...*

*But you can come across some people who are understanding... but you rarely get that now... I have had it told to me "you get paid to do a job, you've got to do that job no matter, in any circumstance whatever" but there is no compassion, no understanding... that's it.*

*From a manager's point of view they have a manager above them to answer to. Everything... with government changes, Centrelink changes, everything's full on... So fast paced... everyone expecting too much out of people... we're not robots... That is what they want us to be... We end up working so hard, when I injured my shoulder and wrist, unless you are going off on Workcover, they still wanted me to perform the same duties. That was in a big warehouse... You keep pushing your body... but you need the job... great money... You keep going because you need the money... I had a mortgage... You can't get ahead on Centrelink payments. It's a real production line... a lot of pressure... keep going... keep going... 105%. Wasn't able to drop. I was on the picking line plus the palletting... you are working on a huge aisle... picking stock with an order number... It's all computerised there so you can't cheat... you have to get it on the conveyor belt at a really fast pace... picking the stock... You have to go as fast as you can. And be accurate... going at a really fast pace... virtually running up and down the aisle for 3 hours... really heavy... (laugh)... It keeps you fit...*

### **Shani—an insight into the youth labour market**

**Shani** was sent to Australia to live with relatives during the war in Somalia in the 1990s. Although only 20, she has been living independently from family for several years. She has been in and out of work and various training courses in this time. Her story of the youth labour market reflects the experience of the other young women who attended the focus groups. She reports on the precariousness of many youth labour market jobs and one of the major themes for young women in the focus groups—the exploitative nature of many jobs for young women. Her story also continues the theme broached by Sandra about the indifference of Centrelink to personal circumstances.

*My main heartbreak is that I try everyday to get a job... I really really do... Everyday I try to get a job I really do from the bottom of my heart... I am a happy person and I am easy to get along with. I always have a smile... but its like when I do get a job it is only 10 bucks (an hour) and it is not enough to pay for my bills or for my rent or for my clothes or for my health or to go out with friends... and then I would go for something else but I would always be cheated and lied to... and I could never get an honest job... it makes me feel like I don't give a... anymore... I don't even want to try anymore... who cares... I don't care... I should just be on Centrelink (payments) for the rest of my life... who cares...*

*At the moment I have so many resumes at different places... I go in everyday... I go in "Hi, How are you... my name's Shani, how are you going... could you please give me a go... and they say... "yes, give us your resume"...and I go back the next day... and they say "sorry Shani, no positions today" and they have a sign up saying workers wanted... I wish they would say "we don't want you"... I would rather that than be lied to...*

*I went to Centrelink the other day... I said I want to get off Centrelink... I really want to get a job... I asked them to take me off (job agency) because they never got me a job... and put me with another agency... it promised to get me a job in 2 days because this other one never got me a job in 9 months... they (Centrelink) said "no, sorry, rules and regulations.."*

*Why? They don't want people to get jobs... they just want to make you suffer... they definitely does... and they don't give a shit about you... I had a nervous breakdown because I just couldn't handle my life anymore... and I was so upset crying every day I couldn't get out of bed...*

*When I went up to Centrelink... they don't give a shit about your life... they say "you still didn't come in to sign a form"... I called and said I was too upset to come in... We don't care... you don't get paid... that time I was actually homeless... My friends looked after me*

*Past jobs? I had a job at (fast food outlet) I was paid \$4... I worked as a PCA (personal care assistant) for a couple of weeks... I got really close to one of the residents and then he died and I was crying... I thought PCA—my friend told me it would be to make the old people laugh and (do) activities... I think "sweet" just the thing for me... I like to make them happy before they die... I go there and I am told to a wash a man and change his nappy... I was freaked out...*

*I have had waitressing jobs but they take advantage of me... no way to build a life... I have been rejected because I didn't have big boobs and blonde... They want bimbos wandering around for the men...*

### **Esma—the precarious labour market for a mature-age woman**

A divorced woman in her mid-50s, with adult children and no longer with parenting responsibilities, Esma lost her permanent job in a clothing manufacturing company eight years ago and has been unable to find ongoing work since. She is currently employed by a labour hire house-cleaning agency; she works for several households and is paid on an hourly basis by clients. She comes from a non-English speaking background but is fit, healthy, competent and personable with good-enough English for many jobs. However, her entire work history for the last eight years has been in casual, shift work arrangements... a great source of frustration and anxiety. She described a week-to-week existence and the constant worry of finding money to pay the rent for her flat. Indeed, her story points to the downward mobility for some women, particularly older women, which is an alternative story of the flexible labour market that receives little attention.

*I have my customers through the agency (housework)—three customers for a long time... I finished now two years with this agency... not too bad.*

*Before that... I work in so many different places... In 2000 I lost my full-time job at (clothing company) because at that time they changed the rules... I used to work at (well-known clothing company) for 12 years. I went there when I came out to Australia.*

*After they destroyed the company... first of all I had problems they make like something... they sent me from work one day... I am full-time but they can't do it because I am full-time... after that I talked to union ladies...*

*Then union went to work just for me... we went to court... we won it... I went back to factory but they gave me a hard time because I was famous... I was doing clipping (for clothing)... Not easy to learn machine... after that they retrenched people... hey retrenched 30 to 40 people*

*I didn't know what to do for six or seven months. I am single so I have to pay rent... I start casual... work not easy to find... Can't be picky about work situation... For so many people it is so hard. We don't know whether we are working tomorrow... we go home... 7 or 8 o'clock they contacted us for working tomorrow... We have life... we have to know... everyone wants to know what they are doing... one poor lady... many time she burn her dinner... poor thing so terrible...*

*I work very hard... I was still looking for full-time job... with dole money it was not enough but I could never find full-time job...*

*I worked in a spice factory for 10 months... I didn't know about the spice... The hot chillies made me sick... I was paid \$13 per hour, no sick leave nothing... but I had to keep working... I lost my life*

*After I start at (house-cleaning) agency... It is big responsibility... with keys for houses... if something happened... they will ask me... ok I have to set alarm in some houses when I leave it... but if something happened will they believe me... The vacuum cleaner so important... So people don't have much... Cleaner's job very hard job*

*I would love to have full-time job... With casual they don't pay sick leave, holidays or public holidays... Being a mature-age person... it's ok... They (employers) want mature, healthy ladies... Because young ladies have baby problems... having a car is so important...*

*When we are casual... we are nothing... they give us the hardest job... they give more pressure to us... really awful...*

### **Susan and Amina—women with multiple disadvantages and the role of community agencies**

The two stories here reflect the role of community agencies in brokering new opportunities for women with serious disadvantages.

**Susan** is in her mid-30s with three children. When her twins turn seven next year she will be required to look for work under Centrelink rules.

*I have a ten-year-old daughter, twins... boy and girl. I'm in public housing... their father in the picture sometimes—doesn't have weekend access... he's in and out of jail a lot... He doesn't contribute... I've done a couple of courses for neighbourhood renewal and crèche in (suburb)... I am working at the program at... school... three mornings a fortnight so doesn't affect my Centrelink payment because it's not enough... not until they change the Centrelink payment (to Newstart Allowance)... that's next year... apparently you have to attend seminars or you lose payments... you start getting notification in advance...*

*It is not easy to find work—I don't have internet access. Part of the school program is an employment initiative... so we have to try to get work through that... I have tried for a couple of positions through that but I don't know how to update my resume every time I do something... I finished the governance course... we had to do an end-of-year event... I helped to do the welcome bags... helped design the jewellery on front of those... A lot of volunteer things in the community... taking up a lot of my time at the moment...*

*Previous jobs? Not since my kids were around... then neighbourhood renewal came on... I updated my food handling course... did a basic computing course...*

*Work in the future? Even with the school program... The problem is a criminal record... with school program had to go to head office in (suburb). That helped me—they know that you are trustworthy, not that there is much to take anyway. Helps when they know you, know you are ok. Not looking forward to the kids turning seven when you have to get public transport and waiting at Centrelink... it is going to be so hard... I am not going to be able to get a job unless it is through someone I know—but I will try, I will try...*

*With the kids... they are still babies as far as I am concerned... they want mum... they don't want anyone else, especially one of them is very attached, like a*

*shadow, she will be devastated if I am not there... I can watch them walk to school through the window... they are too young...*

*I had done hospitality in the past... willing to work in factories... not much education... need a job from 10 to 2.*

**Amina** is a young Somalian woman, 19-years-old, and has been living alone without family support and receiving Youth Allowance from Centrelink for the past two years. Despite considerable adversity and having to adapt to a new culture, she has moved forward with her life. Her story illustrates the role that community agencies have played in fulfilling a support role for Amina, and how voluntary work was important in building bridges.

*I came to Australia in 2002 and in 2004... had some family problems... end of 2005... I came to (social service). I was having really hard time with my mum. My mum left me when I was five-years-old back in my country... I hadn't seen her in 11 years—when I came here she was married... I was 15... When I came here she didn't really give me the opportunity to get to know her... I would have to do everything... cooking and cleaning... I had no time for my studies... I wanted to go to high school... My mum had arranged my marriage at the age of 16—I said “no I want to go to school, I don't want to do that” by 2004 the relationship had broken down... but I kept on until the end of 2005 but it was so hard for me it affected my studies...*

*I decided to leave (my mum's home) so it wouldn't affect my studies—I was doing year 11 at the time... but I couldn't get a house approved because I was under 18... So I went to (social service) this lady helped me from the crisis centre and helped me and introduced me to another agency... get youth accommodation... they gave me a house with another lady... but I was living with my friend's family for three months...*

*After all this, I came to (another social service)... They helped me... they see that I am trying hard... studying... they saw I was a serious person... So they say “we know you are responsible, you can do this”... So I got a house... I got a job... Go to my school everyday...*

*Apart from all of that I have a kidney problem which affects me... at age five or six- years-old I had to fetch for myself... I had to do everything to look after my three little cousins... I never had the chance to be a child... back in my country... because I had bad experiences back in my country like here was nothing for me...*

*Two weeks ago I had my graduation... all my teachers were there... they were all kind because of what I had achieved... they were all proud of me...*

*I finished my VCE... I hope to get into Latrobe or ACU (university). I have done a lot of community programs, eg. aged care and I'm a community volunteer... I volunteer for (social service) and youth accommodation and this other organisation... heavily involved in the community...*

*All these small certificates and experiences... all helpful... I got a job at (company), (social service), aged care... all that... but it was hard to get the experience... but in the end all helpful...*

## Concluding remarks

Several themes emerged as very important for these women:

- First, the poor quality of the jobs that were on offer and the lack of any idea that they would be able to advance in their social and economic situation as a result of those jobs.

- The concerns for women with children of different ages returning to work and the centrality of continuing caring responsibilities in the dispositions of the women in terms of work. These issues come to the fore in the stories of Lynette, Sandra and Susan.
- The issues for young women starting out, especially without family support and attempting to combine study and work to advance themselves and to support themselves in the present (Shani and Amina).
- The importance attached to education and training for advancement and the efforts of disadvantaged women to obtain credentials that they thought would help them. Only Lynette was sceptical of the benefit that further training would deliver.

## 2. The new economy, the welfare state and women's employment

### 2.1 Welfare reform

While the aim of job placement for disadvantaged women remains an important one, it is critical to understand the contemporary job market and the related policy context. This gives a basis for considering what can most gainfully be done to assist disadvantaged women into work.

Welfare reform was a major policy focus for the former Howard government. The reform agenda insisted on the primacy of work over welfare and aimed to reduce to the number of people receiving income support. The former Howard government was supported in its policy objectives by a high rate of employment growth and low levels of unemployment.

The former Howard government's policy agenda was consistent with other post-industrial countries. This agenda dates back to the 1980s. It was embedded in government welfare policies from the mid-1980s to the mid-1990s, which demanded 'active' obligation-based welfare as opposed to 'passive' entitlement-based welfare. These policies were taken forward and expanded by the former Howard government from 1996.

Standing (1999, pp 253–255) identifies three core ideas driving the welfare reform agendas of many developed countries from the 1980s. These apply to the Australian debate:

- A perception of a *fiscal crisis* due to the growth in income transfers and services and the number of people entitled to and receiving them. According to Standing, the 1980s ushered in a debate about the perceived excessive growth of the welfare state and its absorption of an ever-increasing proportion of national income;
- A perception of a *moral crisis* that relates to the idea that welfare state benefits *encouraged the behaviour and situations they were supposed to overcome by creating extensive moral hazard* i.e. childbearing out of wedlock, voluntary unemployment, marginal illnesses etc.
- A perception of a *legitimation crisis* of the welfare state emanating from the perceived fiscal and moral crises, but carried through to a sense that the welfare state had failed to meet its objectives in terms of providing targeted benefits to the "deserving poor" and reducing inequality. Coupled with this is a perverse *feature of the welfare state* in which the bulk of public expenditure, such as in the health care area, is in fact absorbed by those who are relatively well-off but that this is necessary to maintain its political support.
- The idea of "welfare reform" is linked to complex developments in the economy. The post-war 'golden era', as it is often called, was marked by a particular construction of the economy which has largely disappeared in the last 20 years. Employment in post-war economies was marked by a high degree of predictability, certainty and security, which was linked to the stability and high-growth rates of the global economy and national economies (Esping-Andersen, 1993, p 15). Standing (1999, p 252) observes that within this context, *post-war welfare systems were developed around a model of the nuclear family, with male breadwinner and dependent wife*.
- Welfare systems have become increasingly strained as the nature of economic and social systems have profoundly changed since the 1970s. Munck (2002) identifies changes in economic systems including:

- A new international division of labour as a result of the industrialisation of many third-world countries and the expansion of massive pools of cheap labour;
- Globalisation of financial systems and systems of production as a result of the growth of trans-national corporations;
- Fundamental changes to the nature of the labour process characterised as 'Fordist' in the post-war era; in which workforce productivity was attained from a high degree of worker specialisation in mass-production processes, complemented by mass consumption. Significant changes have ensued since the 1970s as a result of new information and communications technologies, patterns of consumer demand, and the difficulties of obtaining surplus value (profits) from industrial-era production processes in developed countries.

Simultaneously, social systems have also radically changed with the traditional nuclear family becoming an increasingly small proportion of all household types and with most developed countries experiencing significant population ageing. But arguably, the most significant change of all in the post-industrial era is the feminisation of the workforce.

The story of women's employment is integral to the story of post-industrial economies, including Australia's. The economy and the type of jobs that emerged from the 1980s, through the 1990s, to the present—what we broadly call the 'new economy'—are described by Perrons et al (2006, p 18) as follows:

*The lineaments of the new economy like the old are marked by social and spatial inequalities as different places and particular groups of people fare more or less well as economic restructuring transforms class, gender, and geographical inequalities. It is clear that labour market participation remains unequal... A gender pay gap seems to be a persistent and universal feature of the new economy... sectoral segregation is mirrored by continuing occupational segregation as women continue to be concentrated into those jobs where employers rely on their 'traditional' skills... Despite women's growing participation, their escape from the old ghettos and their continuing assault on the 'old' professions (law, medicine, the City) and the new occupations (the media, cultural industries, high tech industries, business), the levers of powers and the marks of status remain solidly in the hands of men as do the extremely high salaries associated with the new 'superstars' of global corporations and media networks.*

The gendered nature of the Australian workforce is well-documented. Its main features are described here (drawn from Australian Bureau of Statistics: Australian Social Trends 2006 and Australian Year Book 2006)

## 2.2 Full-time, part-time and casual employment for women

Women's employment has grown dramatically in the last 25 years:

- The proportion of women in employment (15 and over) increased from 40% to 53% between 1979 and 2004;
- The proportion of men (15 and over) in employment decreased from 74% in 1979 to 68% in 2004;
- Women now represent 45% of the employed workforce (2004) as opposed to 36% in 1979.
- But the nature of women's employment is significantly different from that of men:

- Around 30% of employed women are casual employees (2004) as opposed to 22% of employed males. Casual employment is defined by the ABS as employment which does not include sick or holiday pay. However, since the early 1990s most of the growth in casual employment has been for males rather than females. Around 45% of all employed women are part-time compared with 15% of employed men (ABS Year Book 2006, p 158). Part-time work is defined by the ABS as a job of less than 35 hours per week. The proportion of women aged 15 and over in full-time work increased from 26% to 29%. Fifty-three per cent of all women aged 15 and over are employed (ABS, Australian Social Trends, 2006).
- The National Institute of Labour Studies (2006) makes some interesting discoveries about recent trends in women's employment:
  - Permanent part-time jobs for women increased by 75% in the past decade;
  - Casual full-time jobs for women, without paid leave entitlements, increased by 83% in the past decade, albeit from a low base (pp 4–5).

The Australian labour market is strongly segmented across gender lines, continuing long-term trends since the beginning of the great expansion of women's participation in the labour force in the 1950s and 1960s.

However, the story is a complex one in a post-industrial economy where there has been considerable restructuring across industry and occupations, mirroring fundamental changes in the economy caused by globalisation, technological change and major policy and regulatory shifts. Preston and Whitehouse (2004) show the complexity of changes but also the resilience of labour market inequality. A principal observation made by their study is that there have been gains for women in some areas of employment in terms of seniority, but that there are still strongly-feminised occupational segments (particularly clerical, sales and service jobs). In this occupational category, women make up 87% of advanced, 72% of intermediate and 65% of elementary clerical sales and service jobs, where there is also a very high proportion (63%) of part-time employment, with women holding 72% of these jobs. Women predominate also in health and community services (77%) and education (69%). (Office for Women, 2004).

## 2.3 Women's pay

According to the ABS (Year Book 2006), for May 2006, women's earnings for full-time employment were 85% that of men. Taking into account all employee earnings, including part-time employment and overtime, women's earnings were 66% that of men. These figures reflect women's position in the Australian labour market—the industries and occupations in which they work, their hours and job status, as outlined in section 2.2 above.

According to the submission of the former Howard government to the Fair Pay Commission (2007), 15.3% of employed women receive low pay compared to 10.5% of males. Low pay is defined here as at or below the Federal Minimum Wage, which is now set annually by the Fair Pay Commission.

It should be noted that the National Centre for Social and Economic Modelling has estimated (Lloyd et al, 2004, p 5) that men and women have more or less the same rates of poverty, at 11%. This is attributed to the changing nature of the labour market, which has seen a fall in men's participation rates as a result of de-industrialisation and an increase in women's participation, resulting in growth in job opportunities for women.

As indicated above, jobs for women in the Australian workforce are highly diversified with strong part-time and casual components, occupational segregation and overall lower pay levels than those of men. Nevertheless over the past 10 years, it has also been a labour market of opportunity for many women.

## 2.4 Precarious employment

While useful, the ABS data about the state of the labour market for women is limited. For example, casual employment is measured with reference to lack of paid annual or sick leave entitlements. As the ABS notes this does not 'fully capture attributes typically associated with a casual contract such as precariousness of tenure and variability of hours and earnings' (Australian Social Trends 2005.) In addition, some jobs attract paid leave entitlements but can still be precarious. Examples of this could include work with very high outcome requirements and performance indicators, such as call centre jobs or businesses with demanding sales targets, which result in high levels of stress for staff and high turnover.

Considerable work has been undertaken by researchers for the European Commission (Frade et al. 2004) about precarious employment and a number of indicators of precariousness of employment have been suggested:

- low income quartile (low wages);
- bad physical environment;
- job tenure less than one year;
- working unsocial hours;
- fixed term contract;
- low job content (boring, repetitive, lack of control);
- harassment in the last 12 months;
- high degree of foreign regulation.

The researchers suggest that analysis to determine real levels of precarious employment needs to occur across multiple dimensions, including the characteristics of jobs, job holder's characteristics and contextual factors such as the strategies of firms, national regulatory regimes and economic context (p 56). It is contended that precarious employment is discovered across combinations in national data sets of (pp 57–58) including:

- temporary or non-permanent employment;
- part-time employment of which a large share is low-waged;
- hybrid forms of employment combining characteristics of waged employment and self-employment;
- low-wage employment and working poor;
- bad working conditions as expressed through rates of work accident.

In considering women's position in the labour market as this translates to opportunities for disadvantaged women, we need to consider the limitations of existing statistics and descriptors. They are, at best, a rough guide to the lived experience and the opportunity for disadvantaged women to improve their economic and social position.

A broader notion of *precariousness* in employment is very helpful, however imperfectly developed at this point in time in Australia. It is argued, first, that consistency and stability in employment and earnings are very important aspects of social and economic well-being. People can only plan for their futures if they have a sense that their situation in work is assured for the long-term. Second, that the capacity for planning and making provision for the future is a critical element of poverty alleviation.

## 2.5 Concluding comments

Whether a woman is economically and socially disadvantaged will depend on a variety of factors, such as whether she is married and with access to a partner's income, and whether she has access to other resources. Some women may have a preference for jobs which combine well with family life or other activities, in which case, they may not wish for higher-paying jobs with more responsibility. Some women may like jobs that do not require much commitment and have a high level of flexibility (although this is possibly more hearsay and anecdote than reality.) The issues relating to the work and care orientations of women (Hoggart et al, 2006) are discussed in more depth further on in the report.

However, it is important to consider that inequalities in pay for men and women relate to lower valuations of women's work, based on dated ideas that it is less-skilled than men's work. In addition, there has been a long-standing notion built into wage formulations that women work for 'pin money', thought of as a few extras for themselves or their families to supplement the 'real' wage of the principal 'breadwinner', the full-time employed male. Indeed it is salutary to remember that until the early 1970s, women were paid at a lower rate for the same work than men on the basis that men needed a higher wage to cover the support of a family. This was built into the original Harvester judgements on the Basic Wage in 1907 and persisted until the Equal Pay for Equal Work decisions of the late 1960s and early 1970s. (Thomson, 2000, pp 82–85).

Certainly the Australian situation portrayed above is consistent with commentary from the International Labour Organisation (1999):

*Women have transformed the labour markets of the world. In many countries increasing labour force participation of women is driving trend. The activity rates of males are declining while those of women are increasing. The structural transformation of economies, demographic change, informalisation, and new notions of working time has redefined working and living conditions for both women and men.*

*They have also modified gender roles in the labour market. In some cases women have succeeded in obtaining greater opportunities and economic autonomy. But many have been victims of change. Globalisation and economic restructuring favour flexible modes of employment, many of which lie beyond the reach of labour legislation and social protection and characterised by low incomes and high levels of insecurity. While both men and women are affected by these trends, women are more vulnerable. The result is occupational segregation, with women finding themselves in the least protected sectors of the economy. The growth of female-headed households, due to migration, divorce, and abandonment, also means that the insecurity of women's employment directly affects children and other dependents.*

## 3. Welfare-to-work and the path out of poverty

### 3.1 The shifting sands of public policy

The previous section aims to show that there is a strong tendency for women's jobs to be lower paid than men's jobs and arguably, more precarious, as indicated by high rates of casual employment. A critical problem emerges in relation to the preponderance of lower-paid, precarious jobs available to disadvantaged women when these jobs need to pay a living wage when the woman is the breadwinner for herself and her family.

The problem of low-wage, precarious employment becomes particularly sharp-edged when outcomes for policies, such as welfare-to-work, which posits an objective of poverty alleviation, are linked to precarious employment. If the only jobs that a disadvantaged woman can obtain are low-paid and precarious, how can she realistically earn enough, on a consistent basis, to support herself and her family, and build a future?

An issue of great policy and research interest across the world has focussed on outcomes of the social policies of welfare-to-work as in Australia since 2006, or welfare reform since 2000. These policies are also called *active employment or activation* policies in the European context or *Workfare* (and welfare-to-work) in the North American context. Both emphasise work-related participation as a condition of income support. It should be noted that welfare-to-work in Australia is really only a further iteration around a suite of labour market policies that have sought to reduce unemployment amongst particular groups for at least the past 20 years in Australia. Welfare-to-work, as it was implemented in 2006, is differentiated from earlier Welfare Reform endeavours by its greater stringency in obligations, harshness of penalties for non-compliance and its application to groups, particularly sole parents and people with disabilities who may not have formed part of the traditional unemployed, but have comprised a significant proportion of those receiving welfare income support payments.

For women, the major changes that came into play with welfare-to-work in 2006 were:

- people (in reality, mainly mothers but also a small number of fathers) who claimed Parenting Payment Single (formerly Sole Parent Pension) after 1 July 2006, were required to look for part-time work between 15 and 25 hours per week, participate in employment services including the Job Network, and meet mutual obligation requirements such participation in Work for the Dole programs.
- These people remained on Parenting Payment Single until their youngest child turned eight-years-old, after which they were required to apply for Newstart Allowance (unemployment payment) which required a full-time search for work.
- People who claimed Parenting Payment Single before 1 July 2006 are able to remain on Parenting Payment until their youngest child turned 16 however from 1 July 2007, or when their youngest child turns seven-years-old, (whichever is later). These people are required to look for part-time work at the minimum of 15 to 25 hours per week, participate in employment services or otherwise meet mutual obligation requirements such as participation in Work for the Dole programs.

It should be recognised, however, that there has been a long-term strategy on the part of Australian governments of increasing workforce participation of sole parents. Welfare reform from 2000 included requirements for sole parents to engage in 'mutual obligation' activities such as job search, training, Work for the Dole or other designated activities.

This next section of this report covers two areas: firstly the philosophical underpinnings of welfare-to-work followed by an examination of the evaluation material.

## 3.2 Philosophical underpinnings: discourses of personal agency

In essence, the notion of an entitlement to a payment for a single parent for the caring of children has been greatly diminished as a result of fundamental shifts in ideas about welfare provision over the past 20 years or more. At the heart of the welfare to work (welfare reform/workfare) regime as it was conceived in the United States and adopted in Australia's welfare-to-work policies, was a particular view of personal responsibility in terms of claims for welfare assistance. Indeed in 1996, President Clinton signed off on the *Personal Responsibility and Work Opportunity Reconciliation Act* (PRWOA), which inserted onerous conditions on welfare clients for income support payments—including requirements for welfare recipients to accept jobs after two years and time-limited payments of five years over a lifetime. In particular, the PRWOA sought to *alter the behaviour of the poor, notably poor women with children perceived to suffer welfare dependency* (Standing, 1999, p 315).

Two American thinkers were central to the policy formulations that emerged in the 1990s: Lawrence Mead and Charles Murray. Both put to the fore arguments for winding back the post-war welfare state and bringing to the fore a *behaviour modification* approach to social policy.

Charles Murray (1999) contended that social programs had a range of adverse outcomes for society. He proposed that many types of social disadvantages are accrued by certain types of behaviours which are then set in concrete by protective social policy and programs. The solution according to Murray is that social policy and welfare programs should be either abolished or minimalist.

Lawrence Mead's ideas complement and develop those of Murray. He proposes that social policy target behaviours deemed as negative (such as women becoming single mothers). He considers that paternalistic devices such as enforcement, supervision, monitoring, responsibility and obligation were necessary (Mead, 1997, pp 1–10). Mead explicated these ideas in a number of books over the 1980s and 1990s (Mead, 1997, 1992 and 1986).

Taken together both have undermined two previously bipartisan understandings in social policy. First, a respect for entitlement to social security was replaced by a philosophy of conditionality and this was reflected in the policy of mutual obligation. *The right to define the obligations was actually not mutual but became the exclusive role of government. To implement mutual obligation, public officials were entitled to use coercive tactics—hard (Murray) and soft (Mead)—the latter identifying a gamut of paternalistic 'tough love' options, aimed at controlling the lives of the poor in the quest for better outcomes. Once this framework was instituted, it was easy to dismantle the second assumption of Australian social welfare policy, the acceptance that caring responsibilities were as important as paid work. Welfare-to-work discarded the philosophy that disadvantaged women were entitled to make their own choice about the advantages of taking paid work, by considering the needs of their children as the benchmark. Thus care for children was implicitly downgraded and paid work established as the priority for disadvantaged women.*

Embedded in the ideas of Murray and Mead is a more generalised set of ideas, observed by various sociologists such as Giddens and Bauman who note the divestment of government responsibility for all social and economic risks. This divestment to the individual is an outcome of globalisation, deregulation, and fundamental changes in the paradigms by which many people live. In this regard, Bauman's notion of *liquid modernity* is helpful in invoking what this means, (Bauman, 2007, pp 1–4).

In contemporary living, he says:

- There is a shift of responsibility onto individuals for *vexingly volatile and constantly changing circumstances*;
- There is a withdrawal of state protection against individual risk and misfortune as per the post-war welfare state;
- Social forms and institutions are unlikely to be given enough time to solidify and cannot become frames of reference for human actions and for long-term life strategies; and

- There has been a collapse of the conditions for long-term thinking, planning and acting.

Giddens (1991) also develops a set of ideas of how individuals are being challenged by the nature of contemporary social and economic life, in which there is continuous dislocation between time and space brought about by globalisation.

*Modernity reduces the overall riskiness of certain areas and modes of life yet at the same time introduces new risk parameters largely or completely unknown to previous eras... (p 4)...*

The portraits of the six women in chapter one of this report provide insight into the lived experience of these social dynamics, as explicated by Giddens and Bauman. It was evident that the women were particularly exposed to the vagaries of a labour market which offered little in the way of stability, in combination with a highly-conditional welfare system.

It is important that the philosophical underpinnings for social policy are understood because, in order to change the policy, new ideas must be allowed to emerge. However, at this point in time, it seems that social policies are still running on ideas developed in the 1980s and 1990s. A starting point for challenging the dominant discourses is to examine the evidence for the effectiveness of the policies on which they are based. At this point in time, the evidence appears fairly consistent. Welfare-to-work is a policy of, at best, marginal effectiveness across a range of measures.

### 3.3 Evidence of effectiveness through evaluations

Most conventional evaluations of welfare-to-work or active strategies focus quite narrowly on the immediate outcomes of the program intervention, in terms of whether a job was obtained or not as a result of the intervention.

The *Australians Working Together* Evaluation Report (Department of Employment and Workplace Relations, 2005) shows that the increased participation requirements for parents (single and partnered) under welfare reform resulted in very little exit from income support to jobs, and mainly for those for whom participation in labour market interventions were mandatory. To the credit of the former Howard government, the evaluation results were not overstated. It is of interest, though, that the report places a high degree of value on the level of community and client support for requirements for participation in return-to-work activities for people receiving income support. This is, in effect, an admission of the weight of the symbolic value of the intervention as opposed to its actual value. A further and much deeper question then is whether return-to-work requirements result in a pathway out of poverty for disadvantaged women.

One Australian study which did take on this question (Walter, 2002) examines evidence of material well-being improvements of single mothers taking paid employment as opposed to remaining on welfare. For many groups of single mothers, especially in lower-paid employment, material well-being actually reduced as a result of working. Walter found that it was the fact that single mother families are disadvantaged principally because they lack a partner and not because they lack employment and income. Single mothers were not significantly different in characteristics from other women. In the event of marital breakdown, *the economic situation of married mothers would be that of the sole mothers* (p 377).

This finding is important for social policy, which postulates that it is the labour force status of single mothers which is the cause of their poverty. As Walter concludes (p 378):

*Sole parenthood and poverty are obviously linked, but the cause of this interaction is not necessarily a lack of labour market work. In this study, the major explanation for the glaring disparities in material well being between the households was the partnered status of the mother. Will increasing the obligation for sole parents to undertake labour force activity therefore merely replace inadequate monies from income support with inadequate market income?*

Indeed, some international work sheds light on this latter question.

### 3.4 The United States experience in welfare reform

Welfare reform policy in the US, which focussed on removing single mothers from the welfare system, dates back to the early to mid-1990s. US welfare reform has been, and is, as noted above, a very stringent raft of legislated measures to compel single parents to return to work when their children are quite young by Australian standards. These measures include:

- A five year maximum lifetime limit receipt of federal benefits;
- A requirement to participate in work activities within two years of receiving assistance which means that single parents are required to start work-related activities when children are pre-school age and in 20 states there is a requirement to start work or work-related activity as soon as income support is claimed.
- However it also includes public assistance to varying degrees (subject to state differences):
- Childcare availability to enable workforce participation; and
- Earned Income Tax Credit (EITC) and various state-based financial measures to ensure that parents are better off working than on welfare.

A thorough review of the United States experience was undertaken by the Australian Institute of Family Studies (Gray and Stanton, 2002) collating information from a wide range of sources and suggesting implications for Australia. The AIFS conclusions are reinforced by a similar review undertaken at the London School of Economics (Waldfogel et al, 2001).

Both reviews show that US welfare reform over the 1990s succeeded in reducing welfare dependency amongst single parents by the end of the 1990s and early '000s. Waldfogel et al (2001, p 15) show that the welfare case-load of single parents fell by half between 1994 and 1999 and the labour force participation rate for this group grew by 10 percentage points. This occurred because the policy compelled single parents to take jobs. It was also successful because jobs were available for single parents to take due to high economic and job growth.

The question as to whether US welfare reform led to improvement in poverty levels, however, is another story and quite a complex one. Both policy reviews concur that poverty is a continuing issue for many single parent families. In 1999, according to the AIFS research, the poverty rate for children in single parent families was 42%, compared with 17% for children in the general population. The critical factors in continuing poverty despite workforce participation were low wages and low levels of job security (Gray and Stanton, 2002, p 13).

Waldfogel et al (2001, p 24) at the LSE, note:

*Many lone mothers who are not able to find and keep jobs, are worse off financially as a result of the reforms. Many others are no better off financially —they have simply moved from the ranks of the welfare poor to the working poor. In many states, a single mother with a pre-school age child is expected to work at least 30 hours per week at a minimum wage job with only a modest amount of child care subsidy and Earned Income Tax Credit and health insurance only for her children.*

As both studies collate findings from other research, there are mixed observations about the effects of welfare reform with notes on studies including:

- A high proportion of jobs are obtained in the services sector and often involve working night shifts, or have irregular and unpredictable hours (Acs and Loprest 2001, quoted in Gray and Stanton, 2002, p 15);
- Ambiguous outcomes in terms of children's and adolescents' well-being (Gray and Stanton, 2002, p 17);

- Inconsistent and inconclusive evidence regarding mother’s health and well-being (Gray and Stanton, 2002, p 15).

### 3.5 The Campbell collaboration meta-analysis for the United States

We consider the results of a Campbell Collaboration assessment of welfare-to-work programs. The Campbell Collaboration, simulating the Cochrane Collaboration in the medical area, undertakes systematic, international reviews of evidence for the efficacy of programs and interventions in the education, crime and justice, and social welfare areas.

One recent systematic review of the Campbell Collaboration by a team of Norwegian social researchers has been the study of *Work Programs for Welfare Recipients* (Smedlund et al, 2006). The researchers interrogated a very large range of databases examining results of randomised control trials, quasi-randomised trials, or cluster randomised trials of welfare-to-work programmes.

Key characteristics of the data analysis were:

- Results came from the United States (presumably because this is where welfare-to-work has been most consistently rolled out and evaluated);
- These results covered a total of 46 programs with more than 412,000 participants;
- Participants were randomised to intervention or control group;
- The study reports on follow-up outcomes from the end of the intervention and up to six years.

There were four sets of outcomes assessed across job acquisition, reduction of welfare payments, earnings levels and overall reduction in welfare dependence (Smedlund et al, and 2006 pp 2–3).

JOB OUTCOMES	WELFARE PAYMENTS
<ul style="list-style-type: none"> <li>• 61% of intervention participants were employed at the follow ups but</li> <li>• 58% of control participants were also employed</li> </ul> <p>The researchers estimated that an average of 33 welfare recipients had to receive one of the work programmes in this review in order to predict that one more of them would be employed.</p>	<ul style="list-style-type: none"> <li>• the programs reduced the welfare payments from \$21,719 to \$18,777 across all programs.</li> <li>• This represented an improvement of 51.2% in the intervention groups and 48.8% in the control groups</li> </ul>
EARNINGS OUTCOMES	WELFARE DEPENDENCE
<ul style="list-style-type: none"> <li>• The mean earnings across all the intervention outcomes (2005 US dollars) were \$11,021 compared to \$8,843 for the control groups.</li> </ul>	<ul style="list-style-type: none"> <li>• as a result of taking part in a programme, 68% were on welfare, compared to 72% in the control groups.</li> </ul> <p>The researchers estimate that on average 27 participants had to take part in a programme in order to get one additional person off welfare.</p>

The authors conclude that (Smedlund et al, 2006 p 3):

the welfare-to-work programmes in the United States have shown small, but consistent effects in moving welfare recipients into work, increasing earnings, and lowering welfare payments. The results are not clear for reducing the proportion of recipients receiving welfare.

### 3.6 UK experience of policies to increase labour force participation of women on welfare

Around the same time that welfare reform for single parents was underway in the US, the UK embarked on a rather different national project to improve the labour force participation of women reliant on welfare payments under the New Deal projects commenced by the Blair Government in 1998. New Deal for Lone Parents differs significantly from US welfare reform in that it is a voluntary program in accordance with European conventions in this area. However, it has nevertheless been part of the UK government welfare reform to reduce welfare dependence. It is amongst a raft of measures to improve employment rates for unemployed or not-in-the-labour force working-age people. These measures include the Working Families Tax Credit which is aimed to ensure that people moving from welfare to work are always better off and can access benefit “run-ons” which enable people to maintain benefit receipt for the first weeks in taking a job. In itself, New Deal for Lone Parents runs along a similar model to its US counterparts, with a personal adviser assigned to assist the parent in terms of a return-to-work strategy; availability of limited training; some limited in-work support from the personal adviser; and a Jobfinders Grant to help with the costs of starting a job, such as new clothes and travel.

Significant evaluation of the New Deal for Lone Parents program has been undertaken (Evans et al, 2003) which sheds light on the efficacy of the program in achieving its objectives. There is a strong emphasis in the evaluation material on measuring participation rates and the extent to which NDLP has succeeded in reducing the number of lone parents on income support. While not directly assessing outcomes in terms of poverty levels, the research does report that there was a significant decline in poverty amongst lone parents in the UK, estimated as a fall from 62% to 54% of lone parent families between 1996/97 and 2000/1 (p 9). It is acknowledged that this occurred in a period of employment growth and falling unemployment in which NDLP was embedded.

The evaluation indicates that, in general, the types of jobs obtained by lone parents through NDLP are relatively low-skilled and low-paid because of the part-time status of most of the jobs. In most jobs, lone parents received a wage just over the minimum hourly rate. The program suffered a significant degree of ‘recidivism’ with around 29% of participants returning to income support within 12 months and 41% after 2¾ years (Evans et al, 2003, p 81 and p 96).

### 3.7 Other European experience

Single parents have also been the focus of social policy intervention in the European Union generally. In most member countries, policy has been more explicitly linked to poverty alleviation especially for children than in the United States, which has been more strongly linked to a moral imperative around independence and the work ethic.

A recent review of the impact of welfare policy for single parents in a number of EU countries has been undertaken by Anne Skevik (2006), examining the evidence from Sweden, Denmark, Finland, Norway, Germany, the UK and the Netherlands. While each of the countries has quite a different policy profile on the issues, a number of conclusions could be drawn from the overall experience:

- Higher levels of employment amongst single parents did in general mean a reduction in poverty;
- Reduction in poverty was not automatic—it depended on the social context, on the type of work available and on the wage level;

- There was no consistent evidence that “activation” policies (workfare/welfare to work) had much effect where these were pursued in the UK, the Netherlands and Norway as compared to where they were hardly pursued at all in Germany, Sweden, Finland and Denmark (Skevik, 2006, p 232).

She concludes (p 233):

*This suggests that the most important thing that politicians can do if the aim is to increase employment and decrease poverty amongst lone parents is to maintain a healthy economy with low levels of unemployment, combined with family-friendly policies for all families.*

### 3.8 Concluding comments

The evidence cited in this section challenges ideas about the efficacy of welfare-to-work and Workfare strategies. The US experience suggests that they can be effective in forcing workforce participation, but in terms of alleviating poverty there are no consistent findings, and the Campbell Collaboration meta-analysis suggests a very small effect. Certainly, the Australian evaluations on welfare reform provide only thin evidence for their efficacy in placing disadvantaged women in jobs and alleviating poverty.

Researchers who undertook the evaluation of the UK New Deal for Lone Parents (Evans et al, 2003, p 109) conclude that:

On the financial side, ensuring that work really does pay is essential. The national minimum wage offers some protection to those who work in the lowest paid jobs, and any increases in the level of this would be reasonably targeted on women workers, including lone mothers, and those working part-time. The in-work support offered by the tax credits is clearly of great importance to lone parents, and continued attention to increasing take-up is required...

The strong work-first orientation of current policy could be re-considered to widen the focus from transition into work to trajectories in work. One of the main concerns of this employment-based strategy for lone parents is that it risks locking them into low-paid work, from which it is difficult to escape and improve their situations.

This latter observation presages innovative work being undertaken in the USA and UK in recent years around retention and advancement in work. We return to examine these new programs under the section below on Employment Retention and Advancement (ERA) programs.

## 4. Labour mobility: do low-paid jobs lead to better paying jobs?

While there is one set of questions about the effectiveness of active welfare-to-work measures in moving welfare recipients into paid employment there is another even more complex set of questions about movements out of low-paid jobs into higher-paying jobs. These questions go to the heart of debates about legislated minimum wage levels.

### 4.1 Former Howard government's position

The available evidence on the issue of mobility from low-paid to higher-paying jobs is contentious. Some researchers and advocates claim that there is progression for most workers, others argue that the patterns of mobility are complex with no clear-cut pathways for many workers. In addition, little attention has been given to the gendered nature of these transitions.

The former Howard government submission to the Fair Pay Commission in 2007 took up the issue of labour mobility in some depth to bolster its case that there should be **not** be a significant increase in the Federal Minimum Wage. They claimed that *finding a job is the best way of exiting relative poverty* (Australian Government, 2007, p 27). As such finding a job, any job, is the springboard for finding a better-paying job. Accordingly low-wage jobs are an important part of the economy and social system. It was further argued that wages need to be kept low, particularly minimum wage levels, so that there are sufficient low-wage jobs for disadvantaged, unemployed people to enter the workforce.

The submission cited evidence from two studies (p 44) that have reviewed international evidence:

*Evan and McPherson compared minimum wage workers with a comparison group earning above the minimum. The authors concluded that, for a large majority of workers, minimum wage jobs tend to be entry level jobs and are of short duration.*

*A United Kingdom study found that 55.6% of individuals that were paid at or below the National Minimum Wage (NMW) at their initial interview moved to employment paid above the NMW one year later.*

Another study cited in the submission, from the United States' National Bureau of Economic Research (Australian Government Submission, p 24), examined the question of the relationship between employment and minimum wage. It reviewed 86 international studies and most of these had indicated that minimum wages had a negative effect on availability of employment. This evidence was used to bolster the case that an increase in the Australian Federal Minimum Wage should be as small as possible because it reduces employment levels.

The most compelling material quoted in the former Howard government's submission came from the Melbourne Institute's *Household Income and Labour Dynamics Australia* (HILDA) survey. The HILDA survey presents evidence that low income is a transitory phase for most workers (Australian Government Submission, p 46):

*In summary, the Melbourne Institute's results confirm that over a half of all low paid workers make the transition from low to higher pay within one to two years while less than a quarter are in low paid jobs three years later. More than 80% of low paid workers are still in employment three years later.*

The submission however pays little attention to gender issues. None of the tables and charts presented from the HILDA data on the transition from low-paid to higher-paid employment (pp 47–53) has a gender breakdown. As the background information presented earlier in this paper

attest, gender is a significant dimension of the post-industrial labour market. It is important that all labour market analysis encompasses this.

## 4.2 Complexity: gender and mobility

Watson's analysis of HILDA data (Watson, 2007) finds a rather more complex position than suggested in the former Howard government's submission and also attempts to examine the employment trajectories of women. He states that the lowest-paid jobs, at the Federal Minimum Wage, do provide a bridge for some but that:

- a large pool is still in the bottom 20% of incomes; and
- those women are more likely to shift from low-wage employment to not-in-the-labour force status.

Watson does point to limitations in the HILDA data set (Watson, 2004, p 15)

*...we remain largely ignorant about the real relationship between minimum wages and employment in Australia. Much research remains to be done preferably using research designs which properly isolate before and after effects, which incorporate legitimate control groups, and which adequately control for confounding influences and compositional effects.*

The complexities of the mobility patterns from low-wage to higher-wage employment are explicated further by Sue Richardson at the National Institute of Labour Studies (2003, p 37), who concludes from a review of the international evidence:

- There is considerable variation in the degree of wage mobility across selected OECD countries: policy probably matters;
- Countries with higher levels of cross-section earnings inequality have lower levels of upward wage mobility;
- Measures of mobility are sensitive to how low wage is defined and whether movement into non-employment or part-time employment is included:
  - The stricter is the definition of low wage, the greater the mobility.
  - The inclusion of movement into non or part-time employment substantially reduces the degree of upward mobility;
- Quite a large fraction of low-wage workers cycle between low-wage jobs and no jobs;
- Youth have higher levels of upward mobility than do older workers;
- Upward mobility is higher for men than for women, and for more educated workers;
- Thus, for older, less educated and female workers, low wages are likely to be a trap rather than the first step on the ladder.

Richardson's study provides insight into the complexity of the issue of progression from low to higher-wage jobs for different groups and in different settings.

The evidence from HILDA and other sources beg a number of questions:

- A significant group appears to be 'trapped' in low-wage employment for considerable periods and some for the very long-term. Who are these people and what particular issues and problems do they face?
- What are some of the correlations, for example, between age and gender in terms of mobility? For example, wage mobility is much lower for older workers than younger

workers but what is the gender composition of this? What does this mean for older single mothers returning to work?

- What are the mechanisms (e.g. on-the-job training) which enable workers to progress from low-paid to higher-paid employment?

In moving from low-wage to higher-paying employment, what precisely does that mean in terms of lived experience? How much higher is the new wage?

And behind this question, is the most important question of all:

***Is there a shift out of poverty, into higher levels of well being and a capacity to plan for the future?***

### 4.3 Trajectories in low-waged employment

Clearly we need much better information about the long-term trajectories of people in low-wage employment. While some attempts have been made to do this through examination of the HILDA data, the findings are inconclusive, even contentious (for example, Chalmers and Waddup, 2007, p 19; Buddelmeyer and Wooden, 2007, p 24).

The picture is complex. On the one hand, there appears to be some evidence that getting a disadvantaged client into a job, even a low-wage job, could mean that at some point down the track this client will get a better-paying job. But on-the-ground experience tells us that this is far from an easy or guaranteed progression.

The problems involved in low-wage work for disadvantaged women appear to include:

- Insufficient pay to make up for the additional costs of going to work and loss of benefits and entitlements (although some of these may be retained);
- Sustaining the job when other aspects of the client's life are unstable, including housing which has a very strong impact on lifestyle and hence job stability;
- Sustaining a low-wage job for a sufficient period until a better-paying job comes along, especially where the job may be stressful and difficult and there are difficulties in managing on a low-income and going to work;
- Taking account of the particular issues for women with children, especially single parents where care and childcare issues are very prominent in terms of labour force decisions;
- Taking account of the care issues for single parents, where jobs involve on-call hours, shift work or other attributes of unpredictability or outside 'standard hours' work.

Finally, it is well documented that mobility is more constrained for women than men as the Richardson report (2004) and the Watson analysis of HILDA show. While not addressed by the former Howard government, low levels of mobility are nevertheless acknowledged in the secondary research that it cites (p 44). There is also some international work in this area. A study of movement out of low-paid work into higher-paid jobs in Canada (Saunders, 2005) found that low-paid women were much less likely to move into higher-paid jobs than low-paid men.

## 5. Women's employment and economic growth

### 5.1 Gender segregation in the labour market

The evidence presented to this point in this report suggests that the nature of the economy and the high levels of casual work for women do provide entry-level opportunities for disadvantaged women. The issues are whether the jobs can be sustained, provide sufficient income to breach poverty, can be meshed with caring responsibilities, and provide a foothold for a fairly rapid movement into better-paid and more-secure work. These are the challenges for welfare agencies and for public policy in terms of welfare-to-work/welfare reform.

However, the nature of the Australian labour market for women has emerged as an area of significant policy concern. It is highly segregated and this means that there are persistent pay inequities and too many women are locked into insecure, casual forms of employment. These are not only issues for the women, but have a range of broader implications for society and the economy. Anker (1998, p 6) for the International Labour Organisation (ILO), outlines why occupational segregation is a major policy concern:

- *It has an important negative effect on how men see women, as well as how women see themselves, by reinforcing and perpetuating gender stereotype;*
- *It has a negative effect on labour market efficiency and labour market functioning;*
- *It is a major labour market rigidity, greatly reducing a labour market's ability to respond to change;*
- *It is a major determinant of male-female wage differentials and hence social and economic inequality.*

The ILO considers that gender inequality in employment is a major area for international concern and has identified it as a core part of its action strategy on Decent Work. In its 1999 statement on Decent Work it says:

*a gender perspective is therefore an imperative for the ILO, not merely for reasons of equity and fairness but also because it is part of the very substance of the ILO's work today (p 12).*

The ILO's more recent work on labour market inequality (2007) reports on continuing gender inequality in the workplace along the lines described in this report and continued commitment to its 1999 policy agenda.

### 5.2 Social and economic impacts of gender labour market inequality

However, even more compelling arguments about the importance of gender equality in the labour market are now being proposed. There is increasing evidence that countries with higher levels of gender equality in the workforce, such as in Scandinavian countries, have maintained strong birth-rates in contrast to countries with low levels of gender equity such as Japan and Italy. This latter group of countries are experiencing rapid population ageing and substantial population loss in the longer term. Such population loss is linked to loss of economic growth and power as labour supply dwindles.

These arguments are posited in an article for the OECD Observer (October, 2005) drawing from European Commission and United Nations data in which the authors, Mortvik and Spank, were able to establish strong links between countries with good records on gender equality and birth rates.

They say:

*Put simply, women in societies with traditional values towards family and*

*gender equality ironically postpone or abstain from childbearing. This affects long term growth for these countries... At the OECD and elsewhere, trends in gender equality should be incorporated more firmly into economic models for long term growth. Such models would probably show two things. First that the gap in performance between OECD economies has a compelling gender related dimension. And second that without a change in attitudes, the growth in prospects of many OECD countries will remain severely compromised.*

Australia's population ageing is also predicted to be a significant constraint on growth in the future as Commonwealth Intergenerational Reports attest (Australian Government, 2007, p 7). Australia has below-replacement birth rates, although there will be some population growth due to immigration. Access Economics (2001, pxvii) predicts that for the entire decade of the 2020s, the workforce will grow by around 125,000, whereas it has increased by 170,000 per year in recent years. Nurturing the labour supply for groups including women and older people will be a critical part of the solution.

Indeed, the former Howard government placed emphasis in its policy instruments on raising labour force participation rates with welfare-to-work being a key component of this according to the 2007 Intergenerational Report (p 7). However, even its own evaluations, described above, show the modest outcomes from welfare reform. Clearly, more fundamental reforms are needed to lift women's labour force participation, although it is perhaps too early to say what the outcomes of the more stringent welfare-to-work measures will be.

The other area of policy in which the former Howard government believed it would lift productivity through labour force participation is through Work Choices (Intergenerational Report, p 7), to create greater flexibility which is really just a form of labour market deregulation. The logic of this is that greater flexibility allows for more low-wage and less-protected jobs to be created, which can be taken up by workers with lower skill levels and less desirable labour market characteristics.

### 5.3 Deregulation of the labour market: work choices and Australian workplace agreements (AWAS)

While the current Rudd Labor Government has started the process of abolishing Work Choices and AWAs, it is worth reviewing the history of this phase of public policy in terms of women's experience. Work Choices and AWAs represented an extreme version of deregulated labour law.

The National Foundation for Australian Women (NFAW) research on the effects of and views on Work Choices presented to the Fair Pay Commission are of interest. The NFAW undertook a wide range of consultations with women for its submission. A particularly pertinent finding is that:

*... participants (in the NFAW study) generally perceive Work Choices as part of a social regulatory framework that intersects with the welfare provisions of Welfare to Work. Both pieces of legislation create tensions in achieving a balance between work and family responsibilities, which, in turn, is important to increasing participation in work. Workplace issues such as pay, hours of work, leave; job security and workload are work-life balance issues (NFAW, 2007, p 16).*

As noted above, countries which support women's workforce participation are predicted to perform better on economic growth and productivity over the long term by enabling work-life balance. Clearly then, the approach embodied in Work Choices was hardly ever appropriate to the demographic challenges ahead. The NFAW research suggested that it was ultimately likely to head Australia in the reverse directions from that intended. By reducing protection and security, it is possible that women would be less likely to participate in the workforce if there is a choice

not to, or alternatively put off or abandon having children because of the difficulties of combining work and family.

## 5.4 Work and family

Work and family is the subject of much research with major themes picked up in a study undertaken by the Social Policy Research Centre on labour market transition experiences of women (Smyth et al, 2005). The study found that:

*For women in this study, combining work and family created ongoing stress and considerable guilt. The stress related to what some described as a 'military operation' organising home, children, childcare, transportation and work. Organisation and forward planning were essential for the women who had to get to work each day. For many, combining work and family added two or three hours to their working day.*

*Even the best-organised plan, however, could be derailed by a sick or distraught child or parent. Most of the women interviewed experienced periods of guilt, either about their ability to be 'good parents' or 'good workers'.*

The study drew from the Household, Income and Labour Dynamics (HILDA) study of Melbourne University and in-depth interviews with a wide range of women, so did not have a specific focus on disadvantaged women or single parents. As welfare agencies are well aware, the problems of work and family balance are compounded for mothers where there are other disadvantages such as housing instability or ill health, or simply where there is lack of a partner or supporting extended family. The SPRC findings beg the question as to how increased labour market flexibility and reduced protection as per Work Choices could assist disadvantaged women to increase their workforce participation.

Functional family life for all types of families is predicated on stability, predictability, and security. While the former Howard government argued that working parents could bargain with employers for flexibility for sick children or school requirements as the NFAW consultations revealed, disadvantaged women are not in a position to undertake individual bargaining on employment conditions with employers.

## 5.5 Impact of work choices

Work Choices chipped away at traditional employment rights and created new forms of disadvantage as workers went without sick and annual leave for a supposed 'loading' on the hourly pay rate (but which, in fact, was rarely compensated). The arrangement locked a worker into a situation of being without income in case of illness and having no automatic entitlement to take time off for leave which had to be negotiated with the employer and fit in with the business requirements. Disadvantaged single parents where there is little social support or financial padding were particularly affected by this arrangement. These issues were described by the Low Pay Project, undertaken at the Centre for Work and Life at the University of South Australia (Masterman-Smith, 2007).

As Standing (1999, p 81) says:

*ultimately labour flexibility is about control. You wish to be flexible on your terms; you want me to be flexible on your terms and vice versa... When someone calls on workers or on employers to be flexible, it usually means he wants them to make concessions.*

In Australia at the present time, it is the most disadvantaged people and their families who are being required to make the most concessions at the price of their security and well-being. This casts a shadow over the project of reducing long-term welfare dependency. Although there is continuing adherence to the idea that a job is the best route out of poverty, a job needs to not only provide adequate pay, it needs to enshrine rights and protections as described by the ILO as “**decent work**”:

*Decent work sums up the aspirations of people in their working lives—their aspirations for opportunity and income; rights, voice and recognition; family stability and personal development; and fairness and gender equality. Ultimately these various dimensions of decent work underpin peace in communities and society.*

While the dismantling of Work Choices and the abolition of Australian Workplace Agreement is welcome, it should be recognised that these actions alone will not reconstitute **decent work** in Australia. Australia has had a long-term project of labour market deregulation in response to the forces of globalisation and new competitive pressures under the New International Division of Labour, discussed earlier in this report. Many commentators such as former Reserve Bank governor Ian McFarlane in the 2006 Boyer lectures (McFarlane, 2006) argue that Australia has made a successful transition to economic prosperity underpinned by low unemployment (and low inflation) as a result of the policy choices that it has made, including long-term labour market deregulation.

However, it is timely to consider what some of the costs have been in terms of eroding quality of life in employment and to see whether now there are policy responses which can combine both economic prosperity and decent work. The Rudd Government elected in November 2007, has an opportunity to invigorate a commitment in new policy formulations to the ILO concept of decent work.

## 6. Ways forward: employment retention and advancement

The main points which this report has made are that:

- despite the growth in women's labour force participation in the past 20 years, many women are locked into low-paid, precarious work, and that there are continuing wage disparities between men and women;
- that welfare-to-work/welfare reform policies and associated programs in Australia, the United States, the United Kingdom and continental Europe have had limited success in reducing poverty for single parents;
- that while a low-paid job can be a stepping stone to a higher-paid job, there is nevertheless a significant problem of entrapment in low-paid jobs, especially for disadvantaged women. This belies the notion that a job is the best route out of poverty;
- those opportunities for women to balance work and family have important flow-on effects to population and economic growth. Evidence and analysis to date suggests that lack of protections in employment, forced through labour market deregulation, imposes constraints on opportunities for women by reducing wages, conditions and protections in employment. This is likely to have negative effects on population and economic growth in the future.

There would seem to be growing recognition overseas that there are limitations in policy approaches which insist that getting a job, any job, is the best route out of poverty. The need for more sophisticated responses has been recognised in the United States and the United Kingdom in the last few years through new demonstration projects under the banner of Employment Retention and Advancement (ERA) programs. These are considered here.

The Employment Retention and Advancement demonstration programs were commenced initially in the United States in the late 1990s and in 2003 in the United Kingdom. Both forms of the program have been instituted in response to the perceived limitations of existing welfare-to-work/welfare reform policies.

### 6.1 US experience in employment retention and advancement

In the United States, Bloom et al (2002, p 2) describe the labour market that emerged in the 1980s and 1990s as particularly problematic for single parents due to the drying up of well-paying jobs for people without a college education and the growth of employment instability, involuntary part-time work and 'contingent' or temporary work. While two-parent families were able to cope with the long-term losses in average hourly wages by working more hours this was not an option for single parent families. At the same time as these economic trends were taking effect, welfare reform policies required single parents receiving income support payments to enter the workforce. The nature of the US welfare reform policies which time limit income support assistance *make it imperative for recipients to find and hold jobs that can support their families without cash assistance.* (p 3).

Evaluation of the US experience is a work-in-progress at the present time, with separate evaluations being undertaken on the 16 demonstration projects. As these projects commenced at an earlier date than the UK projects, the evaluations are currently at the stage of follow-up of the longer-term impact of the program on participants now that the programs are largely terminated. However there is significant literature which suggests mixed outcomes from the programs across the 16 sites.

The Californian project, for example, presents a sanguine view of the outcomes from program (Navarro et al, 2007, p ES 8):

- participants were more likely to find new jobs after they lost or left jobs;
- participants were more likely to be reemployed at jobs with higher earnings compared to control group participants.

This might mean that individuals receive greater support at the time of a change in circumstances than control group participants. The Californian evaluation also suggests that the program worked best when community-based organisations were involved.

In contrast, the Minnesota ERA demonstration project has yielded comparatively little positive results of the intervention. LeBlanc et al, 2007, piii finds that the program has had little effect on the employment, earnings and public assistance take-up. The Chicago program has also revealed modest impacts of the program. It is not clear why this is so; however the evaluation material reveals significant differences in implementation within states. Altogether the US experience needs considerable more analysis before any conclusions about the efficacy of the ERA programs can be reached. It is certainly highly likely that there is great regional variation in the nature of the implementation, which could have significant effects on program outcomes.

## 6.2 The UK experience of employment retention and advancement

The UK ERA demonstration projects grew out of the New Deal programs (described earlier in this report) and the problem noted in the evaluations that many participants of low-wage employment are 'cycling' between income support payments and paid work. A deficit was identified in the New Deal programs in providing in-work support after a job was acquired to assist retention and advancement (Dorsett et al., 2007, p 15). Dorsett et al. describe the UK ERA program:

*...shifts the focus of service delivery towards sustaining and progressing in employment in addition to job placement. The ERA program offers both pre-employment and in-work support to assist low wage and unemployed individuals in maintaining full time, steady jobs with better working conditions, at the same time helping them to leave the cycle of relying on government benefits.*

As in the United States, it is noted in the same report (p.17) that:

*...wage inequality in the UK has risen since the 1980s while wage mobility has declined. These trends indicate that low-wage workers are largely not moving into better jobs... Research also shows that employees earning the lowest wages and whose working conditions are poor are generally less able to negotiate better working conditions for themselves and are more likely to return to benefits than to improve their earnings. Poor prospects for advancement are also associated with decisions to leave work, which worsen the "scarring" effects (of unemployment) and thus have further implications for future labour market participation.*

Intensive case management is at the heart of the ERA programs in both the United States and the United Kingdom. They generally combine financial incentives and other services such as education and training, mentoring or coaching, and child care assistance to address issues that may constitute barriers to ongoing employment. The demonstration programs operate on slightly different models in different locations both in the US and the UK.

Both the US and UK demonstration projects involve a random assignment process so eligible people on income support are either allocated a place in the ERA program or in a control group. These are thus major social policy trials, and already there is a substantial evaluation literature available about the programs.

It is worth examining the generic UK model in closer detail in order to understand the ways in which ERA-type programs differ from standard welfare-to-work or Work First approaches (Dorsett et al, 2007, p 23):

- Participants work with an Advanced Support Adviser (ASA) for a maximum of 33 months over both pre-employment and in-work periods, allowing around nine months to find a job and two years of in-work support, or for the full 33 months if the participant was already in work;
- In the pre-employment phase participants are encouraged to consider the advancement opportunities of a job before taking it, and try to identify work that is a good fit with their skills and interests;
- Coaching continues in order to help customers address any continuing or new barriers and to help them advance in their work through, for example, higher pay, more hours, promotion, better pension provision, or by finding a better job;
- ASAs develop an Advanced Action Plan for participants which sets out job search, retention and advancement steps;
- An emergency fund is available in case of difficulties which could prevent the participants continuation in work;
- Participants also receive a “retention bonus” to encourage entry to full-time work. It consists of up to six payments totalling the equivalent of \$5,400 when participants work 30 hours or more per week for 13 out of 17 weeks;
- Training bonuses are also available to encourage combinations of work and training.

This model of service provision takes forward present approaches embedded in Australian programs such as the Personal Support Program for very disadvantaged unemployed people, and the Jobs, Education and Training (JET) program for sole parents. However, it is different from these programs in its emphasis on:

- attention to the quality, pay and prospects of jobs;
- long-term goals and sustainability within a job; and
- providing financial incentives to ensure that work pays.

While the full evaluation of the UK ERA program is as yet unpublished, the preliminary evaluation results have shown that the program has been most effective in moving single parents from part-time to full-time work and in reducing the cycling between employment and income support payments. Overall there was a reduction in income support payments received by the ERA participants compared to the control group (Dorsett et al, 2007, pp 116–119).

### 6.3 Work and care orientations of women

In addition, the preliminary evaluation materials also point to the significance of care responsibilities in employment decisions made by single parents. Hoggart et al (2006) undertook extensive interviews with ERA participants to better understand their orientations to work in relation to care. These findings provide some rich material in considering appropriate interventions for single parents in terms of return-to-work strategies.

The researchers identify a range of “work orientation dimensions” (p 26) which come into play around decisions and relationships in regard to the workforce:

- an instrumental dimension involving money considerations, security, etc;
- a social dimension involving a focus on the social relationships at work;
- an intrinsic dimension where there is innate interest in the job;
- a self-identity dimension in which work has a major role in terms of self-perception and commitment to the work ethic.

Alongside the work orientation dimensions, the researchers identify a continuum of “care orientation dimensions” for women with children:

- no care;
- peripheral care;
- work-focussed carers;
- care-focused workers;
- exclusively care-focused.

The researchers argue that these work and care orientations and the interactions between them have important effects in terms of both retention and advancement in employment for lone parents (and others). They cite the example of how these orientations affect responses in the event of the breakdown of care arrangements (p 43):

Whether the breakdown of care arrangements results in the parent moving out of work, reducing working hours or putting in alternative care arrangements is therefore likely to depend on an array of factors—are other forms of childcare and support available? What is the attitude of the employer towards the employee’s childcare responsibilities? What are the individual’s attitudes towards what is appropriate childcare? What are the parent’s feelings about paid work?

This type of research suggests that more sophisticated understandings of the motivations of lone parents in terms of work and care are critical to successful welfare-to-work strategies and to long-term retention and advancement strategies. The research suggests that working with single parents requires an awareness of the *complexity of individual’s orientations to work and care and the way that these can shape future goals...* and also that these *orientations are not set in stone but are dynamic and amenable to change including potentially through successful engagement in a programme run by skilled advisers* (p 46).

## 6.4 Implications for Australia

The UK and US Employment Retention and Advancement programs certainly provide fuel for reconsidering the nature of Australian interventions to improve the workforce participation of single parents. What does emerge from the ERA experience to date is that the project is a complex one with a great many variables to be considered. Several avenues for improved service provision in Australia can be derived from the preliminary findings:

- Case management needs to be extended beyond the return-to-work phase into the in-work situation especially for single parents;
- Case management plans need to pay attention to long-term issues for clients in terms of retention and advancement and to the type of work that they take up;
- Case management needs to take into account the care issues and work and care orientations of the client;
- Longer-term strategies are needed for retraining and education to equip women for better-quality and better-paying jobs.

## PART B. RESEARCH FINDINGS

### 7. Women's lived experience of welfare and work

To understand the lived experience of disadvantaged women's engagement with the labour market, we undertook focus groups and in-depth interviews with women who were either current clients of Melbourne Citymission employment preparation programs or associated with the agency through neighbourhood renewal initiatives. Five focus groups, involving 42 women, were held in November and December 2007. Three groups of participants were recruited: mature-age women without children under the age of 16 years; single mothers with children under the age of 16 years; and young women under the age of 25 (in the main without children, but a few did have a young child).

Half the participants were receiving Centrelink payments as single parents and most were under obligations to be actively looking for work or preparing for work. Fifteen were young women between the ages of 18 and 24, mostly living independently with little family support. One focus group was convened with a group of 10 mature-age women over the age of 40 without dependent children.

Around one-quarter had part-time work or intermittent casual work. All were "disadvantaged" in the labour market with low levels of education and other significant barriers to paid employment. A few had criminal records or other quite serious impediments to workforce participation, such as mental health problems. One woman, for example, had a severe disability. Specific description of the groups is published in appendix 1 of this report.

The topics covered in the focus groups derived from the themes that emerged from the policy and literature review:

- Finding a job—whether it is easy to find a job;
- Keeping a job—whether it is easy to keep a job;
- Family issues in finding and keeping a job;
- Barriers to searching for a job;
- Pay from work and Centrelink payments;
- Job stability and mobility;
- Education, training and qualifications; and
- Networks.

Women's views and experiences about the assumptions around current social and employment policies were sought. Women were also asked to identify key barriers to engaging with the labour market, as well as providing insights into measures that would assist them.

Focus groups were conducted by the principal researcher for the project, usually with a program staff member as an observer. Focus group discussions were taped.

#### 7.1 Finding a job

The background to this discussion topic is the assumption that because there is a low unemployment rate, it is easy to get a job. The low unemployment rate and high rate of job growth was frequently cited by the former Howard government as a rationale for instigating welfare-to-work measures which insist on the workforce participation of income-support beneficiaries, most particularly single parents when their youngest child turns seven and people with disabilities up to specified hours depending on the level of disability. However, more broadly, the assumption is embedded

in the social welfare system, which was imbued with a strong imperative for recipients to have a highly-active job search regimen.

The topic then sought to explore the experience and perception of women in terms of the ease or difficulty of finding a job. Unanimously, the women across all age groups said that it was not easy to get a job and keep a job.

The focus groups revealed much about the experience of women in the contemporary low-skilled and entry-level job market. Yes, they said, there were jobs available, but many of these presented such difficulties in taking them that they were not really a viable proposition.

In the outer western suburbs of Melbourne, the participants reported a concentration of jobs in warehousing and light manufacturing. However, most of these jobs, they said, were casual and involved shift work. Some of the jobs could be accessed through intermediary agencies such as labour hire companies. This means that the worker is sent to different assignments around the area, depending on demand. In other situations, companies themselves managed the labour hire process through keeping people on rosters and calling them in to work shifts at odd hours.

*If you have to take time off for children they put you to the bottom of the roster and someone will take your place ...you won't hear from them again... (Focus group participant, mother with children)*

The women complained of 'split shifts' which could involve working a shift in the morning and another in the late afternoon. This was an issue in retail, where shifts could be as short as three or four hours. Aged care, another popular area for work, often involved shifts starting at 6am.

While some women thought there were jobs around, especially through agencies, there were also reports of high demand for jobs, with one woman saying that for a few jobs in a warehouse in Brooklyn, there had been 120 applicants and group interviews had been held for these. Others reported the difficulty of high demand for jobs in local supermarkets. Mothers in one focus group felt that for many types of jobs in the area *you need schooling, be young, beautiful, have experience...*

The young women in the focus groups reported that there were jobs available in the areas of hospitality, manufacturing and a bit in office work. Two focus group, one of younger women and the other of single mothers, mentioned the extent to which job opportunities were constrained by jobs going to family members in family-owned businesses.

The young women in the groups concurred:

*Employers all want experience but they won't give it... how can you get experience without getting a job?*

*I can't get a job, not even as a cleaner*

They also mentioned that there were a lot of junior wage rate jobs available but they were not eligible for them:

*At (major fast food chain) they only hire at 15 and 16, by 18 they cut the shifts so you don't get any work and leave...*

*The same at (another major fast food chain)*

The young women were highly sensitive to gender discrimination. They believed that young men their own age have much better opportunities and get better pay. A few wanted jobs in traditional male areas but did not think they would get them.

For some women, knowledge of local labour market opportunities was clouded by the magnitude of barriers that they faced in their lives. These barriers are discussed further on.

## 7.2 Keeping a job

An area of interest for the study related to what would help disadvantaged women to retain the jobs that they did manage to find, to prevent them cycling between work and income support payments.

In the event, however, the precarious nature of the jobs that they could find would hardly permit the application of an employment retention and advancement strategy, as described in section five of this report.

Some women mentioned that they had found reasonably well paying and flexible work in the past. Telemarketing and aged care were amongst these. In these sectors though, performance targets had made them difficult to hold down. For telemarketing, a woman mentioned that there were rigorous sales quotas that had to be met to keep the job. For aged care, feeding and caring for elderly people had to be performed as if on an assembly line.

Women in the outer west reported that there were no permanent rosters in local industries and that, in their experience, it was common for even long-term casuals to be sacked. Shift work also meant workers became exhausted, which ultimately led to failure to hold the job down. Some of these comments were generalised from what they knew of other people's experience, rather than their own.

The younger women in the study had a lot of stories to tell about the difficulties of keeping jobs:

- Sexual harassment was mentioned as a significant issue, especially in the hospitality area, such as waitressing and bar work, but also in other business sectors;
- The prevalence of cash-in-hand jobs, which enabled exploitation and easy dismissal;
- Excessive performance demands on young people, playing on their naivety and powerlessness in the employment relationship.

Two young women in the focus groups reported:

*They take young people because they can't stand up for themselves, paid cash-in-hand, I couldn't take breaks... they expect so much of us and they don't do anything but if we don't do everything perfectly we get fired.*

*I was working at a hairdresser's cash-in-hand, at the end of the week I took home \$80, \$2 per hour.*

Another young woman with a child said she lost a job because she was pregnant, although other excuses were found to fire her.

Both groups of young women said that in hospitality there was strong pressure to wear revealing clothes and to cultivate a certain look. It was noted that this was discriminatory against women not from Anglo-Australian backgrounds.

## 7.3 Family issues in finding and keeping a job

The questions around how easy or difficult it is to find and keep a job inevitably led to discussion of the barriers that the women faced in terms of their family responsibilities.

Well over half of the women in the study had caring responsibilities for children of different ages. All of them were single parents. By far the most significant issue in terms of finding and keeping a job related, not surprisingly, to family responsibilities.

Being a single parent was a significant source of discrimination. Many thought that they had little chance of getting a job. Comments from some mothers included:

*For shift work, they say "if you have children don't even bother applying because it won't suit you". They want you to work 12-hour shifts.*

*As soon as you open your mouth and tell them that you are a single mother their faces change.*

Most of the women wanted jobs that fitted around school hours, school holidays, and schedules, as well as the needs of children when they are sick. Hours quoted were 9–3 or 10–2. But many of the jobs that were available to them required hours that were totally unsuitable to their parenting responsibilities.

The pressures on single parents were invidious. One woman put the problem succinctly:

*The thing is you want to do the right thing... if you have kids you should be there for them... not other people. That's what I was brought up to believe. You can't win. At six or seven they are still babies, they need you.*

The mothers in the focus groups were anxious about being adequate parents and felt that work requirements compromised this. In some cases, this had significant implications for their children's welfare and implicated them in possible custody battles with the children's father or in terms of problems with state welfare systems.

Time pressures were a major concern and these often had far-reaching impacts on children in single-parent households. Comments from different women included:

*I am working three days now, but I am so stressed out...the house is a mess*

*if you are working 9–5, you still have to come back and cook and clean*

*If you do work, you are so tired that you end up yelling at them*

*I have six-year-old twins and a 10-year-old... the 10-year-old is always complaining that I don't read to her (woman involved in voluntary work with a part time job).*

*I get home at 6; everyone is tired so no homework is done*

Childcare was cited as inadequate and expensive. However, these were not the only problems. The nature of work on offer, involving odd and erratic hours, posed particular problems for accessing childcare. Even after-school hours care required an advanced booking of a few days which posed problems when work was intermittent and unpredictable.

Many of the women noted that they had little extended family support to help with childcare. Of considerable concern, mentioned by two women in the groups, was that Centrelink had told them that a seven-year-old could be left at home alone.

The effects on children of the requirement for single mothers to work was of great concern and a number of women felt that their kids were suffering as a result, through lack of care, support, help with homework and disruption to a stable family environment.

## 7.4 Other material barriers to searching for work

In addition to the impediments to employment mentioned above, a significant number of women across all age groups mentioned that they simply lacked the means to look for work effectively. Lack of internet and a car were cited as common problems. However, the lack of the internet, which requires a good computer and ongoing fees, stood out as the most significant problem for women looking for jobs. The internet was needed for ongoing job search and also for sending out résumés.

## 7.5 Pay from work and centrelink payments

Many of the women in the focus groups felt that in taking a job they were in a catch-22 situation, due to possible losses in fringe benefits and withdrawal of income-security payments. In addition, costs of childcare made working hardly worthwhile and potentially made women worse off.

*If you don't have a big family network you end up chewing up all your money on childcare.*

While 'working credits'<sup>1</sup>, which enable income support recipients to earn some additional income over the normal income test requirement, before having income support reduced or cut, helped in the short-term when they started work, the issues about the sustainability of low-paid jobs without fringe benefits was an ongoing issue<sup>2</sup>. A number of women said they needed to stay on benefits to make work pay and that the income support taper rates for earned income needed to be greatly increased.

The participants were asked what they thought they would need to earn to make work pay.

Answers across the groups coalesced around \$25 to \$30 per hour, which is around twice that of the federal minimum wage currently \$13.74 per hour. Young women in one of the groups mentioned *\$20 per hour, eight hours per day, and five days per week.*

While only indicative or anecdotal material, it is fair to assume that the women in the study had a very good notion of the sort of pay rates available for any jobs that they applied for and how much they needed to make work pay and to get ahead. We should also recall that these women are living on very constrained incomes and have a finely-tuned notion of the costs and the opportunity costs of various activities in their lives. The figures quoted by the women may be a starting point for considering the wages those women supporting themselves and their families need.

A couple of women mentioned that they needed to earn between \$800 to \$1000 per week to make work pay. This is, again, around double the weekly Federal Minimum Wage of \$522 per week.

A number of women were in Office of Housing properties for which rents are strictly adjusted to income. As soon as income increases through paid employment, heavy rent increases are incurred.

Another major issue that women mentioned is the havoc that unpredictable work has on Centrelink payments, whereby all income from work must be reported. If there was some slippage in reporting, this could have a pernicious side effect for women of overpayments that then had to be repaid. A significant number of women in the focus groups reported that they had debts to Centrelink.

## 7.6 Job stability and mobility

Participants were asked whether they thought that getting a job, any job, would lead to a better job. An assumption behind government policy is that once a job, any job, is obtained, better jobs will follow.

It was revealing that few women in the groups had thought about this issue, being so focussed on transition to work issues and problems at hand. There was general agreement that:

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<sup>1</sup> Working Credit is a program to assist the transition from welfare to work by enabling Centrelink recipients to retain Centrelink payments when they obtain work for a longer period than under normal income testing arrangements. Under Working Credit one credit equals one dollar. Clients are able to collect up to 1000 credits and for every credit, a client can earn one extra dollar before Centrelink payment is reduced. For example, for 450 working credits, an extra \$450 can be earned before Centrelink payment starts to reduce.

<sup>2</sup> Working Credit allows retention of concession cards and other benefits for a period of time. Even when working credits have been used up and Centrelink payment is \$0, concession card and other benefits may be kept for up to 12 weeks. If a single, principal carer with dependent children, there is entitlement to a Health Care Card for a further period of up to 26 weeks.

*A casual job can get you a permanent job but... someone has to like you*

*If you have a job, it builds your confidence*

*If you are in a job, that is how you get a job*

As noted in regard to keeping jobs, casual arrangements and shift work with high turnover rates means that it is easy to get sacked. The young women's focus groups mentioned that youth wages in fast food outlets led to a quick finish to the jobs once adult or higher-level junior wage rates were required.

One woman made a pointed, sardonic comment about mobility out of low-end, casual jobs:

*You get stuck; you are in a casual job... doing whatever job and looking after kids.*

*How is it going to lead to a better job... If I am cleaning toilets for the next six months, how is that going to make me a rocket scientist in the next three years...*

Another woman in the same group said that for a job she had in the past, an employer received a wage subsidy for her. However when the subsidy ran out after six months she was told by the employer that *she was not really working out* despite being called back to work at a later date for a busy period. Other women in the group concurred that employers tend to churn through staff rather than develop long-term relationships.

A young woman made a comment:

*You need to be careful though. If they (the employer) see you have had a lot of casual jobs it can work against you... you can't stick at a job.*

Altogether though, the sheer weight of the issues for the women in the focus groups, in terms of gaining and keeping a job or undertaking some training, were so overwhelming that there was little opportunity to consider longer-term issues of job mobility and progression.

Nevertheless, several women indicated that having a job, even voluntary work, did build them up a lot and presumably this could have long-term benefits in terms of job prospects.

Melbourne Citymission's Neighbourhood Renewal projects in Werribee and Heathdale were an important source of networking and building confidence for the women involved. A few had even obtained some paying part-time jobs out of the projects. While it is not possible to draw any conclusions as to the long-term effect of these projects, it is certainly all to the good for disadvantaged women that these projects are in place.

## 7.7 Significance of training and qualifications

An important area for discussion related to the role of training and qualifications in helping to get a job. Many women agreed that:

*It doesn't matter what you have done, it is the piece of paper that counts.*

Although one woman noted that:

*I did a retail course, and we were put in work experience for \$5 per day. It (the course) hasn't helped at all.*

They noted that constant change in the workforce, for instance in technology, made it difficult for women who have been out of the workforce raising children

Across the groups there was a common complaint:

*Even for cleaning you need certificates...*

*For any jobs you need qualifications... food handler's certificate, fork lift licenses*

Many of the women had done, or were doing, short vocational courses to help with their job prospects. A wide range of issues were noted around training, though. In a couple of groups there was a question as to whether one qualification or certificate was enough for jobs. Then there were waiting times to get into high-demand courses such as aged care. In Reservoir, women noted that for some courses you needed a year 11 or 12 qualification.

The most outstanding issue was the cost of training. Many women quoted costs of between \$1000 and \$3,000 to do courses which were out of their reach. It seemed help with costs from Centrelink and Job Network was sparse and unreliable. One of the young women noted that Centrelink only provides \$500 for training, which falls far short of what is required. Another woman said that Centrelink will only pay for cheap courses.

Other problems related again to childcare, school hours and location of courses amenable to family responsibilities. Transport could also be a problem in terms of accessing training.

## 7.8 Significance of social networks

In addition to training, the women in the groups in general thought that *knowing the right people* helped to get jobs. Women across the three locations said:

*Even if 200 people waiting for the same job, if you know the right person you will get in... (single parent)*

*Who you know helps you in "getting through the door" but you need the qualifications to back it up (single parent)*

*The only reason I can get a job now is through people that I know (young woman)*

*That's how I got my job by knowing the right people (single parent).*

A number of women mentioned that in the areas they lived, there were a lot of family businesses that only employed from within the family network. Young women noted that if they came from another state or another country, they had less contacts and networks.

Melbourne Citymission's Neighbourhood Renewal program in Werribee and Reservoir had an important role in building networks for disadvantaged women and for some it had been an in-road into some paid work. This suggests an important role for community agencies.

## 7.9 Comment and analysis

The focus groups bring out a large number of issues around the contemporary job market and the interaction of this market with the social welfare system.

From the accounts given by the participants, there are indeed jobs 'out there', but these, it would seem, are in the main casual or precarious jobs that enable employers to evade a 'standard' employment relationship, in which the worker will have some security and protections negotiated under collective agreements.

The women's accounts are consistent with a mode of business organisation in which labour relations are 'externalised' as far as possible either through highly casualised arrangements or through intermediary agencies such as labour hire companies. The 'externalised' relationship enables companies to maintain a tight *matching between labour volumes and business assignments* (Frade and Damon, 2005, p 112), which is a key means, often the only means, of businesses maintaining a competitive advantage.

Frade and Damon (2005) in their analysis of changes in several industry sectors in Europe point to how such employment arrangements (p 116) lead to an *'insecurity and risks transfer chain which*

*involves... at least double and sometimes multiple transfers of business risks.* Business risks are finally transferred into employment and work-related insecurity and risks for the staff hired to deliver the service. The employment experiences of women in the focus groups would certainly give weight to this proposition.

None of the women in the focus groups mentioned that they could find jobs that were ongoing and secure and offered traditional benefits and protections such as holiday and sick pay. None mentioned that there were jobs on offer that could fit around family obligations or training activities. None had a notion that the jobs that they could get would offer security and opportunity for advancement or whether it would lead to a better job elsewhere. The experience of these women does not reflect the assumptions embedded in social policy. Welfare-to-work would appear to be counter to the real labour markets in which disadvantaged women are interacting.

The fact of this discrepancy between social policy and real labour markets, however, has enormous impacts on the lives of these women as the bureaucracies set up to implement these social policies attempt to shoehorn them into hostile labour markets, at penalty of losing a basic survival income for themselves and their children.

Particularly negative comments were made about Centrelink:

*I have gone on disability... I couldn't handle all this pressure from Centrelink with issues with kids and so much work, but it was hard to get DSP... they were doubting me... (single parent)*

*I hate them (Job Network and Centrelink). They ruin your life... they don't care about your circumstances (young woman)*

*Centrelink doesn't care... Where is my special circumstance...the social workers don't do anything (single parent)*

The single parents in one group reacted very strongly when asked what role they saw work playing in their lives in 10 years time:

*I am hoping to be dead in 10 years time*

*I can't see a future in 10 years*

*I regret having kids because of all this crap with Centrelink*

*I never want to go down there (Centrelink) again... I want it right out of my life*

One young woman summed up the situation as follows:

*They... Centrelink... just want to make us suffer... they don't give a damn about you... as long as you get your form in...*

These comments suggest that there is urgent need for reforms that will return the policy and its implementation to more effective and humane settings consistent with the contemporary labour market. Social policy has been dominated for 25 years by an economic model suggesting that service users are similar to consumers in a market who will make a 'rational choice' decision. In the case of the labour market, government's role had changed to provide a minimalist framework of options that are cost-effective and which maximise the benefits to most. Within this framework, the issue of 'agency' is heavily promoted by government's 'mutual obligation' policy. However, the women in the focus groups reacted strongly when asked what role they saw work playing in their lives in 10 years' time. These reactions suggest that moves to marketwise social policy and to consider short-term economic returns to the exclusion of long-term social benefits to individuals have, in themselves, been costly and that there is a mismatch of goals between government policy and individual needs.

## 8. Emergent themes: new interactions between the precarious labour market and social policy

The findings of the fieldwork of the study are consistent with the findings of the various studies analysed for the literature and policy review. Most significantly, there is little evidence that welfare-to-work is an effective employment promotion strategy or poverty alleviation measure and little evidence that getting a low-paid precarious job would lead to a better job for the women.

The most important findings related to the *lived experience* of the women in attempting to make their way to improve their social and economic circumstances in the context of the employment options open to them. These findings are also related to issues relating to personal agency, education and training and social capital. These issues are taken forward in this chapter.

### 8.1 'Lived experience' in social policy

On the basis of the focus groups and interviews, this report argues that there is a pernicious gap in accommodating 'lived experience'. Current social policies and the assumptions they are based on ignore this dimension. The heavily rational and cost-effective goals of social policy have bypassed 'lived experience'.

Why is this important? The policies and the assumptions driving welfare-to-work and welfare reform generally promise that disadvantaged people, often women, will be better off socially and economically. Our work shows that they may be significantly worse off across many dimensions of well-being.

The focus groups suggested that the women's *lived experience* in interacting in the precarious labour market involved:

- Acute **stress and distress** as a result of current work regimes—casualised, high-intensity employment and lack of security;
- A concept which we could call '**subjection**'—intensive regulation, control and monitoring by Centrelink/government policy, but this also extended beyond the 'mutual obligation' of income payments to work environments as well;
- Generalised **insecurity** bridging many dimensions of their lives—work, housing, Centrelink, schools, children, family, ex-partners, state welfare systems;
- Morally **compromised** in terms of core values—this relates particularly to single mothers in the study, in terms of what they felt they should be doing for their children and what they had to be doing because of government policy or economic necessity.
- Another dimension of disadvantage encompasses a notion of **hopelessness**. A most concerning aspect of the focus groups and interviews was the number of women who expressed highly negative views about their future, a few even saying that they wished to die.

While these themes have been covered in welfare discourse through umbrella concepts including *disempowerment* and *lack of control*, it is argued here that these are either too generalised or vague and are possibly lacking contemporary relevance with respect to dilemmas about work and care. In addition, they do not capture the subtlety of situations in which people are confronted with moral dilemmas or feelings of hopelessness. The findings of this study with respect to the *lived experience* of disadvantaged women are entirely consistent with other studies.

Loxton (2005, p 42) found in focus groups of single mothers as part of the Australian Longitudinal Study on Women's Health conducted for the Australian Institute of Health and Welfare, that *hopelessness and insecurity* about the future was a significant feature of their feelings, especially in relation to their financial situation.

Another Australian study (Cook and Majoribanks, 2005) of low-income women identified *scrutiny, marginalisation, surveillance and stigma* (p 18) as integral to their negative experiences of social policy, especially as it was delivered through Centrelink.

In the UK, a qualitative study of low-income working families highlighted the issue of *moral compromise* for women, in regard to caring responsibilities and work (Dean, 2001, p 275).

*The study suggested that current policies may for some mothers be fuelling personal moral dilemmas and driving quite difficult life course transitions. It emerged that, though people may be ignorant of policy detail, they tended to be acutely aware of the trends that policy is designed to promote. Within popular discourse, it would seem there is a latent ambiguity concerning the new 'norm' of working parenthood on the one hand and moral expectations of parental responsibility on the other and, for some; this is experienced as a real tension.*

Recent empirical work undertaken by the University of New South Wales Social Policy Research Centre (SPRC) with a consortium of welfare agencies (Saunders et al, 2007) was introduced in chapter one. This work proposes that contemporary disadvantage comprises three overlapping elements of poverty, deprivation and social exclusion. These are defined as follows (p. viii):

*Poverty is a situation in which someone's income is so inadequate as to preclude them from having an acceptable standard of living. It exists when people's actual income is below a poverty line.*

*Deprivation exists when a lack of resources prevents people from accessing the goods and activities that are essential. Following international convention it is defined as an enforced lack of socially perceived essentials.*

*Social exclusion exists when people do not participate in key activities in society. Whereas deprivation focuses on what people cannot afford, what matters for exclusion is what people do not do.*

This research has been undertaken to broaden the scope of understanding of social disadvantage which has traditionally been assessed by an income poverty line (p 87). It has also been undertaken to demonstrate that there is very serious disadvantage in the community, especially where poverty, deprivation and social exclusion overlap.

The SPRC researchers identified a range of indicators of deprivation based on a survey of what Australians believe are the essentials of life. A large number of items were identified as key essentials, the lack of which would constitute significant deprivation. The top ten of these identified in the survey are:

- Medical treatment if needed;
- Warm clothes and bedding if it's cold;
- A substantial daily meal;
- Able to buy prescribed medicines;
- Dental treatment if needed;
- A decent and secure home;
- School activities/outings for children;

- Annual dental check up for children;
- A hobby or leisure activity for children; and
- A roof and gutters that don't leak.

Three forms of social exclusion were identified in the SPRC study (p 70):

*Disengagement* involving lack of social contact and participation in the community, no holiday away from home once a year; an inability to go out; lack of normal activities such as excursions, for children.

*Service exclusion* covering access to medical and dental treatment, childcare, disability and mental health services and aged care as well as capacity to afford payments for gas, water, electricity and phone bills and lack of access to a bank or building society.

*Economic exclusion* covering a lack of financial resources for emergencies, low asset worth, no money for 'treats' ever, unemployed and looking for work, living in a jobless household.

Whilst this work has a different focus from the SPRC study, it nevertheless reveals much about the experience of disadvantage. Certainly the SPRC indicators of poverty, deprivation and social exclusion are relevant to the women in this study. However, as already noted, a number of other themes emerged in this study that is not exactly represented in the conceptual framework developed by SPRC.

As this study relates to experiences of women in the contemporary labour market and its interaction with social policy, it has a particular interest in exploring core assumptions in welfare and employment, such as a job is the best route out of poverty and a low end job leads to a better job ...and a better life. In assessing the outcomes of the social and economic policies in which such assumptions are embedded, it is very important that the right tools and indicators are used. Certainly, we would wish to assess outcomes from policy and programs for disadvantaged women in terms of *poverty, deprivation and social exclusion* as defined in the SPRC study. However, we would also wish to know whether people, such as the disadvantaged women in this study, had experienced improvement in their 'lived experience' and whether the issues they raised had changed:

- Has the stress and distress associated with their situation improved? Is the stress and distress manageable and not impinging on physical or mental wellbeing?
- Do they feel that they can command more control, power and respect in terms of workplaces, institutions and policies in which they interact?
- Has their life situation become more secure across a wide range of aspects including work, family, schools, and welfare systems? Was their less anxiety and worry in their lives?
- Are they comfortable in terms of the choices that were open to them in terms of work and family? Do they feel that they have choices?
- Are they more optimistic and hopeful about life and the future of themselves and their families?

According to what was learned about the employment in which many of the women in the Melbourne Citymission project found themselves, improvements across indicators of poverty, deprivation and social exclusion did not necessarily lead to improvements in their subjective experience. For the sort of casual jobs they could obtain, conceivably they could be materially better off and experience at least temporary *social inclusion*. But they were still subject to high levels of stress and anxiety, subjection within workplaces, insecurity about work, feeling that they were morally compromised in relation to the care of their children, and without much hope for the future.

These subjective dimensions of disadvantage warrant as much attention as disadvantages

which relate to material circumstances, social participation and inclusion. But the conditions for addressing those subjective dimensions of disadvantage are not necessarily within the ambit of social policy to readily address. They are generated by the nature of the contemporary labour market and are experienced by many people who would not ordinarily be considered *disadvantaged*. Ordinary working people have become squeezed by globalisation and associated competitive pressures which have fundamentally changed labour processes and resulted in longer hours, work intensification, and more stringent performance criteria.

These changes have produced vulnerabilities across wider sections of the population, both women and men. Barbara Pocock's book *Work/Life Collision* (2003) explores the implications of these. One extended story drawn from her research illustrates the dilemmas for many workers, (p 135):

*Frank's employer, a manufacturer of large equipment, faces deadlines that are very tight, and are met through long hours. This means that employees are often closely supervised, in a tense environment where bullying is not unusual. This intensifies the effect of long hours on individuals, their families and their communities. Frank's case also illustrates the pressures that can be repetitively applied to highly skilled workers in the context of work deadlines... Frank has worked 50–60 hours a week for a long time. He is on a contract that annualises salary building in his overtime. Once he has reached a certain hour's threshold, he receives an annual bonus but thereafter his extra hours are not paid so there is an incentive for his employer to push for long hours. A supervisor and job planner, Frank buckled under the pressure of working around 60 hours per week for extended periods.*

Frank is not in poverty, nor deprived, nor socially excluded as measured by the SPRC indicators, yet his welfare and wellbeing, and that of his family, are highly compromised by the pressures in his job. Indeed the nature of the job has the potential to produce outcomes for him, which could then be measured in terms of poverty, deprivation and social exclusion.

Many women in the Melbourne Citymission study reported also on the intensity and unpredictability of the work environments that they were or had been in. Warehouse work (pick and pack), labour hire, manufacturing, cleaning and aged care were areas mentioned by the women. Thus getting a job did not necessarily result in a large quantum shift in welfare as measured by subjective states or *lived experience*. As was reported in the focus groups and interviews, job pressures and low wages combined to continue social and economic disadvantage for the women.

## 8.2 Personal agency

The requirement of the labour market that the individual 'pulls up her socks' and remakes herself and family to comply with an employer's needs for a flexible workforce is beyond the reach of many of the women who participated in the study. This was a point also picked up by Hartley Dean in a study of low-income families in the UK (Dean, 2001, p 274):

*...the pressure exerted by welfare to work policies may exacerbate both the exploitation of some low paid workers and the sense of insecurity experienced by low income working families. Some working parents were accepting low pay or were acceding to unreasonable demands from their employers in return for a minimal degree of flexibility to accommodate their needs as parents.*

The women participating in the focus groups pointed to concerning elements of the effects of welfare-to-work on them and their families. For many, the fragile fabric of their lives seemed to unravel under the pressures they faced in finding and keeping a job. We mentioned the issue of the moral compromise that many women faced earlier. But even deeper questions need to be raised about the efficacy of social policy for single parents. It appears that personal agency is not necessarily

enhanced or expanded by contact with public institutions such as Centrelink and the world of work. Rather, such experiences can dehumanise by undermining and eroding self-confidence. In the long march downwards, from a social policy based on entitlement, to a conditional social policy based on behavioural compliance, it is clearly possible to leave people worse off.

The comments of Martha Nussbaum, distinguished philosopher, are relevant here:

*Let us think about parents and welfare reform. There are of course many complex empirical questions in this area and this is why every society must experiment and try out many programs and policies to see what effects they have. It is not evident that direct relief is the best way to promote flourishing lives and we should explore alternatives. But there is one thing we should not say. We should not say that financial assistance directed at providing basic food, child welfare and other prerequisites of meaningful human life is a way of dehumanising people or of turning them into sub-human victims. Human beings can struggle against all sorts of obstacles, frequently they succeed. But middle class parents typically reveal in their own lives the belief that young children should not be hungry or neglected, that they should have the basic necessities of life provided to them so that they can develop their agency fully and richly. It is strange that we so often speak differently about the poor, suggesting that cutting basic social support is a way of encouraging agency in poor mothers and children and of improving their character rather than as a way of stifling agency or of stunting it before it gets a chance to develop (Nussbaum, 2001, p 412–3)*

### 8.3 Training and qualifications

Training and qualifications emerged in the study as one of the most important ways that women could exercise control over their situation. Indeed it is an important area of enactment of *personal agency*. It was notable that there was a high level of activity in this regard mostly in terms of obtaining vocational certificates that provided entry into jobs such as personal or aged care or the retail sector. Most women had a strong view that a vocational certificate was a vital aspect of obtaining jobs these days.

The question remains as to whether the current training system is an effective means of assisting in job search as the women hope. Education and training are viable public policy options to prepare disadvantaged women for work but the impact of training and qualification on the job futures of low-income women is fraught. On the one hand, these women all understood the benefits of education and training. On the other hand, the marketisation of education and training via deregulation of education and training provision and the multiplicity of choices available meant that their forays into formal learning were often made with poor knowledge of the local labour market, without a coherent personal educational strategy and goal. These problems were compounded by the lack of income to pay education and training fees.

A recent report from the National Centre for Vocational Education Research (Barnett and Spoehr, 2008) notes that most single parents receiving parenting payment have low levels of formal education. “The intention of welfare to work policy of moving women into work quickly “does not adequately acknowledge that high quality employment needs to be distinguished from low paid, insecure employment and that the length of training and a recognized credential needs to be distinguished from quick-fix training.” The authors noted the VET sector lacks the resources to provide training and support of the duration and complexity required. The result was often a “quick fix”. There was a lack of commitment from Centrelink to supporting women through training. Also financial disincentives when transferring to Austudy provided further obstacles.

Additionally, the public institutions charged with supporting low-income women—Centrelink,

Job Network and NGOs—do not employ education advisers, career counsellors or staff able to make educational assessments (in literacy and numeracy, for instance) and provide linkages and support to education and training services. Both public and private agencies need to rethink their roles in education and training in relation to disadvantaged women and to consider this to be a central program and advocacy role.

## 8.4 Social capital

Community strengthening programs such as the Neighbourhood Renewal programs, a Victorian State Government initiative, emerged as important means for disadvantaged women in disadvantaged communities to connect to other women, to their communities and then to employment.

Victoria's Neighbourhood Renewal programs are targeted at communities with a high concentration of public housing where many people are reliant on income support. The programs involve:

- Increasing community pride and participation;
- Enhancing housing and the physical environment;
- Lifting employment and learning opportunities and expanding local economies;
- Improving personal safety and reducing crime;
- Promoting health and well being;
- Improving government responsiveness.

Impacts were noteworthy. Women reported that the program had enabled them for the first time to socialise in their community. It had built their social skills and confidence. A good many had acquired know-how and some part-time work which had laid the foundation for efforts to find other work. In this instance, these programs which build social capital in the local community lay important bridges for disadvantaged women to reconnect to the local community. In this instance, these programs are of the *bridging* types which lead outwards and upwards from a particular social and economic situation as opposed to the *bonding* type which consolidates and strengthens linkages within a group and a particular setting (Putnam, 2000). Disadvantaged women are in need of both forms of social capital. They need connections outside their immediate environment, combined with local supports to build local connectedness.

As Etzioni has said:

*Local communities are the main social entities that nurture ends-based (I-thou) relationships whereas the market is the realm of means based (I-It) relationships. The state-citizen relationships also tend to be instrumental. True some people bond at work and some barter in communities, but the main place ends-based relationships are found and nourished is in the communities. As John Gray (the philosopher) puts it "the flourishing of individuals presupposes strong and deep forms of common life (Etzioni, 2001, p 5).*

This suggests a role for welfare agencies well beyond service delivery; a role which connects service users with community institutions and develops new partnerships (eg with schools) to leverage new community developments, connections and services (Carter, 2000).

## 9. Conclusions: sustainable policy settings for disadvantaged women

A new national government provides an opportunity for the revision of key policy settings in industrial relations and social policy, but any policy adjustments must be underpinned by a thorough revision of assumptions which have informed policy in the last 10 years and more. Many of these assumptions were embedded in Labor government policy of the 1980s and 1990s and extended by the former Howard government after 1996. In addition, interactions between policy domains need to be understood and disentangled for new and effective policies to emerge. The following outlines several important short-term undertakings for the next years in Australian social policy.

### 9.1 Proposals for reform

#### 1. Provision of long-term assistance for disadvantaged women in the job market.

More complex, sophisticated remedies to assist disadvantaged women are needed such as the Employment Retention and Advancement programs now being trialled in the UK and USA. These programs involve a support for clients through case management combined with financial incentives and connections to other services such as education and training; mentoring or coaching; and childcare assistance to address issues that may constitute barriers to ongoing employment. In particular, employment programs need to embody support for disadvantaged women which:

- extend beyond the return-to-work phase into the in-work situation, especially for single parents;
- focus on the long-term prospects for retention and advancement in jobs;
- take into account the care issues, and work and care orientations of the client;
- develop strategies for retraining and education to equip women for better quality and better paying jobs.

As part of the move towards these new types of programs, a critical task in social policy is to give credence to the evidence that upward job mobility is not a given for certain groups in the labour market, such as the disadvantaged women under consideration in this project. Indeed, what about the evidence of *downward mobility* for disadvantaged workers? Hence policy needs to come to terms with two things.

First the reality that the old formula of getting a job, any job, is no longer sufficient and that more complex, multi-layered policies and related programs are needed to ensure upward job mobility.

Second, government needs better evidence by measuring the impacts of its own policies, so that it can recognise when social policies are having damaging and detrimental impacts.

#### 2. Instituting protections for workers in precarious jobs

Industrial relations policy needs to institute protections for workers in casual and otherwise precarious jobs. It needs also to set limits around employment practices and business models which embed job casualisation as a form of competitive advantage. This is a complex area of policy and industrial law which needs considerable debate. However, the open-ended use of casual labour in business, to avoid the accumulation of leave entitlements and to enable easy disposal of staff, should be subject to limits.

There needs to be recognition that the low-end, entry-level labour market has evolved in such a way that it serves to embed social and economic inequality through extreme forms of precariousness.

While policy has supported the goal of labour market flexibility as the foundation for jobs growth, it has then served to entrap certain groups in an invidious web of precarious employment from which there are no or at best, very limited exits. The result is a social system in which some groups have very high exposure to insecurity and risk, as well as low wages and no entitlements, compared to others. The lack of entitlements in low-waged jobs will be further exposed with the introduction of paid maternity leave, for which women in precarious jobs will not be eligible.

### 3. Reinstatement of caring of children as a central role for parents

Women need to be able to balance work and family as a condition for effective labour market participation. There needs to be a revived recognition that maternal caring for children is a priority and a critical social activity in its own right.

It is time to accept that for certain groups such as single mothers, *work first* approaches in social policy are counterproductive. This project hints at some dark repercussions of punitive welfare policy, *welfare-to-work*, on vulnerable families. The women in the study spoke of children falling behind at school, family stability disrupted, and themselves experiencing depression, stress and anxiety in relation to the tension between work requirements and family responsibility. Of course, efforts should continue to assist women to find work but it does mean that more humane and family-friendly approaches are needed.

Most importantly, policy needs to embody choice rather than compulsion. There is urgent need for a review of Centrelink, which emerged in the course of the study as a rather brutal enforcement agency. When renewed attention is being paid to marginalised and disadvantaged groups such as the Stolen Generations, the long term effects of government policy and service delivery need to be considered on children and mothers.

### 4. Reforming the role of non-government organisations

The role of non-government agencies in delivering employment services for disadvantaged groups needs to be reformed. Over the past decade, under the former Howard government, many NGOs were co-opted into government employment service delivery through Job Network and some now function as virtual arms of government, with delegated coercive powers. Surely the first responsibility of NGOs is not to run government services but to improve the quality of civil society? NGOs can revive their mission of improving the lives and self-esteem of disadvantaged women by improving their social connectedness through community development activities such as neighbourhood projects. In addition, NGOs should also be developing carefully-designed strategies and activities and expertise in the fields of education and training which encompass brokerage, careers counselling and longer-term education support for disadvantaged women.

## 9.2 Conclusions

The report urges a reawakening of a social policy in which *“lived experience”* is a core component of an evidence-based approach to policy development. This is not a novel idea nor is it impossible to measure. The Prime Minister, Kevin Rudd, is already starting to revive an interest in this approach through visits to homeless shelters where he has listened to the stories of homeless people. This approach needs to be carried through to other domains of public policy.

A humanitarian social policy is one which places compassion at the centre of its values and seeks the well-being of all its citizens, including disadvantaged citizens, as its goal. *Compassion gives public morality essential elements of ethical vision, without which any public culture is dangerously*

*rootless and hollow* (Nussbaum, 2001, p 403). A parsimonious and heavily-conditional approach to public welfare not only demeans poor women and their children, but ultimately corrupts political institutions and public culture.

This chapter has raised three issues of particular relevance to public welfare: personal agency; community networks and social capital; and education and training. While these may appear disparate, in the global economy they come together as the bedrock for individuals to negotiate their way successfully in contemporary labour markets.

The French sociologist, Touraine has said:

*what is emerging from the ruins of modern societies and their institutions is on the one hand global networks of production, consumption and communication, and on the other, a return to community* (Touraine, 2000, p 3).

The German sociologist Beck describes the way that modern communities and their institutions, through education and training, shape individual action—each person's biography is being self-authored.

*In the individualised society, the individual must therefore learn on pain of permanent disadvantage to conceive of himself or herself as the centre of action, as the planning office with respect to his or her own biography, abilities, orientations, relationships and so on* (Beck, 1992, p 135).

At the same time, *the flourishing of individuals presupposes deep forms of common life* (Gray, 1996, p 16).

There has been little public discussion in Australia of these momentous global changes and the paradoxes they create for individuals, especially disadvantaged individuals trapped in precarious jobs and segregated local and occupational labour markets. But if social inclusion is to be a realistic goal, this paper has provided substantial issues for discussion and remedies for action for governments and civil society. Understanding the lived experience of disadvantaged women is a precursor to investing in their lives and labours and will reap rewards for generations to come.

# Appendix 1. Focus groups

## Composition of focus groups

### 1. Werribee, 20 November 2007: 10 participants

Ten women aged between 25 and 39, with dependent children under the age of 16, participated in this focus group. They were sole parents and primarily dependent on Centrelink payments. A number of these women were in the Welfare to Work transition period as the youngest child was 6 or 7. If the child was 6 they were required to do preparation for work activities and if the child had turned 7, they were required to look for jobs at a minimum of 15 hours per week.

### 2. Werribee, 21 November 2007: 10 participants.

These women were mostly over 40 to early 60s with no dependent children under the age of 16, but some with children in the later teen years still at home who they were supporting. A few of the younger in this group were transitioning from sole parent payment to Newstart Allowance as a consequence of the youngest child turning 16. Two were on a disability pension. A few of the women in their 50s had part time jobs and did voluntary work to fit Centrelink requirements for mature age people. Most of the women in this group experienced long term social and economic disadvantage and had been long-term income support recipients. One woman in her late 40s said that the term Centrelink used for them internally were *the grandmothers* because they had been in the system so long.

### 3. Footscray, 26 November: 9 participants

This group consisted of young women 18–24, one of whom had a child. Their situations varied widely but the common factor was that they were all living away from home and had limited or no parental or other family support. Most were doing some sort of training to improve their job prospects. They were reliant either on Youth Allowance or Newstart Allowance. Most had a history of churning in and out of casual, low paid or cash in hand jobs.

### 4. Footscray, 29 November 2007: 7 participants

Young women 18–24, 2 had children. Four of the young women were from Africa or Middle Eastern origin. Again most were living alone with little or no family support. One lived with a boyfriend. Most were in training programs and were actively looking for work including the Muslim young women who wanted jobs and careers.

### 5. Reservoir, 30 November 2007: 6 participants

Women all in their 30s to early 40s caring for children under the age of 16. All were single parents and were transitioning from Sole Parent Payment to Newstart Allowance. Some had attained some part time work through the Neighbourhood Renewal program.



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