

Response To Australia's Demographic Challenges

Introduction

The Australian Pensioners and Superannuants League Qld Inc (APSL or the League) is a non-profit support, referral, advocacy and lobby group operating on behalf of its members, pensioners of all types, superannuants and low-income earners.

APSL welcomes the opportunity to comment on the discussion papers relating to the 'Australia's Demographic Challenges', although the time for response is barely adequate to do justice to such a wide-ranging issue.

The League is concerned that this discussion paper is based on a false premise and on flawed economics.

There must be a question over the assertions that present government policies are designed to "grow the economy more quickly" and that the best way to achieve economic growth is "via increases in labour force participation and productivity.

In fact, present government policies have led to a "dumbing down" both of the education system and the workforce and development of a preponderance of part-time, casual and short-term contract work that does not encourage people to save and in many instances prevents people from home buying.

It is not true to say that "participating in the workforce [as it is presently structured in Australia] makes people wealthier". In fact the growing lack of full-time employment and reduction in wages for people in part-time, casual and short-term contract work is actively reducing the wealth available to Australians and this, combined with an over-taxed and inadequate superannuation system for those lucky enough to be in permanent employment will continue to ensure lower than liveable incomes in retirement for huge numbers of Australians.

The government's policy of "improving flexibility" in the workplace has led directly to downsizing, retrenchment and casualisation of the workforce to the detriment of Australian workers. There are fewer incentives to work and education policies have led to an over-supply of academically qualified people who can't get any work in their chosen field.

Improving the Capacity for Work

Despite the rhetoric, Australia's education system is rapidly becoming less able to provide adequate and relevant training.

At the primary and secondary levels it is being turned into a two-tiered system of wealthy and poor schools.

The restructuring of the TAFE system into a self-funding apology for university type education, and the federal government's insistence that secondary students stay at school until the age of university entrance [to keep the unemployment statistics from becoming an open scandal] has seen the erosion of skills training, that was the best in the world, and either no real qualifications or inappropriate education for many not suited to the university level of training.

Education and Skills - The Key to ensuring Effective Participation

More young Australians are choosing to stay at school longer as they know that they will not get a job when they leave school and they will be forced to live on either a pitiful student allowance or the woefully inadequate dole.

This is, in turn, placing enormous pressures on families who must bear the costs of their children's upkeep for longer and where this support is inadequate, the associated costs are being passed on to grandparents - particularly where the initial family unit has a sole parent.

The Federal Government's most recent changes to higher education will inevitably lead to university only for the children of those well-heeled families with either cash to spare or enough funds to engage clever accountants.

The League has seen no evidence to date showing increased places for apprentices or improved levels of apprenticeship completion and the only improved linkages we have seen are those that allow employers to take advantage of a high unemployment level by reducing wage levels on offer and casualising the workforce to reduce employer costs.

Health

The health aims spelt out in this section of the discussion paper are undoubtedly worthwhile goals ... but they are goals that cannot be reached by many Australians due to current and ongoing Federal Government policies.

The cost of living a healthy lifestyle is beyond the reach of many Australians on low incomes and in receipt of government pensions.

Thanks to government emphasis on everything being user-pays, large numbers of Australians cannot afford healthy food on a regular basis - what pensioner can afford steak at \$20 per kilo? How can people without permanent work ever rise above the stress of trying to maintain a healthy lifestyle or generate an income for a comfortable lifestyle or a roof over their heads?

When a person is restricted by cost pressures to a low quality diet, how can that person maintain a healthy body weight and given the high cost of gymnasium fees, how can that person gain adequate levels of the appropriate exercise?

It would be nice to believe that the government is fair dinkum about supporting preventive health rather than interventional, but recent actions by the Therapeutic Goods Administrator reveal a policy of making alternative and preventative medicines and practices either inaccessible or too expensive for the majority of the population while at the same time allowing huge overseas pharmaceutical companies to deliver questionable drugs without proper or adequate scrutiny.

Better Incentives

Whilst government policies do not appear to discourage people from working, in actuality the practice of those policies by business and levels of government in Australia actively prevent people in the workforce from saving or planning for an appropriate retirement.

Many older Australian workers have been forced to leave work, usually unwillingly, before retirement age and these people are disadvantaged by having their retirement plans massively disrupted through reduced superannuation or retirement benefits and then by being unable to find meaningful employment with a satisfactory level of income due to ageism amongst employers and in the Job Network.

The League is aware of one case where a person had planned to retire at 65 with a superannuation payout of \$400,000 but was forced out of the workforce at age 52 because the employer did not retain sufficient funds to cover the employer contribution to the superannuation payment.

This person then received only \$80,000 as a payout and was not permitted to keep those funds as an investment to offset the dole. He tried to start a small business and when he informed Centrelink he was told he could not get any financial support because he was self-employed even though the business initially ran at a loss and the \$80,000 was used up trying to keep it afloat.

A second retrenchment and eventually a part-time job have turned this person, who wanted to be self-sufficient, into a part-time worker in receipt of a wage below the poverty line.

Where is the incentive to work, save or plan for retirement?

Most of the government's "initiatives" of recent times have little relevance to mature aged unemployed, e.g.

Federal Pensions Bonus Scheme – this applies only to mature aged workers already in employment

Federal Corporate Work and Family Awards – this applies only to companies and businesses that retain mature aged workers as employees

NSW Mature Workers Program & Workforce Policy Guidelines – applies only to people still in employment

Government funded research and training on transitions to retirement – this applies only to people who are still in employment

Community Employment Assistance Program – what sort of assistance does this program supply? It does not appear actively to seek the re-employment of people.

The Income Support System

The income support system significantly failed the person mentioned in the preceding section and has failed many more like him. These people did not receive support when they were "finding it hard to support themselves".

This appears to be the principal area in which the Federal Government is seeking to opt out of its financial commitments.

There can be no doubt that the concept of 'mutual obligation' as presented and actioned by the Federal Government and its Centrelink bureaucracy is another attempt by this parsimonious government to escape its financial obligations to the people who have been disadvantaged by the government's own actions.

Because part-time and casual work is becoming the normal state of affairs, people in this type of employment cannot save on the reduced incomes taken advantage of by employers, cannot get a loan for a house or a car and thus become ineligible for schemes like the "first home owners' scheme.

It cannot be said that part-time or casual work provides self-esteem in a community like Australia where the tradition has always been to determine one's status by one's job. Part-time and casual work, contrary to the assertion of the paper, actually helps to break down connection to and within the community, particularly where both partners in a couple are casual or part-time, have different rosters or shifts and seldom manage to be together for community activities.

The fact that there are over 2.7 million working-age Australians on income support is a damning indictment of the Federal Government's policies in practice.

Demanding that income support recipients waste time and scarce money in looking for work that does not exist is a sure-fire way of increasing stress levels for the unemployed and driving people into depression.

The *New Tax System* and the *Australians Working Together* packages have merely served to increase both the financial and departmental stress levels for people who are already financially challenged and stressed. There has been no observable improvement flowing from these programs.

The Job Network has proved to be a dismal failure for the difficult-to-place and long-term unemployed, particularly those young people who have been prevented from achieving practical skill levels and the older or mature age unemployed.

Agency staff are mostly young people with little or no experience or knowledge of business, industry or the skills and/or knowledge required in various industries and many don't want to know about it if it is 'too hard'.

Agencies appear to be accepting and placing only the easiest to place and not addressing the problem of mature age unemployment at all.

Agency communication standards need to be reviewed urgently as many either fail to respond to mature aged applicants or take no further action after the initial acknowledgement response is made and there is frequently no return of phone calls.

People leaving unemployment via part-time work but there is no evidence that this leads over time to full-time employment. In fact employers even now are vigorously opposed to any move to give part-time or casual workers any entrance into permanent or full-time work, pay or conditions including superannuation.

Retirement and Incentives for Early Withdrawal from Labour Market

The Superannuation Issue

Many employers who fail to apply funds to superannuation reserves choose to terminate the services of mature aged workers early to avoid large (uncovered) superannuation contribution responsibilities.

Allowing access for blue-collar workers to their superannuation so they can work reduced hours is counter-productive in the longer term as it reduces the ability of lower paid workers to obtain a comfortable standard of living in retirement.

Where mature aged workers are forced out of the workforce before the maturity of their superannuation, the reduced payouts they receive are frequently needed for normal living expenses as they are often not old enough to receive the aged pension, are ineligible for any other form of government financial assistance and find it extremely difficult, if not impossible to obtain other employment.

Where mature aged workers are forced out of the workforce before the maturity of their superannuation and seek to start a business with the reduced funds available to them, they are excluded from unemployment benefits completely. This can be very detrimental to family support and standard of living as most business start-ups run at a loss for the first period of operation. In addition, a high percentage of small businesses fail in the first year, further exacerbating an already difficult situation.

It is unfortunate that "incentives" proposed by the current Federal Government almost inevitably become a stick with which to beat people rather than helping those in need.

Part-time Work

It should not be a point of self-congratulation for any government to boast that part-time work has increased from 10% to 25% during its period of governance. It should be a matter of shame.

Employers in Australia use this as a mechanism to reduce the amounts they have to pay their workers.

Contrary to the government's stated belief, workers need certainty of income and certainty of employment producing a liveable income, not more choices that can be taken advantage of by employers to the detriment of workers.

Extending People's Working Life

Including older people in the Work for the Dole program is merely minor fiddling with the unemployment statistics.

Most of these projects teach little other than menial tasks with low skill levels and simply fail to address the real issues for mature age unemployed.

In all the government's "programs" there is little that is of practical benefit given the absence and continuing decline in the availability of jobs of any kind.

It appears to the League that the purpose of this discussion paper is to get the Australian public used to the idea that they will be forced to remain in the workforce by reductions in government income support and the imposition of further punitive measures to enforce ongoing participation regardless of the individual's wishes or circumstances.

Tailored Wages and Conditions

It is significant that the government recognises that the supposed "flexibility of the labour market" has resulted in less regulated "minimum conditions of employment".

Nowhere is this more evident than in the reduction in the number of awards and the government's proposed "reforms", justifiably stalled in the Senate, that would remove more bargaining power from workers and place it in the greedy hands of employers.

Further proposed changes to the Australian Industrial Relations Commission would make it possible for employers to reduce all wages to a bare minimum, further reducing the living standards of Australian workers.

Why is the population ageing?

The graph included in the paper clearly demonstrates that the fertility rate began its decline when governments began promoting dual income families and has gone into auto destruct since the present government was elected in 1996.

These influences have made it impossible for the traditional family structure to survive as no couple, with both partners working has the time or the funds to maintain and support children in our "consumer pays" economy that makes child care available only for the rich.

Immigration

The arguments in this section are specious. If younger migrants (say under 30 years of age) are encouraged, particularly from those areas where larger families are the norm, they will have a predisposition to have children at a level higher than replacement level.

And If Australia were to adopt a more humane approach to the "asylum seekers", as New Zealand has, these people will undoubtedly become good Australian citizens and their children would help the supposed age imbalance.

Other Issues

Gender shifting

The reality here is that wage equality for women in Australia is still an unattained goal and, in fact, employers prefer to employ women because they are cheaper to employ with lower wage rates; more tractable as they tend not to join unions; more flexible because they are so desperate for income that they will accept the meanest of conditions and are prepared to work ridiculous shift times in boring and repetitive jobs.

Growth in part-time work with the share in part-time and casual employment increasing

The continual 'downsizing' of large banks and corporations and the directly corresponding growth in 'call centres' has led to greater employment of women for the reasons outlined in the immediately preceding section.

In general terms, under the willing auspices of successive Federal Governments, corporate Australia has abandoned all pretence to being socially responsible in favour of the bottom line of increased financial benefits to CEO's.

This has led to enormous reductions in full-time positions, massive increases in part-time and casual positions and a consequent complete undervaluing of Australia's stable family and social structures.

Female re-entry, with more females re-entering the workforce after child bearing/raising

To suggest that increased use of part-time (and casual) employment 'fits the lifestyle requirements of many women' is misleading in the extreme.

In some cases this would be true, but in the majority of cases the women who seek part-time and casual employment are doing so for purely economic reasons ... to generate some income for the family where there is no other breadwinner due to choice (some single mothers) or force of circumstances (the male in the family has been retrenched or downsized).

The only industries that favour female employment are those that want to reduce their expenditure on wages. They find that women will operate on lower wages than men and are more willing to accept shorter periods of employment and strange shiftwork hours.

The relative pay gap between males and females is still significant enough to make it attractive for business to employ women rather than men and the Federal Government's refusal to sign the United Nations Treaty on equality for women appears to be a cynical government exercise in support of big business and the maintenance of lower operating costs through reduced wages.

Social change and economic circumstances and government policies have **encouraged** the shift from men to women in the workforce.

The fact that women have achieved an increased level of education has not made them any more competitive in the marketplace.

What has kept them competitive is their lower rates of pay compared to men and their willingness to work shifts, part-time and casual in order to maintain food on the table for their families.

Early retirement

Amongst the men over 45 years who are 'retired', the fact is that the majority don't want to be 'retired' and have been retrenched, downsized or made 'voluntarily' redundant.

There are very few unemployed men over 45 years who are in that situation voluntarily.

Mature workers working longer

The suggestion for increasing workforce participation growth through 'continued participation for mature age workers' would have some relevance if Government and corporate policies over many years had not forced these people out of the workforce in the first place.

This has resulted in an enormous loss of self-esteem in this age group, particularly amongst the male sector, and a consequent alienation from the work ethic.

In truth, many so-called 'retirees' have been deprived of significant superannuation entitlements by enforced or 'voluntary' redundancy before their superannuation reached the maturity for which they had planned. This is particularly so for those, mainly men, in the over 45 group, many of whom have had to use the majority of their payouts to provide for merely basic living as they are unable to get significant employment that will bring in an adequate wage.

The problem is not so much encouraging older people to stay in the workforce as to get the business sector to keep the older people in employment, given Government policies which continually aim to get rid of employees in the interests of corporate profits.

It should be no surprise that the workforce participation rate of mature age workers is lower than that of the younger population.

The policies of successive governments and the corporate sector have ensured that this is the case as mature workers have been progressively retrenched, casualised and marginalised since 1996 as deliberate policy.

Unemployment and the mature age worker

Again, it should be no surprise that the average duration of mature age people's unemployment and the share of unemployment that is long term, are much higher than for younger people.

This can be attributed, again, directly to Federal Government policies and practices.

The restructuring of the jobs 'network' has ensured that employment agencies only put time and effort into placing the 'employable' into positions due to the reluctance of employers to accept mature age people and the perception of the 'bright young things' in the agencies that the placement of older people is too difficult.

The level of both knowledge and experience amongst employment agency staff is appallingly low.

In a great number of cases agencies do not bother to acknowledge applications by older people but even if acknowledgement is made in the first instance there is no follow-up and no job offers are ever made. Agencies, of course, deny that this is the case.

To even consider that 'the low unemployment rates for mature age workers may suggest that unemployment may be less of an issue for this group' is an insult.

Older people have ceased looking for work in many cases not because of the perceived state of the labour market, but because their self-esteem has been savaged by lack of understanding, lack of support and a continually being told that they are unemployable.

How long do older people have to endure the dual misconceptions that they don't want to work and that they are not capable of meaningful employment?

Mature age employment growth

Part time employment is essentially the only option for those aged between 45 and 64, particularly for males, as more and more businesses downsize and increasing numbers of employers refuse to accept older people for full-time work.

The participation rate for those 65 years and over, which is expected to double in the next thirty years, will be a direct result of these people not having enough money to live on, because they will have been required by government policies to use up all their assets, will be ineligible for the aged pension (or the aged pension will have been abolished if present government policies are taken to their inevitable conclusion).

This, of course, is assuming that there is work available at all for this age group.

The use of the word 'retirement' is intentionally misleading.

This government uses 'Retirement' euphemistically in order to hide the truth that mature age unemployment is a direct result of government policies that encourage the shedding of staff, particularly of older staff by businesses and corporations that have abandoned the concept of social responsibility.

At present women need to be considered differently for the reasons stated earlier, but with the direction that Federal Government policy is currently taking, there can be no doubt that men too will soon be coping with lower education levels, lower earnings, intermittent work patterns (imposed by present government and corporate policies), and higher rates of part-time and casual work.

Older men are now becoming as economically insecure as women as a direct result of government policy.

There would be no need for incentives for people to remain in the workforce at a mature age if employers were not prejudiced; if the work available was meaningful rather than moronic; if older people were treated with dignity; and if their skills and experience were recognised as valuable.

Mature age workers are a stable, experienced and productive group and most mature age people are willing to embrace change, updating of skills, multi-tasking positions and appropriate training programmes.

Population ageing is creating an insecure work environment with a raft of unfulfilling, repetitive and low paid part-time and casual positions that do very little for self-esteem or economic independence.

If employers wish to continue utilising the skills of these workers for longer periods of time, the Federal Government needs to change its social, economic and workplace policies; employers and the corporate sector need to change their attitudes to older people and workplace practices (not get more government handouts) and the Workplace Relations Act needs to be amended to ensure that there is some consideration given to the needs, capacities, aspirations and rights of older persons.

Nature of employment

The change in the world of work in the past two decades has been driven by corporate globalisation and the ethos of profit maximisation, more so than by technological innovation although that has been a contributing factor.

There has been very little enlightenment shown in the types of working methods adopted by the larger corporations in Australia. Rather have we seen and experienced a return to the anti-human time-management, stopwatch methods of the 'efficiency' era that ignores the frailties of the human body and the personal needs and desires of the individual.

The baby boomers, rather than being the first cohort in full-time work 'not physically worn out by hard manual labour' is, in fact the last cohort to experience a short period of full-time work in the Australian context and the first to be worn out mentally by unnecessary and unconscionable pressure.

It needs to be emphasised that with the societal changes inherent in government policies, corporate attitudes and globalisation, the societal structure in Australia is being torn apart to the extent that families of whatever sort are becoming increasingly unable to support their children economically or educationally.

This situation is fraught with dangers for the future of Australia and it is of significant concern that neither the government nor the Federal bureaucrats seem either to understand the problem or willing to seek remedies for the situation.

Early Retirement

For 'early retirement' read 'enforced removal from the workforce'!

Retirement planning is a desirable concept but it is one that has little relevance to the reality of enforced redundancy, retrenchment or downsizing as experienced by hundreds of thousands of Australians in recent times who have thereby been deprived of significant superannuation benefits because they have been pushed out of the workforce before their superannuation has reached its maximum entitlement.

The example of Max aged 58 is a case that supports the contention presented in the immediately preceding paragraph.

There needs to be significant improvement in the organisation of work and the scheduling of production outcomes.

The present emphasis in the workplace on maximum output in minimum (and usually unrealistic) time is imposing greater levels of stress and health risk on workers subjected to the new regimes of increased productivity at any cost.

Increasing workplace flexibility is a wonderful concept, except that in the present industrial climate of economic rationalism the demand for flexibility is being made of the worker by the business, with little or no consideration being given to the needs or wellbeing of the worker.

The recent 'improvements' to the workplace relations structure have meant that mature age workers have little choice in jobs and must take part-time or casual work, if they can find any work at all or an employer who is prepared to accept an older person as an employee.

Mature age workers are well aware and accepting of the need for whole-of-life learning.

They would be supportive in the main of programmes aimed at achieving the updating or widening of skills necessary to remain or to find a place in the workforce.

Provided, of course, that a pusillanimous government did not force them to use their own scarce resources and dwindling incomes to achieve that end, as is currently the case with the transport costs for the unemployed to comply with the 'mutual obligation' requirements of contacting employers.

Any learning needs to be appropriate to the individual's capacity, abilities and aspirations.

Such training or learning programmes will only be acceptable if the employment resulting from the effort to obtain the additional education is both personally rewarding and socially useful.

Training for non-existent or non-useful employment is a waste of both the individual's time and taxpayers' money.

It is not so much a case of older people not accessing, or being disadvantaged in accessing training, but the view that much of the training offered is irrelevant to both the individual and the society and that completion of the training is not going to generate a job.

The active encouragement by the Federal Government of the corporatisation of Australian enterprises, amalgamations of major financial institutions, globalisation through free trade agreements and allowing the sale of Australian businesses to overseas interests, has been a direct contributor to the decline in employment opportunities for all age groups in rural and regional areas of Australia.

Unfortunately there appears to be no real recognition of this fact by the government, and certainly only miniscule efforts to address the major social problems created by these destructive policies.

The case of John aged 58 is an example of the pathetic attempts to put a positive 'spin' on an intolerable government-caused situation.

Attitudes of Employers, Employees and the Community

The government's contention that the way to go to change employer attitudes through 'financial incentives' is merely another way of channelling government funds into the pockets of businessmen who will merely pay 'lip service' to the concept and develop no real personal commitment to employing older workers or retaining them longer on the payroll.

What is needed is a quantum shift in governmental attitudes and policies as well as in corporate and community attitudes.

Throwing money at the problem will not bring about lasting and beneficial change.

No amount of age discrimination legislation will change attitudes unless the legislation is rigorously policed.

There are so many ways to achieve the desired corporate result of getting rid of older workers that neither the Anti Discrimination legislation nor the Workplace Relations Act will stop an employer from getting the desired result. All of this can be achieved without apparent breach of any legislative provisions – which can then be denied in any subsequent investigation.

There is undoubtedly a link between length of participation in the workforce and the ability to fund any type of retirement (or post-redundancy/retrenchment) lifestyle.

More and more mature aged people need to stay in the workforce longer, or to return to the workforce more quickly after being downsized for whatever reason.

This will become more important as the Federal Government moves to reduce eligibility for all forms of 'income support' as well as moving to reduce the amount of that support and as the GST continues to eat into the scarce resources available to many mature age people.

The key issue is that mature age workers and former employees are suffering under the present system of restructuring, economic rationalism, globalisation and privatisation, despite years of valuable and committed taxation generating work.

Increased employment will not generate a satisfactory lifestyle for many if that work is basically part-time or casual, at low rates of pay, at hours of the day that eliminate socialisation and wreak havoc with family structures and personal health and in positions that are repetitive and mind-destroying.

Many cannot afford to 'retire' at 60, 65 or even 70 because of the need to support their parent, spouses, partners, children and even grandchildren with the ongoing government sponsored breakdown of the family structure for corporate benefit.

Financial incentives for older people to stay in the workforce look good on paper but do not compensate for the sacrifices that older people now have to make.

It is a pity that there is no real evidence in the private sector of an increased awareness of opportunities for improved engagement of mature age workers despite Professor Earl's recent assertions to the contrary.

There isn't even an inkling of a change in the employment agency sector where inexperienced staff show no understanding of complex issues, qualifications outside their own immediate sphere of operations or the needs of older people.

The Pension Bonus Scheme is such a small amount in today's expensive society and is so hedged about with eligibility criteria that it seems as if the government has employed actuaries to calculate the odds of potential recipients dieing before they can collect the bonus.

The Workplace Relations Act has been seen by workers and has been wielded by corporations, as a stick with which to beat down the value (and hence the price) of labour to the detriment of employees.

There is little evidence to suggest that this legislation has produced anything of significant benefit for mature age workers.

The abolition of the compulsory retirement age for those employed in the public sector does nothing for those in the private sector and has done little enough for the tens of thousands of public employees who have been retrenched, made redundant or pushed into 'voluntary' redundancy.

Job Network agencies have shown no evidence of understanding ageing issues, no consideration for unemployed people over the age of 45 and a total inflexibility in dealing with mature age unemployed.

There has been no visible or positive action arising from the House of Representatives Inquiry into Issues Specific to Workers Over 45 Years of Age Seeking Employment, or Establishing a Business, Following Unemployment.

There is essentially no understanding in the private sector of the impact of the ageing population on workforce participation, just as there is no understanding at all of what company and corporate policies about mature age workers is doing to the social fabric of our society.

There is nothing in this discussion paper that indicates any real concern on the part of the Federal Government for the plight of mature aged unemployed or the damage that government and corporate policies in this area are doing to the Australian society.

The Choices

The questions proposed by the choices section in the paper are of the type "when did you stop beating your wife". There is no real answer and they make unsupported assumptions based merely on economic ideology.

Choice 1.

We could elect to do nothing now, and raise taxes in the future.

Australia is already one of the most highly taxed countries in the developed world and this premise fails to consider other options than taxation.

We could instead restructure the taxation system so that the burden did not fall on the shoulders of those least able to afford it and fell rather on those making the most profit and transferring it overseas.

In addition the government could also restructure the system that allows trusts to rip off the tax system for the benefit of individuals who are already very wealthy.

Choice 2.

Cut future government expenditure by around 5 per cent of GDP

This fails to address the question of funding allocation priorities by government.

Australians prior to the 2004 Federal Budget indicated a clear preference for the government to improve services rather than to cut taxation. With a record surplus the government has both ignored the will of the people and has been recklessly wasteful of future benefits available with such a surplus.

Choice 3.

We could run deficits and hence increase debt

The waste of billions of dollars on tax relief for high income earners in the 2004 Federal Budget, merely to buy re-election for the coalition and to achieve the Prime Minister's desire to go down in history as the longest serving Prime Minister, is criminal in the light of the desperate need of millions of low-income Australians, older Australians, pensioners and indigenous Australians.

Choice 4

Look at ways to increase the economy

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The assertion that the "key ways to improve economic growth are through increases in labour force participation and productivity." has already been shown to be wrong.

Australia already has one of the highest levels of productivity amongst OECD countries but at what cost?

Australians now work longer hours for lower levels of pay than almost any other developed country.

The government's much touted "low levels of unemployment" rely on fiddled statistics as people who work for as little as one hour per week are classified as unemployed, young people are being forced to stay longer at secondary school in order to reduce the unemployment statistics and the "work for the dole" program exists merely to reduce the numbers in the statistics and not to help the unemployed back into work.

If the government were to adopt budget priorities aimed at benefiting Australian citizens, rather than to support an immoral and unconscionable occupation of a nation not even in our sphere of influence for the electoral benefit of a discredited foreign national leader, and instead spent some money on creating jobs that are not short-term or casual, the economy would grow at a faster rate of its own accord.

Conclusion

This paper is yet another example of the failure of the elitist politicians to understand the realities of living in Australia in the 21st century.

The language of the entire discussion paper is such that we are led to believe that it was written for an audience of employers and commercial operators.

There are a few "motherhood" statements purporting to show concern for the plight of the lower paid and otherwise underprivileged but these can be construed as merely another smoke screen.

The entire thrust of the paper is towards further eroding workers living standards and further reducing the expenditure from the public purse for people at the lower end of the socio-economic spectrum, a policy demonstrated by the latest Federal Budget.

The issues surrounding mature aged unemployed people need to be addressed as a matter of urgency.

It seems to be an unfortunate oversight that the discussion paper makes no mention of mature age unemployed indigenous Australians, whose plight is vastly worse than that being experienced by the remainder of our population.

Accordingly I recommend that this issue be included in any deliberations or policies arising from this process.

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