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Living Precariously: The Struggle for Social and Economic Citizenship

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Introducing the Conference Themes

This conference focuses on the central relationship between the labour market and citizenship. It therefore engages with broader issues of risk and security, inclusion and exclusion, rights and freedoms.

Over the last 20 years, the structural settings of the Australian labour market have shifted.

The main trends include:

- the entry of high proportions of (mainly middle class) women into (predominantly) part-time work.
- the decline of full time work participation, especially for prime working age men
- the increase in casualised and non-standard work to a global high of over one third of the Australian labour force
- for those in full time work, the intensification of work, with Australia second in the world for those working extended hours - most without overtime pay or allowances and impacting on work-life balance.

These trends add to the precariousness of existence for considerable numbers of people.

Meanwhile, it should be mentioned that we have historically low official unemployment rates, which according to a well-accepted Australian Council of Social Service (2003) paper, should be at least doubled if we include the hidden unemployed, the under-employed and those who have disengaged from the labour market. Those locked out of paid work, made redundant, or prematurely retired, or those trapped in cycling between insecure work and unemployment, suffer new forms of individualised risk, exclusion and blame.

Many aspects of working life have improved. We have come a long way from the Harvester Man model of work and life.

Work safety is much more prominent, injury on roads and at work places comes under compensation schemes, there is a more diverse range of work choices, regimes and opportunities and women are now accepted as workers (although not necessarily equally remunerated or supported by enabling policies such as childcare and parental leave). However the downside is inequality in access and outcomes-increasing holes in safety nets. With contracted services and the rise in the use of consultants, responsibility for work safety may reside with contractors - not employers, masking the individualisation of occupational risk and the shifting of risk away from organisations and on to individuals. Choice may be on employers rather than employees’ terms and, as gender gap research points out, for many women, gender equality is a ‘furphy’ and many women are paid less than men and lose out in terms of appointment, promotion and longer-term income security. Wages have improved, but at eight times the rate in upper deciles compared with lower deciles. The segmented labour market mediates an increase in inequality of wealth and earnings. Waves of immigration point to ethnic-related precariousness - with regard to work injury, risk and income insecurity.

Mediating these trends are shifts in the institutional architecture of labour standards - of wages, work conditions, union freedom and bargaining rights; with various shifts in policy under Labor in the 1980s and early 1990s and then, more recently, under the Howard Coalition government. Structural shifts in the welfare state and the social wage are undermining the redistributive outcomes achieved over the last 20 years.

Although the social security system has been relatively effective in ameliorating poverty for low-income families with children, this trend has not been without cost. Greater targeting of government benefits for those of working age, combined with an increasingly conditional and punitive approach, raise questions about the fairness and longer-term sustainability of current policies.

To say that the world of work has changed and is likely to change even more, is an understatement.
What of Citizenship?

No doubt the contributors will be drawing on the seminal work of T.H. Marshall’s 1950 book *Citizenship and Social Class*. Most commentators allude to his differentiation of political, civil and social forms of citizenship but many overlook the category of industrial citizenship as a fourth strand of citizenship; focused at that time in history on the right to form and join unions, the right to strike and worker bargaining rights. Marshall saw industrial rights as a foundational right. Without adequate security of wages and conditions, the capacity to pursue other social, economic and political rights is compromised or depleted. Supplementary rights included access to reasonable employment conditions, equal opportunity and skills training (1950 p. 71).

Pairing notions of industrial citizenship with labour market trends and lived experience, within a context of global movements of capital and labour, raises the issue of rights and obligations for each of the social partners to employment and citizen contracts - for individuals, enterprises and government. What basic rights are enshrined by a conception of industrial (or economic) citizenship? How does such a concept work to enhance justice in access and outcomes? In a globalised market, what institutions and safeguards may prevent a cross-national race to the bottom in wages and conditions: in living standards and real choice and flexibility? What protections can be enshrined for disadvantaged workers, and by what means?

In direct contrast to more corporatist states such as Denmark, where the social partners - unions, government, employers - are involved in brokered deals on worker conditions, employment forms and wages, recent Australian history marks a shift from *social liberal models of industrial and economic citizenship* to *individualised market models* where there are winners and losers and where the parties to the contract are inherently unequal.

Given the re-constitution of the Australian Senate from July 1 2005, industrial relations reforms are a hot topic. Industrial tribunals are important institutionally as a means of addressing growing inequalities, both at the bottom and at the top of the income spectrum.

How do we address issues of:

- the need for more genuine choice and a realisation that *leaving it to the market* eg for families to find local, affordable childcare to support working and family life, is not working out because of inequality of access and resources;
- the prioritising of return to shareholders, reflected in corporate mergers, reduced employment entitlements and redundancies, with no long term planning for a sustainable workforce;
- the individualisation of risk with shifts to more complex contractor and labour hire supply chains;
- the fall-off in enterprise support for worker skills enhancement and training.

The current skills shortage highlights the need for governments to address transitional labour markets in Australia. Developed in Europe, the transitional labour market (TLM) concept points to the role for government in assisting risk-prone transitions, especially for those who are disadvantaged. German academic, Prof. Gunther Schmid’s *Transitional Labour Market* (TLM) construct directs attention to the lived experience of transitions between paid work and caring, education and retirement at different points in the lifecourse. He proposes a more fluid, flexible movement between periods of paid and unpaid activity, enabling a more equitable distribution of paid employment and a better balance between paid and unpaid activities. Government plays a role in recognising risk and vulnerability in transitions and investing in risk mitigation.

TLM theory emphasises the importance of institutions and of the links between different institutions which frequently operate as policy silos rather than integrated systems to buffer risks, invest in people and support capability and employability. TLMs require an ‘active approach’ in that they should both provide not only financial support but other assistance (such as training and caring for others) for people to make transitions between employment roles.

Schmid defines TLMs as:

...institutional arrangements that empower individuals to transit between various employment statuses during their life cycle through a set of mobility options and employability enhancing labour market policies (2002a, p. 63).

In effect, he proposes that active labour market policies be expanded to allow people to move both in and out of paid employment more easily. These would enable people to strike a better balance between work and other important activities. There is some evidence that a significant proportion of those currently employed would welcome such a policy framework, since many are opting for reduced participation already (Hamilton & Mail 2003).

This conference addresses important themes and touches on issues in need of urgent attention. These include:

- the impact of globalisation on work and of reconfigured ‘work’ on global trends in equity and justice;
- the social and economic impact of precarious work;
- what precarious work means: for temporary agency workers, out-workers and peripheral workers’ such as youth, older workers, student workers and casual workers;
• the significance of changes for unionism;
• and the consequences of insecurity for whistleblowing.

As the book *Fragmented Futures* (2003: 203) states, 'we need a genuine debate on the future of work and ways to reduce inequality and foster genuine diversity'. Watson et. al argue that 'expanding choice in a genuine fashion only makes sense if we also confront inequality in the distribution of resources'. (2003: 204).

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**References**


