

Welfare Attacks and Collective Resistance

Anarchist Affinity

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The Liberal government has initiated one of the most significant attacks on the rights and conditions of welfare recipients in Australia that has been seen in decades.

The cuts

One of the key changes proposed is tightened restrictions and greater compliance requirements for unemployed people under 30 on Newstart or Youth Allowance payments. From July 2015, young people will be forced to endure a six-month 'waiting period' before they will receive any unemployment benefits (a 'hunger period' or 'homeless period' might be a more accurate description). During this period welfare claimants will be required to look for 40 jobs per month or risk an extended removal of support, even if they find casual or part-time work. Unemployed young people will also have to wait until they are 25 (rather than 22) to receive the marginally more liveable Newstart payment, which provides \$100 more a fortnight than Youth Allowance.

After the six month wait, welfare recipients will be forced to do 25 hours of 'Work for the Dole' each week in 'individual work-like situations'. If we think of a dole payment as the 'wage' for this labour, this means that if you're on Youth Allowance you will be paid \$8.29 an hour for your efforts, or \$10.61 for those on Newstart, which is well below the minimum wage of \$16.87 an hour. And after six months of this, young unemployed people will once again have their payments removed for a further six months. The cycle begins again!

Young people on the Disability Support Pension (DSP) will also be hard hit by these attacks. If young people receiving the DSP are assessed to be able to work more than eight hours a week, they will be forced to undertake Work for the Dole or other job search activities in order to keep their payment. Young people who started receiving the DSP between 2008 and 2011 will also be re-assessed, and new tightened eligibility requirements will be applied, which means that some people who previously received this support will have it taken away.

The recent release of the interim McClure review into welfare paints a grim picture of future limitations on the DSP and expanded income management. The report recommends that the Disability Support Payment be restricted to claimants with a 'permanent' disability who have no capacity to work. Claimants who do not fulfil this condition would be moved onto unemployment payments, and would most likely receive lower payments than if they were receiving the DSP. This proposed change would target the majority of people on the DSP who either have a disability with periodic effects, or who have a long-term disability but nonetheless would be considered to have some capacity to work. McClure has noted that this proposed change will specifically target people with mental illnesses, such as depression.

The review also recommends that income management be expanded across Australia, so that young unemployed people and single mothers can only spend their dole payments on certain products from certain stores. Both the Labor Party and the Liberals have indicated that they would support the expansion of income management.

These changes will have a drastic impact on the lives of those who rely on government benefits. For those suffering through six months without any source of income, or DSP claimants now found to be ineligible for this payment, life looks bleak. Youth unemployment is currently at 12%. At least 700,000 people will be affected by these changes over the next four years, 550,000 of whom will be forced to apply for emergency relief services. These proposed cuts to welfare

would 'save' \$1.2 billion – a miniscule figure compared to the \$12.4 billion to be spent on new military jets.

There are many reasons why we must create an organised resistance to these cuts and increased restrictions. The human impact of forcing hundreds of thousands of people onto even more inadequate welfare payments, or removing their access to this support entirely, is the most obvious and frightening consequence of these policies. Existing non-government forms of support for those living in poverty are already overwhelmed and under resourced. No one knows how unemployed young people whose support is removed will find the resources to survive through six month periods without any source of income. This will have its greatest impact on the most marginalised and oppressed groups of unemployed young people – those unable to access material support from their families, those fleeing abusive situations, people facing racist or anti-queer discrimination, or those living in rural areas where jobs are scarce.

Welfare, discipline and capitalism

It's important to think about the role that attacks on welfare play in the capitalist system. Capitalism requires regular measures to depress wages in order to continue existing. For capitalists to increase their profits and minimise labour costs – to maximise exploitation – they must continually try to find ways to pay workers less. In contemporary times, we are told that this keeps the labour market 'competitive' and 'flexible.' In reality, this means keeping workers poorly paid and unable or too scared to fight for better conditions.

The current welfare system in Australia is, in part, the result of successful working class struggles for survival under capitalism. However, these changes highlight the fact that contemporary welfare regimes also play a powerful disciplinary role in maintaining a compliant and highly exploited workforce. The highly bureaucratised, dehumanising and inadequate character of Australia's welfare system benefits capitalists and their state allies by making unemployment as miserable an experience as possible. A highly disciplinary welfare system puts bosses and owners in a better position as a class to maximise the exploitation of their workers. Inadequate welfare makes it harder for workers to leave shit jobs which are underpaid or have unfair conditions. It also increases the risks of workplace organising, as young workers may face the prospect of having no income if they participate in industrial action and lose their job as a result of standing up for themselves and others.

Forcing young people to work for their dole payments provides a source of cheap or free labour to capitalists and allows them to drag down the wages of other workers. As Joseph Kay, from the syndicalist union Solidarity Federation, comments, measures like Work for the Dole are "a massive state subsidy to private capital." In the UK, where 'Workfare' (an equivalent to Work for the Dole) was implemented across the country in 2011, there are documented instances of welfare claimants being used as a free replacement for part-time or casual staff. For instance, in 2012 Asda sent workers home over Christmas and replaced them with welfare claimants on Workfare. Work for the Dole programs also function to create an especially vulnerable category of workers. Welfare claimants on Work for the Dole cannot refuse to work, which means that if they complain about workplace conditions or take part in industrial action, they will risk being sanctioned for non-compliance and losing their dole payment with nothing else to fall back on.

One important thing to remember is that government measures to discipline workers are often trialled on the most oppressed sections of the working class. Income management was a key part of the 2007 Northern Territory Intervention. The Howard government justified its implementation by playing on racist and colonialist stereotypes about Aboriginal people being unable to manage their own affairs. Income management was introduced to 73 Aboriginal communities in the Northern Territory, and affected over 20,000 claimants. Income management has since been extended to Aboriginal and non-Aboriginal welfare recipients in Bankstown (NSW), Logan, Rockhampton and Livingstone, (QLD), Playford (SA) and Greater Shepparton (VIC). It is now likely that income management will be extended even further to cover welfare claimants across Australia. Thus, the prediction made by many Aboriginal activists that attacks on the rights of Aboriginal welfare claimants will be extended to other sections of the working class is becoming a reality.

If the McClure review's recommendations about income management are accepted, we may see Australia follow the UK's example and combine Work for the Dole with large scale income management. Through this, welfare claimants will be forced to labour for free for selected capitalists and then forced to spend their government benefits at these same shops, thus creating a double subsidy for capital. For instance, UK welfare recipients have been forced to work for companies like Asda and have then been required to use their welfare payments to buy from them as well, guaranteeing Asda both sales and free labour.

These examples highlight the coercive and exploitative character of the proposed welfare changes. These attacks will function to increase the coercive forces which affect both people currently working and the unemployed by placing both groups in a more economically precarious and less powerful bargaining position. The welfare cuts also allow the state to exert greater control over people's lives, by imposing certain forms of employment and certain purchasing patterns.

UK opposition to Workfare and Atos

When thinking about how we can successfully resist these cuts, we can look to welfare activists in the UK for inspiration. In 2011, the UK state announced the introduction of Workfare – a scheme similar to Work for the Dole under which welfare claimants are forced to do unpaid labour. The Boycott Workfare campaign was created in response, supported by the activities of Solidarity Federation. This direct action campaign targeted companies using Workfare labour in a name and shame campaign which involved hundreds of pickets outside businesses across the UK. The campaign has achieved some important wins, by forcing at least 35 companies to reject Workfare as a result of the pickets. The Boycott Workfare campaign was accompanied by other, more specific, initiatives, such as the 'Keep Volunteering Voluntary' campaign. As part of this campaign, more than 393 organisations which use volunteers across the UK committed to boycott government Workfare schemes.

UK welfare activists also organised political actions against the notorious French corporation Atos, which was contracted by the state to determine who should be entitled to disability welfare payments and whether they should be forced to work. Atos decisions resulted in many people with a serious need for care being deprived of economic support. Significant numbers of people died or committed suicide in the aftermath of having this support withdrawn, some while waiting

for the results of their appeals. David Coupe, despite being housebound with a back injury, ulcers and diabetes, had his welfare entitlements cut as a result of an Atos assessment, and received no welfare for the last 10 months of his life before dying as a result of cancer. Pickets across the UK were organised by welfare claimants at the offices of Atos and forced the company into an early withdrawal from their contract. In Southend, some Atos workers even joined the protesters picketing their office. While Atos's back-down was a small victory, this fight is not over. Other companies, including Serco and G4S, are vying for a new UK government contract for similar services. Thus, the same companies who act as prison guards in Australian detention centres, and prisons across the globe, may become responsible for disciplining welfare claimants in the UK. Like the Pinkertons, these corporations are the private police of contemporary capitalism.

One emerging arena of struggle in the UK is the call for solidarity from welfare claimants to workers in the government or private agencies contracted to carry out the most punitive and exploitative aspects of the welfare system. In 2013, emails were leaked showing UK job centre employees are required to meet 'sanction targets' for welfare recipients, and job centres are ranked against one another in league tables measuring the number of welfare recipients who were being punished through the removal of financial support. Welfare activists responded to this by organising pickets against job centres known to be using these targets. They have also called for job centre workers to refuse to give out sanctions or meet targets as a form of industrial action in solidarity with welfare recipients. Workers in this area and welfare claimants have attempted to organise a rank-and-file campaign within the Public and Commercial Services Union, although significant elements within the union have been hostile to this campaign. While this aspect of the struggle in the UK is still in the very early stages, it points to the possibility of attempting to find solidarity with workers within Centrelink or Job Network agencies in Australia.

These forms of resistance are all limited – many UK companies still take part in Workfare, and Atos will be replaced by a new contractor. Yet, they still are interesting and potentially useful examples of radical struggle against welfare restrictions and cuts which could be used in political struggles around welfare in Australia.

Thoughts on successful resistance

We must fight back against the Abbott government's proposed cuts to welfare. We have to defend the limited and partial gains we have wrought from the state because we need these measures to survive under capitalism. Most of us cannot wait for a revolution to address our economic needs. However, we also need to acknowledge the inadequacy of welfare payments and the coercive function of policies such as income management and Work for the Dole. We should be clear that we will never be able to build a welfare system that will allow the unemployed to flourish in this economic system, because it will not be consistent with the capitalist drive to maximise exploitation.

As some anonymous libertarian socialists noted in 1985:

The Welfare State is just the contemporary face of the capitalist state. If it offers all kinds of services and financial support – things that we need to survive – it doesn't do this because we need them, but because capitalism needs us to have them in order for it to survive. We shouldn't be surprised if capitalism 'snatches back' benefits or imposes new conditions for granting them as its priorities change. It is only able to

‘service’ our needs because capitalist society has developed through destroying our opportunities for doing so ourselves.”

The demand for a welfare system that truly supports those without work is at its core an anti-capitalist demand. While people who argue for a fair welfare system may not consider themselves anti-capitalists, the only way we can have a welfare system not constantly under threat from the ruling class, is to create an entirely different type society in which the interests of the minority who control production and distribution are not pitted against those who must work to survive. We shouldn’t be ashamed to talk about the role of capitalism, the state, and other forms of oppression in maintaining the coercive and exploitative aspects of the welfare system. We won’t be able to successfully confront the inadequacies of the current welfare system without understanding the role it plays in the broader political and economic context.

It’s vitally important for us to attempt to prevent these attacks from becoming policy in the first place. But we also need to think about how we’ll react if this part of the budget is passed by Parliament, and how we can create a more effective response to the already existing problems with Australia’s welfare system.

We need to think about new locations for resistance. Central rallies in the middle of cities are one tool for resistance, but they are not the only form of action we can take. Other places we might focus our political organising on Centrelink offices, Job Network offices and businesses which employ welfare recipients on Work for the Dole. By broadening the reach of our political action we can increase our opportunities to organise with other welfare claimants, as well as bringing our collective power to bear the organisations and businesses responsible for carrying out these exploitative policies.

We can also look to models of organisation which unemployed people have used in Australia’s recent history. The Wollongong Out of Workers’ Union (WOW) was an anarchist influenced unemployed people’s organisation which was formed in 1983. WOW was unusual in that only unemployed people could become full members and have access to voting rights, meaning it was a group that was both about the interests of unemployed people and controlled by them. WOW’s campaigns focused on demands for a living wage, a shorter working week, and long-term job security with fair conditions. They also explicitly linked the terrible situation of unemployed people to the functioning of capitalism. The group involved hundreds of members, and used direct action tactics, such as occupying “the local Social Security offices, the local taxation department and even the national headquarters of the Labor Party in Canberra.” Members of WOW set up an office in a squatted house, and for a period of six years turned this space into an organising space, a welfare rights drop-in centre and a soup kitchen. They also created a newspaper (The Gong) and helped initiate the National Union of Unemployed People. While this model might not work in all situations, it is certainly worth thinking about whether the form of unemployed-led organising WOW members used to such great effect would be useful in our contemporary contexts.

Another part of our response to these attacks on welfare should be to provide practical support to those who will be most impacted by these changes, if they are implemented. This support doesn’t need to be the depoliticised charity of organisations like the Salvation Army, who ultimately support the system they clean up after. Rather, we should create our own forms of mutual aid which are based on solidarity rather than charity. As Paul Bowman notes, while charity is based on pious submission to a depoliticised notion of misfortune, solidarity involves identify-

ing the cause of suffering and working with those who share a common enemy to transform the social and economic structures which create this suffering. One of the central ideological justifications for capitalist exploitation and state control is the idea that we need these ruling class controlled, hierarchical organisations to take care of one another.

By doing what we can to take care of one another, as part of our organised political resistance, we can demonstrate that this system doesn't provide us with what we need, and that we have the capacity to organise a society of our own that could fulfil these needs. To truly take care of one another, though, we need to take control of the economic and social resources that are currently controlled and used for profit by the few. We should provide what support we can, but also remind ourselves that building a new society within the shell of the old is but only one step we need to take. Ultimately, we need a revolutionary transformation of the economic and political order to move from that old world into a free, classless society.

Resources

Welfare 'Dependency' and the Crisis of Work

Is This Farewell Welfare?

The radical history of unemployed activism

The WOW factor: Wollongong's unemployed and the dispossession of class and history

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