Australia's economic growth comes at expense of workers' wages and conditions

by John McCarthy via stan - Courier Mail *Tuesday, Oct 5 2010, 6:39am* national / social equality/unity / other press

THE blowout in the cost of living could be directly blamed on companies and governments shifting financial responsibilities and risks on to workers, according a report released by unions. A report, by the Sydney University Workplace Research Centre, found that while Australia had massive economic growth over the past 40 years, wages had been constrained, costs had eaten up a greater percentage of income and more than two million jobs were now part-time or casual.

According to Australian Council of Trade Unions president Ged Kearney, for the first time in Australia's history, less than 50 per cent of the workforce was classified as being in permanent full-time employment.

She said the economic growth had come at the cost of workers' wages and conditions.

But the report also criticised Australia's treatment of retired people as one of the worst systems in the developed world for delivering security from poverty in old age.

"The current answer in Australia to resolving that problem seems to be extend the working age and demand the low paid contribute more to superannuation," the report said.

The report claimed that full-time workers were now often required to work longer working weeks with more than a third of the workforce now labouring beyond 45 hours a week, compared with 22 per cent in 1990.

Governments had also handed over a greater proportion of costs and risks through privatisation of roads, education, child care, health and retirement, while job security had evaporated.

It found that 42 per cent of household expenditure was now spent on goods and services and non-food costs compared with about 37 per cent in the mid-1980s.

The ACTU said casual, contract and precarious employment was now the norm.

"The increase in precarious jobs and in particular the rise in the casual workforce to two million Australians is proof of what is happening in Australian workplaces today," the report said. "Growth in non-standard forms of employment is outstripping standard, full-time employment."

And while wages in the mining industry had boomed, workers in the three biggest employment sectors – health and community services, retail, and accommodation and food services – received the lowest levels of average earnings.

"These sectors, along with education and training, have seen among the slowest wages growth over the last 15 years," the report said.

"Clearly, households that are more exposed to rising costs of housing, health care and child care will have experienced a considerably higher increase in those fixed costs as a proportion of income. People are now required to absorb more financial, social and economic risks."

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