



## Executive Summary

The papers presented in this issue of *Growth* aim to explore the scope for new directions in social policy in the light of critical shifts in working life, household relations and the economy.

These are informed by concerns about the widening divisions and inequalities in Australian society, an increasing burden on individuals to cope with new uncertainties and risks, and a questioning of the balance between reliance on the market as a distributive mechanism and a role for government in risk prevention and mitigation, social investment and social protection.

These new uncertainties and risks are captured in the experience of our 'barometer cohort' aged 25 to 34. Compared with the baby boomer generation, the Generation Xers face a very different lifecourse trajectory under current policy settings. We look at how they are faring, as well as examining the experiences of young people and older workers, in the areas of family/work policy, income security, education and training, housing and labour market regulation.

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The first four papers take as their focus key periods in the contemporary life course. In examining the position of young people, Valerie Ayres-Wearne notes that the linear transitions from school to work and to independent living for people aged 15–25 have eroded. Transitions are more fluid, with greater overlaps between study and work and increased dependency of young people on their parents. Some young people are particularly vulnerable in their attempts to develop a secure attachment to the labour market. Ayres-Wearne also traces the developments in youth policy since the mid-1970s and seeks to identify how elements of this policy response need to be strengthened to address vulnerability, build resilience and promote social protection for these young people in the context of a risk society.

The life period 25 to 34 years of age, the Generation Xers, is the focus of research presented by Fiona Macdonald and Sonya Holm. Key events during this period include the establishment of independent living arrangements, entering couple relationships and having children. From a lifetime perspective, the imperative to gain relatively secure and financially rewarding work at this age is high. Nevertheless, there is much less full-time employment for this age group and generally lower wages compared with the generation that preceded them. This research brings into focus the extent and nature of some of the risks associated with the changed labour market in Australia for young people who are not finding it easy to make the transition to the full-time labour force. Individual case studies provide insights into the lived reality of the transformed labour market for this cohort.

Social policy in Australia has traditionally taken for granted family formation on the male breadwinner/female homemaker model. With the increase in women's labour force participation, and the diversification of households, this assumption is no longer sustainable. Elements of the old 'gender contract' appear irrelevant, although the domestic division of labour, particularly around caring work, has been slow to adapt. New and emerging forms of risk are placing more strain on households and families at exactly the time that their capacity to cushion risk is

diminishing. Many families are squeezed by the demands of paid employment, insecure or precarious forms of work, childcare and elder care. Acknowledging the need for an integrated policy response, Linda Hancock's chapter canvasses the need for a new social protection framework that emphasises decent jobs that can both sustain households and a better balance between home and work. This would entail a new role for government in 'upstream' preventative measures as opposed to a focus on mitigation and coping.

Working life is being shortened not only by the slower entry of young people, but also by earlier exit. Julia Perry points to the dramatic fall that has been occurring in workforce participation among mature-age workers, especially men. A recent Commonwealth government survey showed that while many older males choose to 'retire' early, quite large numbers of men see themselves as being forced out of the workforce in their late fifties and early sixties. While government policy still favours early retirement it is clear that for many people of low socioeconomic status early withdrawal from the workforce may result in significant hardship.

What might this new distribution of risks across the life course mean in terms of social policy options in the Australia context? The remaining four papers examine aspects of policy regarding income support, education and training, housing and labour market regulation.

Anthony O'Donnell offers a survey of current trends in social security reform in Australia. On the one hand, there is a move to make income transfers more available to working families. He contrasts this approach with an increasingly conditional or moralised approach to income support for the unemployed and other jobless groups, an approach encapsulated in the rhetoric of 'welfare dependence' and 'mutual obligation'. In making an invidious distinction between the working and non-working poor, this combination of policies will only further feed 'downwards envy' and undermine popular support for the redistribution necessary to both protect people at their most vulnerable and to provide for people during key life course transitions. Alternative options range from incremental improvements to the current social security model so as to enhance both its protective function and its potential as a means of managing life course transitions, to instituting a new tier of contributory entitlement, perhaps utilising the infrastructure currently in place for superannuation.

The capacity of individuals to take up labour market opportunities across their life course is increasingly linked to education and training. The new rhetoric is one of 'lifelong learning'. Yet a key concern is the growing core/periphery divide in relation to the provision of vocationally oriented education and training, with those in non-standard employment increasingly less able to access education and training opportunities. Marion Frere draws attention to the ways in which current trends in lifelong learning policy, with its emphasis on individual responsibility for skill development, will further reinforce a shift to personal learning investment. Such a move raises questions as to how we spread the cost of lifelong learning equitably between the various beneficiaries without promoting inequalities. There may be scope here, too, for reshaping our social policy to place importance on building a savings infrastructure that would also allow a balanced investment policy in terms of people's need for lifelong education.

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Under the old social settlement, home ownership was an integral part of economic and regional policy, with government investment assisting entry into home ownership. This, in turn, has been a buffer for ageing postwar generations. As Maryann Wulff points out, social and economic transformations mean that for an increasing proportion of Australians, rental tenure is no longer temporary or transitional. Wulff argues there has been a shift from housing as a common good to housing as a private individual and market responsibility. The policy challenge is to extend the benefits of home ownership to those who may never be owners.

The regulation of work and the employment relationship has also been a key site in which important outcomes around living standards, equality of earnings, social participation and economic efficiency were achieved. Richard Mitchell, Jill Murray and Anthony O'Donnell recognise that these outcomes were partial and qualified for much of the twentieth century. But they have become even more attenuated as we enter the twenty-first century. Because of the increased fragmentation in the conditions of labour hire and the growth of so-called 'atypical' employment, many more workers fall outside the protective net. At the same time, political and economic pressures have been brought to bear on the idea of traditional labour regulation. Mitchell, Murray and O'Donnell consider a number of possible bases for a re-regulation of the labour market, and in doing so seek to revitalise some of the founding aspirations of the past. These include extending the scope of labour law to include at least some of the new kinds of labour hire and work arrangements and a restructuring of institutions around different forms of participation, with a new mix of multifaceted, integrated regulatory approaches.