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A drought of jobs

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The Federal Government's agricultural research bureau (ABARE) recently declared that the drought would "reduce the rate of economic growth in Australia by around 0.9 percentage points or \$6.6 billion in 2002-03 from what would have otherwise been achieved."

Every day, through a variety of media, distressing stories of the drought's impact are retold in different ways. We are very much aware of the stress the drought imposes on farming families and their regional and rural communities. We are aware of the damage to export income and of the fragile, fractured nature of rural life.

We respond by instinctively looking to the heavens, realising that the drought is caused by a lack of rain. In constructing the problem as a system failure we engender public sympathy for those at the mercy of the weather and demand that the Government provide financial support to the farmers. We also willingly donate to the Farmhand Appeal.

However, we could have constructed the problem in a different way. There is evidence that sustainable agricultural practices can cultivate drought-resistant farms, even in areas where conventional farms have suffered badly. Should we therefore focus on the "deficiencies" of individual farmers? Should we highlight their lack of skill or poor motivation or reluctance to plan for bad seasons? While poor farming practices will deepen the impact of the drought, the root cause of the problem is clear - not enough rain is not enough rain! Improving farming practices must be part of any long-term strategy to promote ecological sustainability. But right now the (climatic) system has failed our rural communities and they need our support. After all, \$6.6 billion is a lot of income to lose.

Now to another drought. The Centre of Full Employment and Equity (CofFEE) estimates that in 2003, Australia will lose around \$44 billion in national income through our willingness to tolerate persistently high rates of unemployment and underemployment. Let me say that again. By failing to pursue a full employment strategy, and wasting willing labour resources, we are forgoing \$44 billion per annum in lost income. This loss does not include the enormous social costs that arise from unemployment in the form of increased family breakdown and crime, and poor physical and mental health.

But when was the last time you read about the costs of unemployment or the plight of the unemployed? When was the last time you heard our parliamentarians or the Reserve Bank Governor or the Secretary to the Treasury expressing any concern about the 'unemployment problem' or advancing policies to generate jobs for all who are willing and able to work? The recent Federal Budget did not contain a single initiative to reduce the level of unemployment and forecast that unemployment will remain at its current level until 2007-08. The costly acceptance of the status quo raises the following question for all of us. How can we have such an urgent concern about the drought – a smaller problem affecting fewer families and children – yet adopt such indifference to the unemployed?

The answer lies in how we construct the problem. We have been repeatedly told that unemployment is the fault of the unemployed. The solution then focuses on making the unemployed "employable" rather than on ensuring there are sufficient jobs. We arraign our most disadvantaged citizens with accusations that they are lazy and unskilled claiming that they could get work if they tried harder or changed their attitude. Meanwhile, we blithely ignore the failure of macroeconomic policy to ensure there are enough jobs available despite the evidence for unemployment as a 'system failure' being as compelling as meteorological data showing a lack of rain.

Since 1975 there has been, on average, 11 unemployed for every job vacancy. At present time, the ratio of unemployed persons to job vacancies is around 7:1. While governments of all persuasions have spent billions on labour market programs and training schemes, to encourage more assiduous and effective search behaviour by the unemployed, the employment outcomes from these programs have been poor. Simply put - you can't search for jobs that aren't there!

Fortunately, unemployment is an easier problem to fix than the drought. The government has little control over the weather but it has the fiscal power to generate full employment. CoffEE advocates the introduction of a Community Development Job Guarantee in which the public sector would provide 'real jobs' (paying minimum award wages) in areas that advance community and environmental well being. The doomsayers will say this is another "painting rocks" suggestion. However, there are numerous environmental and social needs in our communities that are unmet and that will never be met by the private sector. What is also overlooked is that the unemployed are already in the 'in the public sector' being supported on welfare and not making a productive contribution to society. It would be better for government to provide the unemployed with opportunities to contribute to productive output, to contribute to their communities, and to acquire independence than to sign welfare cheques, police activity tests, and recycle those without work through a succession of programs and placements.

When it comes to the drought, not enough rain means not enough rain. Equally, not enough jobs means not enough jobs. In both cases, blaming the individual is as unfair as it is unproductive.