Examining changes to welfare policy
Paternalistic workfare in Australia and the UK

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Abstract
Over the last two decades across most developed nations, governments have made substantial changes to welfare policy. Although welfare policy refers to many initiatives by governments to protect and promote the well-being of their populace, those whose well-being depends most on such initiatives are the most vulnerable to policy changes. This thesis examines changes in welfare policy targeted at one such group: people of working age receiving welfare payments. The most prominent change in respect of this group is placing work-related conditions on the receipt of welfare payments, which has been described as ‘workfare’. There are various objectives of workfare, with diverse means to achieve them. A particular objective is to promote people’s interests, with compulsion applied as a means to do so. This could be described as a paternalistic characteristic of workfare.

This thesis examines and assesses paternalistic workfare in two ways. First it examines empirically changes in welfare policy in Australia and the UK between 1996 and 2011, through detailed analysis of policy documents supplemented by interviews with policy makers. This investigation found that welfare paternalism is a significant characteristic of workfare policies in both countries. Second, it assesses the legitimacy of paternalistic workfare by considering the likelihood that it promotes the well-being of those subject to the policies, as well as if it is fair. Conditions conducive to promoting well-being were identified, and principles of legitimate paternalistic workfare induced, which were then applied to the two cases. Particularly important conditions relate to the labour market, which is shown to be deficient in both countries in regard to the quantity and quality of jobs available. The central argument of this thesis is that paternalistic workfare in Australia and the UK has been illegitimate.

Whereas much social policy research is quite technical, focusing on policy outcomes, this research investigates more fundamental issues. It analyses the nature and moral implications of workfare. To do this a policy-philosophical approach was developed where, in addition to analysing policy instruments and outcomes, normative implications were considered. The ultimate aim of this investigation is to promote fair welfare policies which advance the well-being of disadvantaged people in society.
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**Student declaration**

This thesis contains no material which has been accepted for the award to the candidate of any other degree or diploma, except where due reference is made in the text. To the best of my knowledge it contains no material previously published or written by another person except where due reference is made in the text.

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Kemran Mestan  
2012
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<tr>
<th>Acronyms</th>
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<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
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<tr>
<td>ALMP</td>
<td>Active Labour Market Policies/ Programs</td>
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<td>AFDC</td>
<td>Aid to Families with Dependent Children (US)</td>
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<td>AFDC-UF</td>
<td>Aid to Families with Dependent Children – Unemployed Fathers (US)</td>
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<td>AFDC-UP</td>
<td>Aid to Families with Dependent Children – Unemployed Parents (US)</td>
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<tr>
<td>DEEWR</td>
<td>Department of Education, Employment and Workplace Relations (Australia)</td>
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<td>DEWR</td>
<td>Department of Employment and Workplace Relations (Australia)</td>
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<td>DEWRSB</td>
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<td>Department of Family and Community Services (Australia)</td>
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<td>Department of Families, Housing, Community Services and Indigenous Affairs (Australia)</td>
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<td>International Labour Organization</td>
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<td>New Deal for Young People (UK)</td>
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<td>OBRA</td>
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<td>Personal Responsibility and Work Opportunity Reconciliation Act (US)</td>
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<td>TANF</td>
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Introduction

Welfare policy essentially refers to initiatives by governments to protect and promote the well-being of their populace. It is arguably the most consequential of all government endeavours. People whose well-being depends most on government welfare initiatives are highly vulnerable to changes in policy. Some of the most significant changes have been targeted precisely at such vulnerable members of the community: those of working age who receive government cash transfers, more commonly termed welfare payments. Across most developed nations, access to some types of welfare payments has become more restrictive and increasingly conditional on meeting requirements. Although various requirements have been applied such as related to school attendance, good parenting, participation in rehabilitation programs, marriage and refraining from ‘anti-social behaviour’, this thesis focuses on the most common one which relates to paid work in the formal economy. Recipients of working age have increasingly been required to search for work, attend employment programs and indeed actually work; this is often called workfare. This thesis examines and interrogates workfare.¹

This investigation is unashamedly motivated by a social justice agenda. The aim is to ensure that welfare policy advances the well-being of some of the most disadvantaged people in society, and is fair to them. Workfare is also illustrative of broader issues. Welfare policy corresponds to wider economic and social changes. For example, it reflects changes to the general labour market, specifically relating to deregulation, as will become evident. Besides an examination of welfare policies revealing impacts on some of the most vulnerable people, as with canaries in the mine, implications for the broader population can be discerned.

The thesis concentrates on a particular characteristic of workfare, that is, paternalism. This, in essence, is intervening with another subject’s autonomy to promote their

¹Various terms have been applied, of which ‘workfare’ is most prevalent in the US. In some countries (European social democracies) it can have pejorative connotations, as it is associated with a particular approach to welfare policy pioneered in the US (Peck 2001, p. 84). In the UK the term is often associated specifically with working directly for welfare payments. The term ‘Welfare to Work’ is sometimes used synonymously with workfare, but some countries have also implemented specific programs with that designator. In Europe, the term ‘Active Labour Market Programs/ Policies’ (ALMP) is widely used. In this thesis, the term ‘workfare’ has been adopted, largely for the sake of brevity; its use is intended to be value-neutral.
interests. Autonomy is essentially the capacity to freely decide how to live, as will be further detailed in Chapter 3. The presence of paternalism was hypothesised from preliminary familiarity with the relevant literature and policies. Hence, the first of two research questions posed for this thesis is:

*Is paternalism a substantial characteristic of Australian and UK workfare policy?*

The thesis concentrates on paternalism because the phenomenon invokes concern due to its inherently dual nature, as it pertains to benevolence, yet interferes with individual autonomy. Wherever it exists, further interrogation is required to assess whether paternalistic interventions do, or are likely to, promote the interests of the person whose autonomy is overridden. On having identified the paternalistic nature of workfare in Australia and the UK, the second research question (consisting of two subsidiary questions) was addressed:

*How legitimate is paternalistic workfare?*

  a) *Is paternalistic workfare likely to promote the well-being of the people subject to it?*

  b) *Is paternalistic workfare fair?*

Thus the legitimacy of paternalistic workfare is measured according to particular normative standards (which are induced in Chapter 7) related to fairness and the promotion of well-being. It is not argued that satisfying these standards is sufficient for legitimacy, but it is necessary. The conception of fairness applied throughout the thesis is based on the concept of horizontal equity – that like cases ought to be treated alike. In regards to well-being, the UK and Australian government’s conceptualisations will be drawn on, which are based on health, autonomy and the development of capabilities. These concepts are elaborated in Chapters 2 and 3.

There has been a large body of research about workfare in general, most of which focuses on the implementation of specific policies and quantitative outcomes; one stream of this research is program evaluations, many funded by governments. The politics of welfare policy change and implementation of workfare has also been well researched, particularly in the US. In regard to critiquing the moral implications of workfare, there have been several political-economic analyses. As far as considering

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2The reasons why Australia and the UK were chosen as case studies are explained in Chapter 2.
policy objectives, much has been written relating to reciprocity. A number of researchers have considered the paternalistic characteristics of workfare, but few have engaged in a sustained investigation, nor have the moral implications been sufficiently examined.³

A policy-philosophical analysis approach

The approach of this thesis is somewhat unusual within the field of social policy scholarship, primarily conjoining policy analysis with philosophical criticism, in near equal measure. Rather than building on a single established research agenda, it collects various research findings and draws on multiple disciplines to conduct the policy-philosophical analysis. For example, political scientific and historical research are applied to provide the context of the research, enabling an account of the development of workfare. Empirical evidence from conventional social policy research is used in ascertaining the outcomes of workfare programs, which assisted in determining the presence of the objective to promote workfare subjects’ interests. In ascertaining labour market conditions and alternative policy responses, economic research is utilised. There is not a review of the literature, as there is not a single body of literature, but rather relevant research and theory is utilised throughout the thesis. An argument develops in the thesis, by threading together a number of original contributions to the topic. The thesis advances theory by refining conceptual frameworks that enable a more sophisticated understanding of paternalistic workfare. Specific implications are identified and investigated with particular rigour.

This thesis does not attempt to discover ‘the facts’ on whether a social policy trend achieves its purpose or not. Rather than a pure scientific or technical approach to social policy, it investigates more fundamental issues, analysing the nature and moral implications of a policy trend.⁴ Without dismissing the importance of technical research to social policy, this thesis rejects its dominance. Rather, the importance of normative investigation is affirmed. That is, the objectives which social policies serve, and the

³ The following references relate to research about workfare and reciprocity, the rest of the above kinds of research are explicitly referenced throughout the relevant parts of the thesis (Bessant 2000; Carney & Ramia 2002; Cattacin & Tattini 1997; Fitzpatrick 2005; Jordan 1998; Kinnear 2000; White 2000; Yeatman 2000).

⁴ Fitzpatrick (2011) describes the former as ‘social administration’ and the latter as ‘welfare theory’.
policy instruments used to achieve these objectives, must be considered and their moral implications interrogated. The question is not merely whether a policy is effective, but what is it for a policy to be effective; and even if it is effective in one sense, are there other implications? In conducting this normative approach to policy analysis, concerns relating to fairness and broader conceptions of well-being are not only unavoidable, but embraced as an intrinsic part of developing good social policy.

Outline of thesis

The thesis comprises three parts: Part A provides essential background on the development of workfare policies and outlines the research design; Part B identifies the paternalistic characteristic of workfare by empirical investigation of two cases, Australia and the UK between 1996 and 2011; and Part C assesses the legitimacy of paternalistic workfare. Hence, Part B answers the first research question – is paternalism a substantial characteristic of Australian and UK workfare policy – and Part C answers the second research question – how legitimate is paternalistic workfare.

In Part A, Chapter 1 outlines the development of workfare in the US and its transfer to Australia and the UK. This enables a more detailed account of workfare, with its nature and characteristics made apparent. Chapter 2 describes the design of the research, detailing how the research questions are addressed. Key to the research design is a dual comparative case study. The first research question is answered primarily through qualitative methodology, drawing on document analysis supplemented by interviews with policy makers. The second is chiefly addressed through philosophical criticism.

Part B commences with Chapter 3 in which the objective to promote the interests of ‘workfare subjects’ in the two cases is identified. Chapter 4 investigates two other possible objectives of workfare, which are arguably underplayed: reciprocity and economic/fiscal objectives. It will be argued that while these other objectives are evident, they do not expunge the importance of the objective to promote the interests of workfare subjects. Chapter 5 investigates the policy mechanisms (also referred to as ‘means’) used to achieve the objectives of workfare, finding that compulsion is the primary means. Having argued that promoting the interests of workfare subjects is a

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5 People who are the targets of workfare policies and subject to workfare programs will be referred to as ‘workfare subjects’.
substantial objective and compulsion is the primary means. Chapter 6 analyses the specific nature of paternalistic workfare in Australia and the UK, and argues that paternalism has been a significant characteristic of workfare in these two countries.

Part C commences with Chapter 7 which examines the likelihood that paternalistic workfare will improve the well-being of workfare subjects, and whether it is fair. Empirical evidence is considered and found to be inconclusive. The chapter then scrutinises certain implications of paternalistic workfare that have considerable normative content. It argues that paternalistic workfare will likely reduce autonomy, be stigmatising and produce disparate impacts. Conditions that are likely to be conducive to beneficial and fair paternalistic workfare are investigated and principles of legitimate paternalism induced. It is found that the legitimacy of paternalistic workfare is largely contingent on labour market conditions, which are investigated in Chapter 8. Specifically, the adequacy of the quantity and quality of jobs in Australia and the UK is ascertained and is found to be deficient in both cases. Finally, Chapter 9 considers a particular principle of legitimate paternalism that was induced in Chapter 7: prioritising non-compulsive means to get people into work. A number of policies are considered and the chapter argues that such means are practical and should be applied prior to the use of compulsion.

The conclusion brings together the examination and interrogation of workfare in the preceding chapters to argue that it has paternalistic characteristics and that these are morally illegitimate in that the policies are not likely to promote people’s well-being and are unfair.
Part A: Background and design

Chapter 1: The emergence of workfare

Introduction

This chapter provides the historical context of workfare and describes its emergence. In doing so, the nature of workfare will be elucidated. It will be described how workfare has grown out of the welfare policies that preceded it – the Poor Laws and welfare entitlements – as well as responded to them. Workfare began in the US; accordingly, after describing the antecedents of workfare, its development in the US will be depicted, along with the social, economic and political context that it arose. From the US the policy was diffused to other developed nations, in particular, the UK and Australia; this policy transfer is then analysed, providing the foundation to examine workfare in Australia and the UK in the case study section that follows.

Antecedents of workfare

Poor Laws

The welfare benefits that emerged in the Anglo countries as elsewhere evolved piecemeal. The beginnings of welfare support in such countries can be traced back to the English Poor Laws which regulated ‘relief’ provided to some destitute people. They originated in the 16th century, spreading to many of Britain’s settlement-colonies (Trattner 1999, p. 16), continually evolving until the development of the modern welfare state in the 20th century.6

The Poor Laws were unashamedly punitive, emerging from legislation aimed at preventing vagrancy and begging (Trattner 1999, p. 8), practices which over different periods were punishable by the stocks, whipping, branding, imprisonment and death. Alongside such punishment, some provision was provided by individual local parishes for those unable to work, and thus considered deserving. Over time, a distinction was made between outdoor and indoor relief; the former was providing basic resources such as food, whereas indoor relief was targeted at the ‘undeserving’, requiring them to reside in workhouses. Workhouses were highly regulated institutions requiring hard

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6 Australia did not officially adopt the Poor Laws, but similar practices were implemented (Murphy 2011a).
labour from recipients and were deliberately uninviting and coercive to discourage people from seeking relief (Webb & Webb 1929). The 1601 Act for the Relief of the Poor (clause 1) provided some codification of diverging practices, stating that local parishes must “set… to work all” those who are able to work. The Poor Laws evolved over time, but compulsion to work remained central. The 1834 Poor Law Commission approvingly quotes the modus operandi of a particular parish as exemplifying the “first and most essential of all conditions” that the workhouses ought to be based on:

As regards the able-bodied labourers who apply for relief, giving them hard work at low wages … and exacting more work at a lower price than is paid for any other labour …. In short … to let the labourer find that the parish is the hardest taskmaster and the worst paymaster he can find, and thus induce him to make his application to the parish his last … resource. (Poor Law Commission 1834, Part II Section I)

This practice was satirised by Charles Dickens in *Oliver Twist* where on entering the workhouse Oliver is told:

You’ll begin to pick oakum⁷ to-morrow morning at six o’clock … Oliver bowed low … and was then hurried away to a large ward: where, on a rough, hard bed, he sobbed himself to sleep. What a noble illustration of the tender laws of England! They let the paupers go to sleep! (1974 (1839), p. 10)

Welfare benefits provided through the Poor Laws were not intended to enable the population to live well, but to provide relief for some of the most desperate.

**Welfare entitlements**

The residual nature of welfare benefits in the Anglo welfare states was influenced by the English Poor Laws (Esping-Andersen 1990, p. 48); nonetheless, beginning in the first half of the 20th century there was a shift in how benefits were conceived. Rather than a gift that one should be grateful for, to some extent they became a right that one was entitled to, simply by virtue of being in need. Social rights to welfare benefits were progressively implemented that ameliorated inequality, with many benefits provided by virtue of one’s citizenship, as TH Marshall (1950) argued. This is not to deny the presence of non-benevolent motives (such as maintaining fundamental stratification),

⁷Separating threads from disused ropes.
but such motives do not divest benevolent functions and positive outcomes. Although any state that implements substantial welfare policies could be described as a ‘welfare state’, Marshall argued that the welfare state is associated with enabling social citizenship through rights.

The Government introduced national welfare payments\(^8\) for those not expected to work\(^9\) (primarily the elderly), and shortly after, for those expected to work, in the first decade of the 20th century (Field 2011). The US federal administration introduced similar benefits as part of the New Deal with the 1935 Social Security Act (Social Security Administration 2011). The Australian federal government provided welfare payments for the old and disabled at a similar time to Britain, but not until the 1940s were national unemployment payments made available (Murphy 2011a).\(^10\)

The mass unemployment suffered during the Great Depression spurred (or in the UK, reinforced) the development of unemployment payments, as it became evident that people were in need of welfare support due to no fault of their own. Governments became committed to preventing such mass destitution, a commitment abetted by Keynesian ideas endorsing strong government intervention and, when necessary, high public expenditure. The architect of the post-war British welfare state, William Beveridge, proposed that “All the principal cash payments – for unemployment, disability and retirement – will continue so long as the need lasts, without means test” (1942, p. 11). Although this system of universal benefits was never fully realised (Fitzpatrick 2007, p. 352), patchy and highly restrictive benefits were largely replaced with national entitlements.

The sufficiency and coverage of benefits in this early period of the welfare state should not be over-estimated. The Poor Laws were not officially abolished until 1948 (Spicker

\(^8\) The terms ‘income support’, ‘social security’, ‘pension’, ‘welfare benefits’, ‘dole’ and ‘welfare’ are all used in the literature. This thesis uses the term ‘welfare payments’ to refer to people of working age whose income is largely provided through government cash transfers on a needs basis. The term ‘welfare benefits’ will be used to refer to welfare provisions that encompass other kinds of goods or services in addition to payments, and ‘welfare support’ will include both payments and benefits.

\(^9\) In this thesis, the term ‘work’ will be used to refer to paid work, including self-employment; but it is recognised that many recipients of welfare payments perform considerable unpaid work, women disproportionately so.

\(^10\) Queensland had an unemployment insurance scheme (the only state to do so) from 1921 to the mid 1930s (Costar 1981, pp. 185-9).
2000); they continued to resonate into the welfare state era. This is illustrated by George Orwell’s (1931) account of living as a tramp, forced to travel between temporary shelters, colloquially known as ‘spikes’:

the gates swung open and we shuffled in. An official at the gate entered our names and other particulars in the register and took our bundles away from us. The woman was sent off to the workhouse, and we others into the spike. It was a gloomy, chilly, lime washed place, consisting only of a bathroom and dining-room and about a hundred narrow stone cells. The terrible Tramp Major met us at the door and herded us into the bathroom to be stripped and searched.

Not only were the spikes symptomatic of the lack of welfare payments for those not covered by unemployment insurance, they also embodied the conditional nature and regulatory function of welfare benefits.

Welfare benefits were reinforced during the ensuing post-war boom. In the US, entitlements were most generous and secure under Democratic President Lyndon Johnson’s (failed) attempt to build a ‘Great Society’ in the mid to late 1960s. As part of this endeavour, a ‘War on Poverty’ was waged. This involved providing resources and opportunities to the most disadvantaged through numerous programs, such as the Jobs Corps, an education and training program that young people could freely choose to participate in. In Australia, the zenith of entitlements to welfare benefits was reached shortly later, under the Whitlam Labor government of 1972-75 (Macintyre 1999, p. 113), as evidenced by the Minister for Social Security in 1972:

The present approach to social security is that benefits are a right rather than a privilege, and during the current review of our program considerations will be given to deleting from the statute book anachronistic and moralistic provisions (WG Hayden, cited in Travers 2005, p. 90).

Australia’s unemployment payments have continuously been based on personal need, unlike the social insurance model that relies on personal contributions, thus people in need do not miss out, but payments are means tested. These strict means tests with low
payments only marginally decommodify\textsuperscript{11} labour, as to receive benefits one has to be reduced to near poverty and is not lifted much above it (if at all), therefore welfare payments do not provide an alternative to the labour market.

An insurance model can be more decommodifying because, without becoming near destitute, one is entitled to a level of payment that reflects one’s prior earnings. Depending on one’s contributions, the British and US unemployment insurance payments could be more generous than Australia, but those who have not made contributions miss out and the duration of payments is limited. This is particularly the case in the US. Britain’s unemployment insurance initially enabled far greater decommodification than in either Australia or the US (Esping-Andersen 1990, pp. 53-4), but the role of low level means tested payments that are provided when insurance expires, although oscillating though the 20th century, has greatly expanded since the 1980s (Clegg & Clasen 2006; Spicker 2000). These different models of welfare payments came to influence the version of workfare that was developed, as will be described later in the chapter. Disregarding the specific model, in all three countries people became entitled to welfare benefits in a way that they had never previously been, thereby creating a welfare state.

\textit{Claims of welfare state crisis}

Beginning in the 1970s commentators argued that the welfare state was in crisis (Gough 1979; O’Connor 1973), with such claims intensifying through the 1980s (Mishra 1984; OECD 1981). This was largely due to fiscal and economic reasons. In many developed countries, the high economic growth following World War II had slowed by the 1970s; simultaneously, unemployment increased, causing less tax revenue and more welfare payments, thereby straining government budgets.\textsuperscript{12} Subsequently, globalisation in the 1990s was cited as impelling governments to concentrate on international competitiveness, with claims that this competitiveness was undermined by the welfare state (Jessop 1993; Jordan 1998; Pfaller et al. 1991).

\textsuperscript{11} Decommodification is reducing the extent to which goods, services or labour can be bought or sold on the market as if they were mere commodities (Esping-Andersen 1990).

\textsuperscript{12} Although it has been argued that claims of crisis have been exaggerated (Castles 2004).
The extent of the policy options available to governments in responding to changed economic circumstances remains contested. Some argue (Mitchell & Centre of Full Employment and Equity 2006) that increased unemployment was largely self-inflicted, due to abandoning full employment policies (this will be examined in the final two chapters). It has been highlighted that countries that most emphasised the bloated nature of the welfare state actually had smaller welfare states, and that comparative analysis does not suggest the welfare state has a detrimental impact on economic growth (Saunders 1994, p. 7). Most recently, in the context of the global financial crisis (GFC), it can be observed that many of the developed countries with high public debt spend less per capita on welfare benefits than those with lower debt and more extensive welfare benefits (Papadimitriou et al. 2010). Consistent with such analyses, it has been argued that rather than economic necessity, “ideological considerations and the need to affirm dominant cultural norms … dominated much of the policy making process” (Handler & Hasenfeld 1991, p. 187).

Regardless of whether the context necessitated welfare policy change, or provided its advocates with the political opportunity, change transpired. By the 1980s all the Anglo welfare states had made ‘welfare reform’ a central policy theme. ‘Reform’ was in many ways a euphemism for reducing welfare expenditure. This reduction largely failed to eventuate; indeed, government social spending increased in most OECD countries, including the US, UK and Australia (Castles 2007, p. 22). However, substantial changes in accessing welfare payments have been implemented.

**Welfare obligations and workfare**

The changes in welfare policy emphasised the obligations of working-age individuals who are receiving welfare payments, which has been made increasingly *conditional* on behaving in prescribed ways. Although this is an international trend, it is particularly

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*13* The financial crisis led to severe recession in many developed countries, with many commentators using the descriptor ‘great recession’. However, throughout this thesis ‘GFC’ will be used to refer to the financial, fiscal and economic problems being experienced by many countries which was triggered in late 2007, with the effects materialising in 2008 and continuing into the second decade of the century.

*14* Although Castles does not break down the aggregate expenditure into particular programs, it is possible that increases in some areas, such as age pensions, could mask decreases in others, such as unemployment benefits. OECD research suggests there has been some reduction of redistributive cash transfers in almost half of OECD countries, including the UK and the US (2008, p. 292). Nonetheless, statistics on rates of spending still support the presence of a strong welfare state.
pronounced in the Anglo countries. It has even been claimed that the aim of welfare reform in the US, Australia and the UK has been “to end the notion of entitlement” (Mathews 2000, p. 45). At the very least, by emphasising recipients’ obligations, social rights in the Marshallian sense (the entitlement to welfare payments) have been de-emphasised.

This shift in welfare policy has been described as a “heightened interest for the idea of welfare contractualism [author’s italics]” (White 2000, p. 508). This regards society as a kind of contract where individual agents have to perform duties for the benefit of society to be worthy of welfare entitlements (Carney & Ramia 2001; White 2000). This welfare contract can supposedly activate people to behave in desirable ways, whereas welfare entitlements were considered to foster passivity. Changes to welfare policy have been characterised as a switch from a passive to an active welfare state (Gilbert & Van Voorhis 2001, p. vii).

The obligation of working-age recipients of welfare payments that has been most emphasised was associated with work, that is, look for work, participate in employment related programs and indeed work. Although political rhetoric emphasises getting people ‘off welfare payments and into work’, in reality, many people work as well as receive welfare payments. For them it is not welfare or work, nor is it welfare to work, but welfare and work (Murphy 2011b). This is largely because of the nature of the labour market, to be explored in Chapter 8. Disregarding the extent to which welfare payments have been removed, the workfare approach is that merely supporting those in need is not a sufficient value of the welfare state, personal industriousness is also required. These changes were influenced by a belief in the ability of capitalism to provide everyone with a sufficient standard of living, therefore it has been assumed that people largely suffer from deprivation due to their personal failing in properly engaging with the economic system (Mead 1986; Murray 1984). Although it is an exaggeration to claim that the welfare state was replaced by workfare, in most developed nations it has become characterised by a workfare policy trend, particularly in the Anglo countries. This is what is meant in referring to contemporary welfare states as workfare states. Table 1 presents the central distinction in emphasis between the entitlement based welfare state and the workfare state.
Table 1: Difference between entitlement welfare state and workfare state

<table>
<thead>
<tr>
<th></th>
<th>Entitlement welfare state</th>
<th>Workfare state</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values</td>
<td>Need based entitlement, equity</td>
<td>Industriousness, reciprocity</td>
</tr>
<tr>
<td>Moral framework</td>
<td>Rights of individuals emphasised</td>
<td>Obligations of individuals emphasised</td>
</tr>
<tr>
<td>Leading specific objective</td>
<td>Address poverty</td>
<td>Remove dependency on state income support</td>
</tr>
<tr>
<td>Assumed main causes of problem</td>
<td>Unjust or flawed social structures</td>
<td>Individual’s depraved or incompetent behaviour</td>
</tr>
<tr>
<td>Defining policy mechanisms</td>
<td>Cash payments, with limited conditions</td>
<td>Mandated employment related activities</td>
</tr>
</tbody>
</table>

This schemata is a highly modified version from Peck (2001, p. 13).

However, the above distinction between the entitlement welfare state and the workfare state should be considered as an abstraction with most jurisdictions exhibiting qualities from both types to varying extents. As will become evident in Part B, workfare is not just one thing; there are various versions, depending on the means utilised to achieve a range of objectives associated with getting people into work. It has also continuously evolved and transmogrified, differently in different places. Even in the one place and time, it is multifaceted, with various means and objectives, constituted by numerous policies. Despite the varieties, “The essence of workfarism ... involves the imposition of a range of compulsory programs and mandatory requirements for welfare recipients with a view to enforcing work while residualising welfare” (Peck 2001, p. 10). Although the welfare state remains a central element of modern developed nations, it has changed, with workfare now at its core.

**Born in the USA**

An understanding of the workfare state will be assisted by appreciating the social, political and economic context from which it arose. For this purpose the ‘birth’ of workfare in the US will be described.
Origins and dithering steps

Modern Workfare emerged in the US in the late 1960s; as Peck says, “America ... is the birthplace of workfare” (2001, p. 17). Since the 1950s there had been attempts to reverse the relatively generous welfare provisions of Roosevelt’s New Deal, but it took the theoretical, programmatic and rhetorical composition of workfare to advance this aim, thus workfare should be considered as “Part political ideology, part policy program, part moral crusade” (Peck 2001, p. 10). It encompasses a collection of policies that embody moral ideas about the welfare state, essentially, that welfare recipients ought to work.

The term ‘workfare’ initially referred to recipients of welfare benefits having to work for their benefits (Jost 1992, p. 324; Peck 2001, p. 84). It was coined in 1968 by James Evers, a civil rights campaigner and later Republican mayor of Fayette, Mississippi (Safire 1988). The term was quickly broadened to refer to any policies aimed at getting welfare recipients into jobs. Workfare as we know it today emerged gradually. Initial programs had little success in getting people into work, or altering the welfare state. But overtime the welfare state in the US was transformed.

The targets of the new policies

Rather than all people who benefit from welfare support being subject to workfare programs, particular recipients were targeted. The US, like most developed countries (including Australia and the UK), has a two tier welfare system. People ‘legitimately’ entitled to welfare payments are distinguished from those who are not. The Poor Laws’ dichotomy between the deserving and the undeserving becomes characterised as the employable and the unemployable (Reynolds 1995, p. 82), but who is sorted into which category changes.

Age pensioners and war veterans have enduringly been considered deserving since the inception of the US welfare state, as with the UK and Australia. Furthermore, there remains a strong sense of entitlement to unemployment benefits, as it is based on an insurance model, requiring contributions, with the duration and amount of payments relatively limited. These first tier welfare payments are not colloquially referred to as ‘welfare’, which has become pejorative in the US.
The once deserving status of single parents, and more recently, people with a disability, has been challenged. Workfare was constructed upon a payment to single mothers Aid to Families with Dependent Children (AFDC)\textsuperscript{15} Workfare partially arose as a policy solution to changing demographics and therefore, changing perceptions of recipients of AFDC. Due to the civil rights movement in the late 1950s and 1960s, African-American women were increasingly able to access AFDC. The cost of the program grew\textsuperscript{16}; plus, the program was perceived as supporting ‘promiscuous’ African-American women (2004).\textsuperscript{17} Financial concerns, racism and a sexual morality coalesced to create a context in which AFDC was perceived as needing substantial reform. With women’s labour market participation becoming normalised (Jost 1992, p. 321), employment became the obvious solution to the ‘problem’ with AFDC.

\textit{WIN}

Although the expectation for recipients of AFDC to “accept any reasonable offer of employment” (Mileur & Milkis 2005, p. 131) has been legislated since at least 1961, in practice there was a much narrower range of circumstances than today when it was considered as ‘reasonable’ for a recipient to work. The first program to impose federal work requirements was the 1967 Work Incentive Program (WIN) (Handler & Hasenfeld 1991, p. 120).\textsuperscript{18} Despite policy maker intentions, WIN had little impact on most recipients of welfare payments, as many gained exceptions. (Handler & Hasenfeld 1991, p. 141; Jost 1992, p. 324). Over the next decade and a half only piecemeal changes to the welfare state were applied.

Nonetheless, over this period a dominant ideological perspective was developed. By the 1980s a near consensus had emerged amongst policy makers (Jost 1992, p. 331; Weaver

\textsuperscript{15}Until 1962 it was called Aid to Dependent Children (ADC). In 1961 the federal government permitted states (and provided matching funds) to support two parent families; the program was called ADC/AFDC-UF (unemployed father) and changed in 1979 to AFDC-UP (unemployed parent). However, throughout much of the life of the program many states did not make this support available.

\textsuperscript{16} However, throughout the life of AFDC the amount spent on cash payments was a small minority of overall welfare expenditure, with far more spent on housing, food stamps and medical benefits, and in terms of the overall federal budget it is a “fiscal triviality” (Jost 1992, pp. 319, 322). For example, in the 1987 fiscal year it amounted to only 1.7% of the federal budget (Marmor et al. 1990, p. 85).

\textsuperscript{17} Although a review showed that “the evidence does not support the hypothesis that the welfare system has been responsible for the time-series growth in female headship and illegitimacy” (Moffitt 1992, p. 29).

\textsuperscript{18} See Appendix 1 for a chronology of US workfare.
2000, p. 71). This consisted of understanding welfare dependency as the primary relevant social problem (rather than poverty), getting people into employment as the solution (rather than providing income or services) and utilising compulsion as the means (with less emphasis on positive incentives like creating job opportunities). This ideological transformation was emulated in other developed countries, as will be shown. Handler and Hasenfeld (1991, p. 205) comment that the “the reform consensus is tough, but it is deeply infused with rehabilitative overtones”. It is this combination of toughness (compulsion) and rehabilitation (claiming to help the subjects of compulsion) which makes the emergent consensus a paternalistic one, as will be discussed in Chapter 6.

The realisation of workfare

Reaganfare

Not until the presidency of Ronald Reagan was workfare, which had previously only been previewed, partially realised. Reagan wasted no time, saying in a speech a month after his inauguration that “We will tighten welfare … plus [implement] strong and effective work requirements” (Reagan 1981). Through the Omnibus Budget Reconciliation Act (OBRA) he restricted eligibility to AFDC and encouraged states to enforce work requirements, which many did. Certain state experiments were selected and presented as models, which were subsequently imposed nationwide (Jost 1992), a pattern to repeated with later legislation.

The state program that attracted most attention was California’s Greater Avenues for Independence (GAIN), particularly the version enacted in Riverside County in 1986. It is here that the ‘work-first’ or ‘labour market attachment’ model was developed, which came to epitomise US workfare. The focus was on job searching to get people into any job as quickly as possible. Frequent meetings with stern welfare officers and tough sanctions were the key means to motivate participants, with little emphasis on training or other support services (Handler & Hasenfeld 1991). This model was taken nationwide by the 1988 Family Support Act (FSA). Lawrence Mead, a key advocate of

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19 By 1987 40 states had initiated a form of workfare program (Jost 1992, p. 324; Trattner 1999, p. 397).
20 Peck claims that the Riverside model relied on favourable economic conditions, is not applicable in big cities with high unemployment, ‘creamed’ the most job-ready and failed to lift ‘successful’ participants out of poverty (2001, pp. 199-204).
workfare (Stoesz 2000, p. 73), interpreted the Act as “changing welfare into workfare” (cited in Green 2002, p. 22). The FSA brought to fruition what many earlier attempts failed to do: mandate work requirements for a large segment of recipients of welfare payments. States were required to have a specified proportion of welfare recipients participate in the workfare activities, plus they were allowed to impose tough sanctions (Weaver 2000).

Beginning workfare as we know it

If Reagan brought workfare to fruition, then Clinton further ripened it. During his initial presidential election campaign he publicly repeated the promise to ‘end welfare as we know it’. Although arguably Clinton’s slogan proved somewhat exaggerated, the new policies we would come to ‘know’ did institute fundamental changes. In 1996 he signed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which aimed to reduce the number of people on welfare payments, primarily by enforcing work requirements.

AFDC was abolished and replaced with Temporary Assistance for Needy Families (TANF).21

TANF was restricted to a maximum of five years over an entire lifetime, and for no more than two consecutive years. States are allowed to adopt even shorter time limits, and a number have done so. In justifying time limits Clinton said: “I want to erase the stigma of welfare for good by restoring a simple, dignified principle: no one who can work can stay on welfare forever” (Jost 1992, p. 315).

The federal government stipulated that at least half of recipients of TANF had to be engaged in a work activity by 2002, threatening states with a reduction of funds for failing to achieve this. The work activities must extend to at least 30 hours a week.22 When recipients of welfare are unable to find employment they are commonly required to work for welfare payments (Gray et al. 2002). In sanctioning non-compliance most states completely cut off TANF payments, usually after an initial infringement. Other

21 TANF allocates funds to each state based on their needs prior to 1996; it does not increase with inflation, thus up until 2009 the value of funds available for TANF had fallen 27% since its inception (Schott 2009, p. 3).

22 Except for single parents of young children who are required to be engaged 20 hours a week.
common sanctions are reducing payments with every instance of non-compliance, and life time bars on TANF access for repeated non-compliance. Under PRWORA, work requirements intensified and were more strictly enforced (Gray et al. 2002, pp. 5, 7). At the symbolic level, most states require welfare recipients to sign ‘personal responsibility agreements’, reaffirming that welfare is not an entitlement but must be earned. These were later adopted in other countries, notably the UK.

While PRWORA speaks of opportunity, in reality it is based on compulsion. No more significant welfare policy legislation had been introduced federally in the US by the beginning of 2011. For the timeframe of this research, PRWORA represents the zenith of the process of transforming welfare into workfare. Welfare support can always become more restrictive and punitive (as with the corporal punishment of the Poor Laws), but this should not obscure the fundamental changes of the US welfare system since the 1960s. Although one should be sceptical of the grandiose claims of policy makers regarding the impacts of individual pieces of legislation, the significance of accumulative legislative changes should not be underestimated. Since the late 1960s the American welfare state was reorientated toward workfare.

Déjà vu?
The shift in the moral framework of welfare policy from emphasising rights to obligations – along with other facets of workfare, like compelling industriousness and assuming the cause of the problem lies with the person in need – is not a new invention, but is historically grounded in the Poor Laws, and even the welfare state.

Rights entail obligations; Marshall (1981, p. 90) wrote in reference to social rights that “the exercise of a right is at the same time a duty”. For example, he affirmed that in having the right to state aid, one has an obligation to endeavour not to become destitute; more specifically, the right to a disability pension is dependent on the obligation for the recipient to overcome their infirmities “as far as in them lies”, and the right to unemployment benefits is dependent on an obligation to seek work (Marshall 1981, p. 92). Marshall clearly did not believe that social rights give one an unconditional entitlement. For example, “a right to receive certain benefits or services does not necessarily imply the right to receive them free” (Marshall 1981, p. 92). White
interprets Marshall’s position as that of rights giving one an entitlement to gain access to a resource without unreasonable effort (2000, p. 511). The same UK government report that affirmed the entitlements to welfare payments for victims of unemployment also maintained that the payments “will normally be subject to a condition of attendance at a work or training centre after a certain period (Beveridge 1942, p. 11). Likewise, in Australia federal unemployment benefits since inception were conditional on the recipient having “taken reasonable steps to obtain work” and “could be made conditional on the beneficiary undertaking training, undergoing a medical examination, receiving treatment or doing work as required” (Daniels 1995), as in the US. Evidently, obligations have historically been an aspect of the welfare state. Workfare reconceptualises the welfare state by changing the emphasis between rights and obligations, rather than introducing new concepts.

Marshall’s writing also suggests that if the obligations are too onerous, then rights are violated. For example, in regard to particular aspects of the Poor Laws, he writes: “the pauper was a person deprived of rights not invested in them” (1981, p. 84). As stated earlier, vestiges of the Poor Laws lingered on into the welfare state, particularly relating to making moralistic distinctions between the deserving and the undeserving (Kerr & Savelsberg 1999, p. 249; Travers 2005). As the welfare state developed, Poor Law notions substantially faded. However, central Poor Law notions, such as deservedness, have returned to greater prominence under workfare, with a focus on the behaviour of individuals.

Workfare is dissimilar to the Poor Laws in that it reflects the relevant contemporary economic, political, cultural, technological, demographic and geographic context. The Poor Laws arose within a late feudal context, binding people to place, occupation and class. The welfare state developed during the Fordist production era of near full employment, job security, high proportion of full-time jobs, male breadwinners and organised labour: “The original income support system was designed for a very different world where most jobs were full-time, most unemployment was short term and married women didn’t work” (Australian Government 2002, p. 3). The welfare state provided a safety net for those who temporarily slipped out of the labour market, or could not work at all.
Workfare has arisen within a different kind of labour market which most pertinently is characterised by relatively high unemployment, including long term unemployment, as well as a high expectation of labour market participation. In this new context, many more people who can work, and are expected to work, are receiving welfare payments. This is related to the deindustrialising globalised context and changes to the family structure. There has been a decline in manufacturing jobs in most developed countries, and an increased proportion of jobs in the service industry, as well as a decline in the nuclear family; this is accompanied by workforce casualisation, relatively high female labour force participation and employers generally desiring labour market mobility (Adriaasens 1994; Bussemaker 1999; Pfau-Effinger 2005). These economic changes occurred first and foremost in the US; therefore it is unsurprising that workfare originated there.

In accordance with these economic changes, workfare stresses flexibility, unlike the Poor Laws that demanded mere obedience. As Peck says:

> Whilst there are some historical similarities, this strategy is manifestly not the same as the workhouse regime of the nineteenth century, for it is being advanced in contemporary labor markets through contemporary state structures. (2001, p. 56)

Rather than a return to the Poor Laws, Jessop (1993) influentially described the policy shift as replacing the ‘Keynesian welfare state’ with the ‘Schumpeterian workfare state’. This involves governments subordinating welfare policy to economic policy, with the aim of creating more flexible labour markets that will enhance national economic competitiveness. This was clearly not a major concern during the formation of the Poor Laws in the feudal era.

Another obvious difference between workfare and the Poor Laws is that in the former, subjects are not constrained within ‘total institutions’. Erving Goffman (1961) coined the term to describe circumstances in which people’s lives are highly regulated and subject to authoritarian control to induce conformity, as within prisons and mental

23 Joseph Schumpeter was an economist during the first half of the 20th century who emphasised innovation-driven structural competitiveness.
asylums. Even if workfare policies serve some similar ends to the Poor Laws, and do govern behaviour to an extent, different means are utilised, with far less control of individuals exercised. It is a matter of interpretation whether this should be considered a qualitative or quantitative distinction.

A clear quantitative difference, though, is that under workfare there is much greater consistency within jurisdictions of enforced requirements than under the Poor Laws. The standardisation and bureaucratisation that characterised the welfare state continues into the workfare era. Although different nations may implement divergent levels of centralisation, regulatory conditions are not nearly as varied as under the Poor Laws. Just as Poor Law notions lingered into the beginnings of the welfare state, workfare has been influenced by the path laid out by the welfare state. Peck explains that because a welfare state was instituted, which involved systematisation rather than a mere collection of improvised, separate and short term welfare programs, policy pathways became more entrenched (2001, p. 54).

In addition to growing out of the welfare state, workfare is a response to it. That is, workfare is partially defined by being antithetical to aspects of the welfare state, in particular, the relative lack of conditions attached to receiving benefits. This trend should partially be understood as a movement within a pattern of oscillation in the accessibility of welfare support, thus in one sense it is a return to the Poor Laws. At the birth of the workfare era, Piven and Cloward write that “as for relief programs themselves, the historical pattern is clearly not one of progressive liberalization; it is rather a record of periodically expanding and contracting relief” (1971, p. xv). The historical development of the welfare state since Marshall (1950) wrote about a progressive strengthening of citizenship rights has undermined such a perspective. Within each movement to restrict welfare benefits, new forms of conditionality apply. This is because, as alluded to above, the institutions established in the previous period of accessibility will influence the following period of restriction, with the latest conditions attached to welfare reflecting the particular context. This is why Soss et al. comment that “one must move beyond the false choice of viewing … [welfare policy] as a break with the past or as a faithful repetition of history” (2009, p. 19). The mistake
in interpreting workfare would be to understand it as completely new and unique or to swing to the other extreme in construing it as a mere replica of past policies.

Even whilst avoiding either extreme interpretation, it can still be questioned whether workfare should be understood as part of a restructuring of the welfare state, for better or worse (Giddens 2000; Gilbert 1998), or as an attempt to degrade its basic notion and instantiations (Ferguson et al. 2002; Mishra 1999). Workfare contains both aspects (Deacon 2002; Dingeldey 2007). It is not a homogeneous and cogent project, but an evolving trend, with varied elements and diverse advocates. Even if some of its advocates aim at dismantling the welfare state, this has not occurred. Nonetheless, it has been radically altered. Hall’s (1993) framework on ‘orders of policy change’ helps in understanding the extent of changes to welfare policy. First-order changes are when there are incremental alterations to existing programs. Second-order changes are when new policy instruments are applied to achieve objectives. Lastly, third-order changes occur when new objectives are adopted. It will become evident that all three orders of policy change have occurred in the US, UK and Australian welfare systems.

**The diffusion of US workfare**

The dithering and gradual establishment of workfare in the US paved the way for its quicker establishment in other countries that later underwent similar social and economic changes. This rapid transfer (Piven 2002; Soss et al. 2009, p. 25) suggests that workfare ideology and policy proved easier to import than to grow entirely indigenously. As Peck and Theodore observe with contempt: “The American welfare-to-work ‘industry’ has in recent years become an export phenomenon. Policy makers from around the world have become increasingly captivated by the no-nonsense American method of work-orientated welfare reform” (2001, p. 428). Two countries that have been particularly receptive have been the UK and Australia.

Peck and Theodore go on to argue that “Nowhere is this ‘Americanisation’ more evident than in the UK, where discourses and practices of welfare reform have been strongly influenced by the US reform” (2001, p. 428), further saying that “There is widespread agreement that the degree of American influence on UK reform discourses, restructuring strategies, and welfare-to-work programming is significant and growing”
Commentators have particularly observed the influence of US workfare on the UK Labour government which came to power in 1997, the year after PRWORA was enacted (Cebulla 2004; Daguerre 2004; Fergusson 2002; Peck & Theodore 2001; Walker 1999; Walker & Wiseman 2003).

There is far more research identifying policy transfer from the US to the UK, than from the US to Australia. This probably reflects that there are far fewer Australian researchers in the field of study. However, the research that does exist, and the absence of a contradictory research stream, suggests that there was also enthusiastic adoption of US workfare policy after PRWORA in 1996, the same year that the Australian conservative Liberal/National Coalition government came to power. Before exploring this, it is worth noting that US welfare policy was influencing the Australian and UK cases prior to their new governments of the mid-1990s. For example, the Australian Labor Party’s 1994 Working Nation policy package “can be traced back to the American workfare reforms” (Buckingham 2000, p. 73). Working Nation involved a Job Compact that obliged subjects to accept employment offers. However, the influence of US workfare on Australia prior to 1996 was not great, probably because for most of the duration of the Reagan administration Australia was governed by the centre-left Labor Party. Although during this period the party was undoubtedly influenced by free market ideas (Pusey 1991), their state-socialist heritage likely buffered them from emulating Reagan’s explicit attacks on the welfare state.24

Thatcher’s Conservative government (1979-90) did have an ideological affinity with the Reagan administration, which extended to ideas on welfare policy. Although she came to power slightly prior to Reagan, research suggests that in the case of welfare policy, the policy transfer clearly flowed in an easterly direction across the Atlantic (Dolowitz 1998; King 1995). King commented that “Modern British work-welfare rests in part on programs whose design is borrowed directly and uncritically from the United States” (1995, p. xv) which includes the introduction of UK workfare in the 1980s. Some years later, Daguerre reaffirmed that “Thatcher was especially interested in learning from the workfare programmes experimented with in several American states in the 1980s” and

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24 Reagan’s attacks on the state are exemplified by comments such as “Government does not solve problems; it subsidizes them” (Reagan 1974).
noted that Thatcher and Reagan “shared similar neoliberal agendas” (2004, p. 27). This agenda involved a shift away from Keynesianism so that, rather than concern with the demand side of the labour market (which included the provision of jobs), policy came to focus on the supply of labour. Walker and Wiseman reiterate this: “under the Thatcher government, … somewhat in awe of US economic achievements, UK employment policy shifted towards deregulation and increasing labour market flexibility” (2003, p. 13). US workfare policy was particularly attractive to the Thatcher government because it complemented a broader social and economic agenda.

Although there was policy transfer from the US to the UK, possibly even more significant was the transfer of US ideas and rhetoric. The Thatcher government changed public discourse to enable workfare to become publicly acceptable and politically viable. The ideas essentially aimed at “overcom[ing] both public and political commitment to the philosophy of universal entitlement” (Dolowitz 1998, p. 87). Dolowitz identifies a number of specific ideas adopted from the US used to promote this “anti-welfare” agenda. One was to ‘blame the victim’, emphasising people’s own flaws as a cause of their poverty. Secondly, welfare dependency was highlighted as a social problem, with the welfare state implicated as a cause rather than a solution. The notion of ‘getting the dependent into work’ was justified by appealing to enhancing the self-respect of the ‘dependent’ (Dolowitz 1998, p. 88-93). As will become apparent, these ideas are important elements of paternalistic workfare. Such ideas and rhetoric were adopted from the US to change public attitudes prior to implementation of workfare policies.

With the Thatcher government having laid the ideological foundations and implemented preliminary policy, New Labour (1997-2010) increased the Americanisation of UK welfare policy: “the influence of US policy thinking on all levels, from rhetoric and strategy to implementation, has been even more marked” (Walker and Wiseman2003, p. 15). Fergusson states that the New Labour version of workfare represents “one of the most direct and least mediated versions of policy transfer” (2002, p. 176). The transfer was partially driven by the affinity between ‘New’ Labour and the ‘New’ Democrats, with the bond between Blair and Clinton replacing Thatcher’s and Reagan’s relationship

25 This will be investigated in Chapter 9.
(Driver & Martell 2002; King & Whickam-Jones 1999). The US Democrats influenced the Labour Party whilst they were in opposition (Walker 1999, p. 682), with Blair and deputy leader Gordon Brown visiting on a number of occasions (Cebulla 2004, p. 20). Both were trying to learn how a political party which was to the political left of a long-serving conservative government could return to power and stay there. This firstly resulted in emulating electioneering and rhetoric, but then also ideas and policy (Cebulla 2004, p. 20).

Three welfare policy related themes adopted by New Labour from the New Democrats were an emphasis on welfare dependency, personal responsibility and work (Cebulla 2004; Daguerre 2004; Walker & Wiseman 2003). Daguerre captures all three themes in arguing that the pertinent factors of the Americanisation of UK social policy are:

- a work ethic culture which holds individuals responsible for their own fate and
downplays the importance of societal factors such as lack of employment
opportunities and the selectivity of the labour markets. The British policy
discourse implies that poverty is mainly a behavioural phenomenon. Poverty
in this context is seen as the problem of a minority trapped in a culture of
dependency. (2004, pp. 53-4)

Essentially, Labour borrowed from the Democrats an approach that conceives individuals receiving specified payments as suffering from dependency, who therefore should be obliged to take responsibility for improving their circumstances through working in paid employment. Consequently, welfare policy becomes characterised by paternalistic workfare. Dependency, responsibility and work also became more prominent in Australian political discourse following the enactment of PRWORA in 1997.

New Labour did not just borrow ideas from the US, but policies too. Daguerre and Taylor-Gooby affirm that key features of TANF were emulated (2004, p. 35). The most instructive feature was compelling people into paid employment as quickly as possible, thus work-first was adopted. Peck and Theodore argue that “Compulsion … has since the 1997 election become a central plank” (2001, p. 429). Labour ministers promoted certain US state and local programs that applied compulsion, such as Riverside GAIN (Peck & Theodore 2001, p. 447; Walker 1999, p. 684) which was mentioned earlier as
pioneering the work-first approach that has since been diffused internationally. The same program evaluation that led to a US national consensus on a work-first approach was utilised by UK policy makers (Peck & Theodore 2001).

UK policy makers observed US workfare developments and outcomes at first hand, with a House of Commons Social Security Committee visiting there shortly after New Labour’s victory:

> There are lessons to be learnt, with necessary caution, from the American experience. Welfare schemes can be made more active programmes; the numbers of welfare recipients can be significantly reduced and families can be helped (with some push where necessary) to move to self-sufficiency and a higher standard of living. We believe these lessons should be looked at closely in the British context. (Select Committee on Social Security; House of Commons 1998)

This statement, particularly regarding the necessary ‘push’, confirms Cebulla’s conclusion that “compulsion and punitive welfare became more acceptable to the UK because US welfare-to-work appeared to work, and it appeared to work because of compulsion” (2004, p. 30). There is considerable evidence that US policy influenced the development of what became an important feature of UK welfare policy, compulsion, which will be examined in Chapter 5.

UK welfare policy was further influenced by US thinkers such as Lawrence Mead (Buckingham 2000, p. 72; Deacon 2000). Mead’s ideas have been instrumental in the development of US workfare (1986, 1997b) and will be more deeply investigated in Chapter 6. His influence has clearly stretched to Australia as well, with him visiting a statutory agency (the Australian Institute of Family Studies) which is tasked with communicating research to policy makers. Mead gave a keynote address and wrote articles for the institute’s publications, where he taught “lessons from America” (1999, 2000).

As with the UK, after 1996 using compulsion to rapidly get people into work became a key feature of Australia’s welfare policies. This was influenced by policy developments in the US:
the Coalition government’s … reforms adopted a tougher set of policies that shifted the emphasis away from the need for help in overcoming barriers to the need for the unemployed to find work at the earliest opportunity. This reflects the idea behind policy reforms in the United States, that education and training is less important than getting the jobless to be motivated about finding work. (Buckingham 2000, p. 84)

Hence, US-style workfare was disseminated not just across the Atlantic, but also across the Pacific.

Australia and the UK were particularly fertile grounds for US workfare because they have similar social and institutional conditions to the US: “The similarities between British and American welfare institutions help explain the convergence in Welfare to Work policies” (Daguerre 2004, p. 52). Such institutions include a tiered welfare payment system where some payments are more generous and secure than others. A specific social condition pertinent to welfare policy – the labour market – is also alike: “The similar structure of British and American labour markets helps account for the pattern of policy transfer from the USA to Britain” (Daguerre2004, p. 53). The labour market includes factors such as unemployment rates, wages and demand for various skills, which will be investigated in Chapter 8. Although there are differences between the three countries, such as many US states having lower minimum wages, Australian and UK labour markets still resemble the US in many respects, especially in regards to the nature and extent of employment protection regulation (OECD, 2004). All are highly deregulated, compared to many other Western countries. US workfare was anything but imposed on Australia and the UK policy makers, as they found it quite apposite.

There are social and institutional distinctions between the US on the one hand, and Australia and the UK on the other. For this reason, Australian and UK governments did not perfectly replicate US policies; rather it was the general workfare approach that was emulated and adapted to local conditions. This is acknowledged by a UK Treasury official in Peck and Theodore’s research: “There is [a US] influence, not so much on the detailed design of individual programs, but the general approach” (2001, p. 450). An example of a specific element of workfare adapted to the Australian and UK context
regards the target population, that is, who the policies are trying to get into work (Dwyer & Ellison 2009, p. 397). This is largely explained by demographic differences. Unlike in the US, Australian and UK policy was not preoccupied with unmarried black mothers, as neither has such a large population of marginalised people defined in racial terms; consequently, “race is almost entirely absent from British debates on welfare” (Walker 1999, p. 682). Although lone parents have become a target of both Australian and UK policy, as will be examined in Chapter 7, the first targets were the young unemployed.

This distinction from the US is largely explained by institutional factors. Australia provides unemployment benefits (including to youth) from general revenue, rather than personal contributions, as with an insurance model in the US. The UK does have unemployment insurance, but paying unemployment benefits from general revenue has become increasingly more significant (Clegg 2008). Unlike in the US, unemployed childless working-age people in the UK are entitled to welfare payments when their unemployment insurance expires. In the US, unemployed people were generally not the targets of workfare because they were only receiving insurance payments for a limited duration, unlike in Australia and the UK. This divergence in the target population demonstrates how Australia and the UK have adapted the welfare policies they adopted from the US to their local conditions. However, as workfare has evolved in Australia and the UK, it has come to resemble US policy more. What can be described as a second wave of workfare policies have been introduced where groups receiving specific welfare payments (lone parents and the disabled) have been increasingly targeted.26 This second wave in Australia and the UK largely reflects a policy shift from reducing unemployment to increasing employment participation, which will be investigated in Chapter 8.

In addition to recognising local adaptation, to avoid overestimating the influence of US workfare policy on Australia and the UK, it should also be recognised how both countries have their own history of attaching work requirements to welfare support. As described earlier, the Poor Laws developed in England, thus prior to being influenced

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26 In regard to targeting people receiving parenting payments, like in the US, in Australia and the UK it is single mothers who are most affected; this will be explored in Chapters 5 and 7.
by the US, there was policy transfer from the UK to the US, as well to colonies such as Australia (Parliamentary Library 2010). The initial development of the modern welfare state in Australia and the UK emphasised an obligation to work. However, “historical-institutional path dependence” should not be overstressed; various pressures, such as those stemming from globalisation and changed economic conditions, have resulted in policy learning being “less ‘bounded’ by past assumptions and arrangements” (Dwyer & Ellison 2009, p. 401). As argued earlier, the same changed conditions that reduce path dependency, such as deindustrialisation, made the rise of workfare possible. It is because the US was leading this deindustrialisation (followed by Australia and the UK) that the US first ‘reformed’ their welfare state to accommodate this. Despite Thatcher’s claim about neoliberalism generally that ‘There Is No Alternative’, welfare policy options exist (as will be described in the final chapter), but Australia and the UK chose to emulate US-style workfare.

This is not to disregard other influences on Australian and UK welfare policy. For example, one UK policy maker cited in Dwyer and Ellison’s research candidly reveals that they “nicked stuff from all over the place” (2009, p. 402). The ‘Third Way’ that New Labour in the UK developed was at least partially influenced by the Scandinavian model of employment activation(Daguerre & Taylor-Gooby, 2004; Dwyer and Ellison, 2009; Peck & Theodore, 2001). A further influence on UK policy was Australia, and vice-versa (this mutual policy transfer will be explored in Chapter 6). Social policies from continental Europe have also had some influence on UK policy development, particularly New Labour’s Social Exclusion Agenda which will be examined in Part B. Walker and Wiseman unequivocally affirm that “Labour’s commitment to tackle social exclusion reflects European influences on social policy” (2003, p. 17). It is for this reason that Peck and Theodore claim that “the UK may currently occupy an intermediate position between the continental European tradition and the US tradition with respect to work/welfare” (2001, p. 454). Buckingham concurs that unlike in the US, where it is assumed that the main reason workfare subjects do not work is a lack of motivation, in the UK far more attention is paid to external barriers like skills mismatches, as is a key premise of continental European welfare policy: “The thinking in Australia seems to fall somewhere between these two positions” (2000, p. 78). A reason for this appears to be that because Australia engages with European social policy
less than Britain, US influence was less moderated. Nonetheless, for both the UK and Australia, the US has been the single biggest external influence on the development of their workfare policies.

**Conclusion: Emergence of workfare**

Workfare carries echoes of the Poor Laws, but it reflects contemporary conditions, including the establishment of the welfare state to which it is partially a response. Like the Poor Laws, it makes the receipt of welfare benefits highly conditional and is imbued with some similar moral undertones, such as the value of industriousness. However, aspects of the entitlement welfare state remain: social rights have not been annihilated, and the administration of benefits continues to be highly bureaucratised. Unlike either the Poor Law or entitlement welfare state eras, the conditions that workfare arose from are principally characterised by both relatively high unemployment and the need for labour market flexibility. Workfare first emerged in the US, from where it has been adopted by other countries, especially the UK and Australia. This description of workfare development, along with the context from which it emerged, aimed to advance a deeper understanding of the phenomenon. The purpose was to facilitate the examination of workfare in two cases (the UK and Australia) and then interrogation of a particular aspect of workfare: paternalism. The next chapter will detail how this task is to be conducted.
Chapter 2: Research design

Introduction

Research design details how the research questions are to be answered and, in doing so, clarifies the nature of the research. Whilst the research design for this thesis is customised to address the research questions, it draws on a variety of established theories and practices. It seeks to ensure rigour, whilst avoiding unnecessary abstraction detached from the research process. The approach used in the thesis will first be described, where the underpinning research paradigm is articulated, referring to ontology and epistemology. The design framework is then explicated, based on dual comparative case analysis. Subsequently the methodology is detailed, including the application of qualitative inquiry and philosophical interrogation. Lastly, the methods will be described: document analysis, elite interviews, critique of the literature, thematic analysis and theoretical pluralism. Throughout this chapter the somewhat unusual nature of the research – which combines policy analysis with philosophical criticism – will become apparent and be shown to be apposite for addressing the research questions.

Research paradigm

A research paradigm is the broad theoretical framework that guides what is researched and shapes how it is researched. It is constituted by a specific ontology and epistemology, as described below.

Policy making is ambiguous, thus knowledge thereof is indeterminate. The policy process is usually a contested realm. There are often numerous influences driving and shaping policy, such as financial interests, ideologies, personalities, institutional arrangements and popular opinion. Each influence is usually not monolithic, and there are endogenous conflicts, such as competing interest groups or struggles between individuals (Capano 2009; Simeon 1976; Theodoulou & Kofinis 2004). As such, it is often impossible to determine exactly why a policy was established, as this would involve both ascertaining what influences were present in its development and, even more problematic, the exact significance of each.
When numerous influences are present, the exact significance of each can rarely if ever be determined because weighing significance is largely a matter of interpretation. For example, it might be known that, prior to a specific policy eventuating, lobbyists representing particular interest groups met with policy makers, but it remains difficult to establish how large an influence that meeting had on shaping the policy (was it 43% or 47%?). This is even more pertinent in regard to the formation of a policy agenda. In most cases, aiming at high precision in identifying the significance of influences is inappropriate and even a little absurd.

This is not just an epistemological problem for researchers; even decision makers may not recognise the extent each factor played in determining their own decisions. They might then construct post hoc rationalisations of their decisions. For example, a particular policy might have been highly influenced by the mere fact that it was easily implemented within the institutional setting, whereas the relevant minister (who could be somewhat removed from implementation) may sincerely come to believe that the reason for supporting the policy was due to evidence about its efficacy. This example also reveals that those with the greatest decision making power are not necessarily the chief arbiters of policy formulation, as people lower down the chain of command may be able to influence the range of options presented to decision makers. ‘Street-level’ practitioners can shape policy through interpreting how to implement it (Lipsky 1980; Mackey 2008). The testimony of even candid policy makers should not be given excessive credence, as is humorously demonstrated by the sitcom Yes Minister which was inspired and informed by British governance. The following excerpt is just one of many examples where the senior civil servant Sir Humphrey is justifying concealing information from his superior policy maker, the minister:

*Sir Humphrey:* “Bernard, Ministers should never know more than they need to know. Then they can’t tell anyone. Like secret agents, they could be captured and tortured.”

*Bernard:* “You mean by terrorists?”

*Sir Humphrey:* “By the BBC, Bernard.” (Jay & Lynn 1980)
Policies are often not the result of one person’s decision. For instance, workfare is a policy trend, constituting numerous complex programs, laws and decisions made by many individuals over an extended period of time. Simply asking ‘the’ policy maker why they really developed the policy is inapplicable, as different policy makers are likely to (and as is shown later in the thesis) have provided different explanations. This, as well as the above characteristic about decision maker lack of awareness, is well stated by Dror (1968, p. 12):

Policymaking involves many components ...many [of which] proceed by hidden channels that the actors themselves are often only partly aware of, are very difficult, if not impossible, to observe. Thus, guidelines are often formed by a series of single decisions that result in a ‘policy’ without any one of the decision makers being aware of that process.

For these reasons, the researcher cannot ascertain an objective and absolute truth about why a policy was developed.

Despite recognising the barriers to objective knowledge, a realist ontology is maintained, meaning that there really are facts independent of the actors’ interpretations about how policies eventuated. Stemming from this ontology, the epistemology is objectivist, because it is held that the researcher’s task is to access these facts, as near as possible. However, it is recognised that in discerning how policies are made there can be insuperable barriers to accessing objective knowledge. These barriers largely stem from the social and subjective nature of the objects of study; specifically, people’s intentions, beliefs and statements. Such ‘objects’ are difficult to access, and their interpretation is highly mediated by the researcher’s own psychology and theories. For this reason, the objectivism described above reflects what Guba and Lincoln (1998) call ‘modified objectivism’.

All of the above characteristics of policy making, and the barriers to interpreting it, are pertinent to workfare. Hence, this thesis will not be preoccupied with the fruitless task of attempting to ascertain exact causal influences on the workfare policy trend. This is

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27 There is much terminological inconsistency in the research literature. This thesis applies Crotty’s vocabulary (1998).
28 This approach has similarities with the philosophy known as ‘critical realism’, but the latter was not adopted because it incorporates numerous elements not relevant here, such as a sophisticated account of causation.
not to dismiss the value of investigating the causes behind policies, but this task has already been well conducted in regard to workfare in the US, UK and Australia (Carney 2007; King 1995; Mendes 2003; Norris & Thompson 1995; Schmidt & Hersh 2006; Weaver 2000).

The aim of the predominantly investigatory aspect of this thesis is more specific: to ascertain whether paternalism is a significant characteristic of workfare. It examines whether to a substantial extent there is indeed a particular broad objective to promote the interests of workfare subjects. Secondly, the investigation ascertains whether a specific means was utilised to achieve this, compulsion. Identifying policy means is less open to interpretation than policy objectives, because the means are evident in the policies themselves, regardless of what the intentions of policy actors are and what they assert or believe. The operation of the policies may not fully realise the legislated policies (Lipsky 1980; Theodoulou & Kofinis 2004), but in ‘legal-rational’ political systems (such as Australia and the UK) an analysis of official sources is highly suggestive of the concrete policies. It is assumed that there are real objectives and means of workfare, and although it is accepted that knowledge thereof is highly mediated, analysis of policies can enable the identification of the presence or absence of paternalism as a significant characteristic.

**Design framework: Dual case comparative analysis**

The research questions were answered through case study analysis. The nature and purpose of such analysis is controversial. It has been understood as a choice about what to study (Stake 2005), a stance (Robson 2002), a methodology (Merriam 1998), a method (Crotty 1998; Yin 2009) or a combination of these (Creswell 1998). In this thesis, case study analysis is understood as a design framework, that is, the use of case studies provided a structure to assist in approaching the research question and, in doing so, guiding the methods used. However, because even as a design framework, case studies can be conducted in a variety of ways, how it guides the research depends on the particular nature of the case study.

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29The notions of ‘objective’ and ‘means’ are discussed in Chapters 3 and 5, respectively.
In ascertaining the objectives behind a *particular* policy trend, by necessity, a particular case must be examined. Two countries were selected on the basis of being notably enthusiastic adopters of workfare policy, which from preliminary familiarity with the literature appeared to have some paternalistic characteristics: Australia and the UK. The research question was adjusted, ascribing the cases to be investigated for the presence of paternalism. These cases are ‘tightly bound’, largely pertaining to national legislation that applies to areas within each case’s jurisdiction. The period focused on was between 1996 and 2011, although some workfare policies were implemented earlier in both countries. The case study commences in 1997 because this is when the most intensive period of implementing workfare policies began, and is then continued for as long as possible within the timeframe of the thesis, necessarily concluding at the beginning of 2011. In both cases, 1997 marks a critical juncture for workfare policy: in Australia it was the year after the election of the conservative Liberal/National Coalition government, and in the UK it was the inaugural year of the New Labour government. Both these governments enjoyed long tenures, allowing them to reshape the welfare system. The period from 1997 to 2011 also includes the election of the Australian Labor government in 2007 and the UK Conservative/Liberal Democrat Coalition government in 2010, which provided additional avenues for comparison.

A policy *trend* rather than a specific policy was chosen as the object of analysis because many of the welfare policies aimed at promoting employment participation are closely related to each other, as foreshadowed in Chapter 1. Policies extend what preceded them and lay the foundations for those to follow. This is most clearly exemplified in that policies are often enacted through amending existing legislation, rather than introducing new legislation. For example, the 2005 Australian Welfare to Work measures were introduced via amending the Social Security Act (1991). Although no single policy has fundamentally altered the nature of the welfare state, significant policy change has incrementally and cumulatively occurred. It is far more revealing to analyse the policies within this broader trend than to examine any particular policy in isolation.

The phenomenon studied – a policy trend – does not exist in a vacuum, and is inextricable from its broader context. Workfare can only be understood by also understanding the wider political, economic and social conditions that it is embedded
within. The case study approach is ideally suited for such contextually aware non-experimental inquiry as it requires an in-depth understanding of a phenomenon, conducted by examining its multiple dimensions, utilising a variety of data sources, and involve an investigation of its development. This context was largely provided in the preceding chapter where the emergence of workfare was described, beginning in the US, with its antecedents described, as well as the social, economic and political factors leading to its development, and its international dissemination. Providing this context further illuminated workfare policy: “if ideas are one potential source of institutional change, presumably it is important to be aware of the conditions in which they become ‘acceptable’” (Dwyer and Ellison 2009, p. 394). To assist in providing historical context, chronologies of workfare development were developed for the US, Australia and the UK, as presented in Appendix 1, Appendix 2 and Appendix 3.

The policy context is expounded throughout the thesis. For example, in identifying the paternalistic characteristic of workfare, recognition of economic, fiscal and social occurrences are integral to examining the presence of various objectives, and in assessing the legitimacy of paternalistic workfare, labour market conditions are scrutinised. Both primary and secondary data is used to provide this context. Case study analysis not only acknowledges the close connection between phenomenon and context, but the hazy boundaries between them, such as with welfare policy and unemployment. The analysis will not be “holistic”, but “embedded” (Creswell 1998, p. 75), that is, it will not attempt to come to a comprehensive understanding of the entire case, but focus on certain aspects, primarily relating to paternalistic characteristics of workfare.

The case study is being used both intrinsically and instrumentally. It is intrinsically important (especially for those affected) whether workfare in Australia and the UK is paternalistic, and if so, whether this is legitimate. Additionally, the Australian and UK cases can be used as instruments to illuminate the nature of workfare generally, and therefore can be useful for countries with welfare states, especially those that have also implemented workfare policies or are considering introducing them.

In exploring the objectives of workfare it is important to focus on cases because objectives that underpinned the policies in one place are not necessarily the same as
those of similar policies in another place. One cannot generalise across different policy regimes, but findings regarding the legitimacy of Australian and UK workfare are relevant to other jurisdictions that have similar policies in similar conditions. This is not a statistical generalisation, but an analytic one (Yin 2009, p. 15). That is, no claims are made about the probability of certain outcomes eventuating or other such enumerative findings, rather it is inferred that where similar characteristics pertain, then so too do similar logical, pragmatic and moral implications. The transferability of any findings will be aided by a rich description of the particular conditions and context (Seale 1999, p. 45) of Australian and UK policies. This enables more accurate judgements about the relevance of Australian and UK focused research in other cases. By enabling the research to be relevant in other situations this will enhance what is often referred to in qualitative research as external validity. Chapter 8 particularly focuses on describing the conditions in which workfare has been applied in Australia and the UK.

A two-case comparative analysis was performed rather than a single-case analysis for two reasons; first, to enable a deeper and multi-faceted understanding of the nature of workfare. As each case may exhibit different qualities, having two cases provides a greater possibility of appreciating the complexity of the policy trend. The comparative case study is not being used to compare the policy process or ascertain the causes of policies, but to deepen understanding of particular characteristics of workfare. For example, in Chapter 5 it will be shown that the UK applied different means to achieve the objectives of workfare than Australia. Each case provides an external reference point for the other, thereby enabling some indication of the extent of particular characteristics. This use of case studies is similar to how Peck describes his own case research: to “explore the different forms and mutations of workfare in a range of settings, not to conduct a formal and symmetrical piece of comparative analysis” (2001, p. 7). Analysing two cases will allow a more sophisticated understanding of workfare by enabling the identification of distinctions in policy.

Second, comparative case analysis facilitates the distinction between purported and actual policy objectives. Policy objectives per se are the attempted outcomes of a
policy, inherently involving the intentions of policy makers (Fenna 2004, pp. 4, 16). Objectives operate as a reason for implementation. A purported objective is a justification and an actual objective is a rationale. When the justification relates to the same objective as the rationale, it can be described as sincere. An insincere justification is rhetoric that intends to deceive. To illustrate with a case of foreign policy: a government might purport that the reason for invading another country is to prevent the use of weapons of mass destruction, but if their actual objective was to gain control of oil resources, their justification was insincere, it did not reflect their rationale, but instead was deceitful rhetoric, with the rationale being surreptitious. Sincerity matters because rhetorical claims are an important avenue (and often the major avenue) to ascertain what the objectives of policies are. It will be explained shortly how a comparative case study can assist in determining the sincerity of justifications for workfare policy.

**Box 1: Clarifying key analytical concepts**

| Rationale: | actual objectives of policy makers based on intended policy outcomes. |
| Justification: | rhetorical claim purported to defend policies, which appeal to objectives. |
| Sincerity: | when rhetorical claims of the policy largely align with actual policy |

Rationale = Justification + Sincerity

It is unsurprising that governments seeking public approval justify policies by appealing to broadly attractive objectives, and to gain re-election are likely to magnify the good they do. This is why rhetoric can also differ between ‘populist-public’ forums and policy forums. Yeatman (2000, p. 157) suggests that ‘policy rhetoric’ is “dense and richer” than ‘populist-political rhetoric’, thereby providing a more accurate representation of policy. The analysis in this thesis engaged much more with policy rhetoric, whose sources will be described shortly. However, even policy rhetoric should not be uncritically accepted. Therefore, the extent to which government rhetorical claims align with actual policies, including their outcomes, should be examined, that is,

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30 Incidentally, the extent that an objective was achieved does not impact on what the actual objective was. In addition, the presence of an objective distinguishes a public policy from a mere occurrence that a government might be responsible for or be implicated in (Fenna 2004, p. 3). Policy objectives are usually medium-term and broad (Davis 1988, p. 150). Conversely, the term ‘policy goal’ will be reserved for shorter-term and specific policies. The term ‘aim’ will be used synonymously with ‘objective’. 

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researchers should be attentive to the likely presence and size of a policy gap between rhetoric and actuality.

What constitutes an ‘actual’ policy is complex. There are many elements to a policy. As well as the objectives there are legislation (laws and regulations), resources (usually measured in financial terms), activities and outputs (work performed or services provided, such as number of program participants) (Poister 2004, pp. 99-100). The policy can also be interpreted by frontline staff and practised in various ways. A final element of an actual policy is outcomes, although the relationship between a policy and its outcomes is often not simple, as outcomes (such as reduced poverty) can be influenced by various factors. Due to the complexity of what constitutes a policy, some divergence of policy interpretation is likely. Stemming from the epistemology of this thesis, the aim is not to ascertain the complete nature of workfare policy. Rather, identifying various elements will assist in identifying the most intangible element of policy: the rationale. In this thesis, three elements will be utilised to ascertain policy actuality and therefore assist in deducing policy objectives: policy legislation (as revealed in various documents), resources applied and policy outcomes.

Even if policies somewhat resemble claims, a large policy gap between rhetoric and actuality indicates insincerity in the justification. For example, a tyrant might promise a fairer distribution of goods and indeed provide it, but if policies to more fairly distribute goods are only enacted to a minor extent, promises remain hollow. The problem is that in cases where the policy gap between rhetoric and actuality is not so wide, the dissonance will not be as clear. This is especially so regarding qualitative matters, which is the approach in this study, rather than quantitative research that can measure statistical outcomes against precise targets.

It is more easily discernible whether the rhetorical claims in one case are of a higher magnitude than another case, and whether the policies were more actualised. A comparative case study can be useful by providing an external measure. So by comparing two cases with similar policies and rhetoric, in which the magnitude of the rhetorical claims and degree of actualisation will inevitably differ, the extent of the
policy gap can be somewhat identified. Grander rhetorical claims should be reflected in actual policies that more closely resemble those claims.

As the thesis engages with policy rhetoric or discourse, it can appear to be applying discourse analysis. However, it is not concerned with identifying and critiquing the discourse in itself. The policy rhetoric is only being engaged with to penetrate beyond the discourse so that the policy rationales can be ascertained, a task enabled by comparative case analysis.

The comparative case analysis will be conducted first via a “within case analysis” where the themes of each case are identified independently, then a “cross-case analysis” is performed to identify commonalities and differences (Creswell 1998, p. 75). The two cases will be presented in an integrated manner, rather than independently.

The two cases were chosen because they are very similar, yet their remains some divergence that will enable insight into the characteristics of workfare: the justifications, objectives and means. They share similar workfare policies, not entirely coincidentally, as it will be shown in Chapter 6 that there has been significant policy transfer between them. The policies have been developed by central governments and apply nationally.\(^{31}\) The cases share a similar legislative structure in having a Westminster parliamentary system. Their welfare policy histories are alike, in that in the early to mid-20th century both nations developed a similar welfare system to support the aged, widows, ‘invalids’ and the unemployed. They both expanded their welfare states after World War II, similarly underpinned by Keynesian economic policies. In 1996 and 1997 new governments came to power in Australia and the UK, respectively, which simultaneously intensified workfare policies. Hence, the welfare and workfare histories of the two countries somewhat parallel each other. Last, there are many cultural similarities by virtue of the British settlement of Australia, continued high migration between the two countries and linguistic commonality. These commonalities reduce obstructing factors in observing actual workfare policies, their impacts and implications. Castles (1991) describes such a strategy as the ‘most similar’ approach to comparative

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\(^{31}\) Subsidiary governments are responsible for some welfare programs in both nations, but this thesis will focus on national policies and outcomes.
analysis. With two similar cases, the difference between the divergent justifications, objectives and means of workfare can be better discerned, enabling the identification of policy gaps. Although the US has similarities with Australia and the UK, it was not chosen as a case study, as a dual comparative case study is sufficient to achieve the purposes outlined above. The Australian and UK cases have more in common with each other than either has with the US, with both countries having been influenced by the US at a similar time.

Methodology: Qualitative investigation and philosophical interrogation

Whilst the case study approach provided a framework that guided the methods of data collection and analysis, the methodology refers to the conduct of the research. The methodology permeates both the design framework and the methods, without determining them. Since the aim is not to gain a comprehensive understanding of workfare, but to focus on a particular element that relates to paternalistic characteristics, as Peck says about his own research, this gives “license to a more roving and theory-driven methodology” (2001, p. 7). This is opposed to systematic empirical research, such as enumerative content analysis. That is, in ascertaining the objectives and means of workfare and assessing whether the paternalistic characteristics actually are significant, a general exploration of the policy field was conducted, with special attention given to data that might reveal the presence of paternalism. Expressly, the research was conducted through qualitative investigation in the investigative phase and then philosophical interrogation in the critical phase.

The research commenced with the conjecture that paternalism is a significant characteristic of workfare. As with all hypotheses, this required some familiarity with the data. This familiarity was achieved through exploration of research literature. The investigatory phase primarily applies deductive logic. A theory is propounded – that workfare has significant paternalistic characteristics–which is then verified via deductions from empirical evidence. There is also iteration between theoretical application and data interpretation. It was initially assumed that paternalism is a rationale or justification of workfare, as is supposed in some of the literature (Deacon 1994; White 2000). The initial hypothesis was whether the paternalistic rationale is significantly present, but operating from this premise proved inadequate to analyse the
data. This was especially apparent in recognising that paternalism did not appear comparable to other rationales, as these could be reduced to an objective, whereas paternalism seemed inherently composite. Induced from the data, the theory was adapted, recognising two separate elements of paternalism: objectives and means. The aforementioned authors sometimes use the term ‘paternalism’ to refer to a reason, justification or argument for compulsive welfare policies, rather than as a characteristic of social policies that include compulsion. Therefore, through iteration between theory application and data interpretation, deduction and induction, theory was advanced to better interpret data.

In the investigatory phase, qualitative data was gathered that could reveal the presence of policy objectives and means, such as written accounts and testimony. Such data is not present in sufficient quantity to enable an attempted translation into quantitative measures which would provide statistically significant findings. Qualitative data is well suited to revealing why a policy has been developed, such as by gathering explicit accounts from government sources, as opposed to identifying the large-scale impacts of a policy, where quantitative data would be appropriate. The significant presence of the paternalistic characteristics was deduced from qualitative data, thus significance does not refer to statistical significance. Rather, the qualitative data provides the premises from which logical inferences are deduced. For example, in asking someone about their intentions in acting in a certain way, their qualitative responses provide the data to deduce which intentions were significant. The deduction will be more reliable if there are multiple data sources, such as written account and testimony. In the case of a government’s intentions, this approach is being applied on a grander scale. The collection of multiple sources reflects a recognition that governments are not unitary. They have various departments and actors. However, although governments can be complex and somewhat contradictory, there is still a strong sense in which they ‘do things’ and have objectives. This complex and yet intelligible nature of government is apparent in the nature of workfare.

Following from this investigative stage of the thesis, the next stage examines the legitimacy of paternalistic workfare via philosophical interrogation. It examines whether paternalistic workfare satisfies particular theoretical standards based on normative
considerations. Inevitability, comprehensive measures of legitimacy will not be applied, that is there might be some standards and norms that workfare is or is not legitimate by, which are not considered. The two theoretical standards applied are whether paternalism is likely to promote the well-being of highly disadvantaged people, and whether it is fair. To avoid becoming distracted by tangential theoretical debates, conceptual parsimony has been adopted, with accounts of disadvantage, well-being and fairness only explicated to the extent necessary. The meanings of ‘disadvantaged’ and ‘well-being’ become apparent throughout the thesis, which relate to elements such as income, health and autonomy; the account of well-being purported by the Australian and UK governments (as presented in Chapter 3) is drawn on, thereby holding the governments accountable to their own standards. A simple conception of fairness is applied throughout the thesis, merely based on treating like cases alike. More specifically, people’s autonomy and dignity should be equally respected, where any interventions that err from this require justification and should be consistently applied. In examining paternalistic workfare according to these standards, a number of normative principles were induced in Chapter 7 from considering the conditions conducive to promoting important ends related to well-being and fairness. Then these principles were applied to deduce whether workfare in Australia and the UK satisfied the theoretical standards. The critical section of the thesis, like the investigatory part, reflexes between inductive and deductive logic. The thesis is not a technocratic analysis of whether a policy achieved certain goals or how specific policies can be refined and made more efficient, but primarily a normative politico-philosophical assessment of the nature and moral implications of policies.

Methods

Elite interviews, document analysis, critiquing literature

The qualitative primary empirical research took two forms: document analysis, which was supplemented by elite interviews. The documents that were analysed were all produced by governments, including reports, legislation, notes on clauses, bill digests, media releases, speeches, policy statements, memoranda, briefing papers, submissions to reviews, websites and research papers. The approach was to uncover documents that were likely to be relevant to workfare policy and which could shed light on the reasons behind its development.
The elite interviews were conducted with current and former public servants who have been involved in the development of workfare policies. The titles of current public servants were identified through government websites, and the department was then contacted to request interviews. Former public servants were identified and contacted through ‘snowballing’ methods from the current public servants. The interviews aimed at obtaining the personal opinions of people with intimate knowledge about why they think workfare policies were developed. Nine interviews were conducted, five relating to the Australian case, and four to the UK case. People who were likely to have the most insight into the reasons behind the development of workfare were approached, although not all potential interview subjects were able or willing to participate. All interviews were semi-structured, with about eleven guiding questions. Some questions were tailored to the specific circumstances of the interviewee, for example, if they were likely to be knowledgeable about a specific program. There was some iteration in the development of the questions, where they were continually refined on the basis of interview experience.

The interviewing of policy makers was the only part of the research that required clearance from the university ethics committee (see Appendix 4). Obtaining such clearance was relatively unproblematic: first, all the participants were acting in a professional capacity, but were not officially representing their organisations and were not being asked about personally sensitive issues; second, the participants were not very vulnerable. They were all highly educated and some had positions of considerable status and power. The most important issue was maintaining anonymity. This was achieved by referring to the participant in the research according to the title that they designated. All such titles are broad (such as policy maker), preventing them from being distinguished from numerous other people at the same organisation. Throughout the thesis, for the sake of brevity, quotations from the participants are referenced with a code; this code is then matched with the title that they designated, which can be seen in Appendix 5.

Only nine interviews were conducted because the interviews are supplementary to the documents and were sufficient to enrich understanding of the policy characteristics. They are not being used to deduce generalisation about policy, or represent all the
relevant policy makers, although in the small number of interviews conducted there was considerable repetition. Rather, data from interviews provides evidence that supports and illustrates deductions made from documents about the justifications of workfare.

A vast array of secondary data was also utilised. This was mostly quantitative, such as statistical data ascertaining program outcomes and labour market conditions. Much of this was accessed via published literature, but some was directly accessed from the primary data source, such as the Australian Bureau of Statistics (ABS) or the UK Office of National Statistics. A small portion of secondary data qualitative, such as testimonies from people participating in workfare programs, was also utilised. Primary data was not collected from workfare subjects, drawing on quantitative data provided a stronger basis to critique paternalistic workfare than qualitative data gained from interviewing workfare subjects. This is because the critique was concerned with broad impacts of paternalistic workfare.

Although many of the documents analysed were available through the internet, non-digital forms of data collection were also required. In Australia, this involved sourcing documents in the Australian National Archives and National Library in Canberra; interviews with selected policy makers were also conducted in Canberra. Between July and November in 2010 the researcher was based at King’s College London, enabling archival work at the London School of Economics and the British Library. Further, interviews with UK policy makers were conducted during this period, and academic discussion was engaged in with experts in the field from around the UK. Preliminary findings of the research were presented at the International Conference on Interdisciplinary Social Sciences, Cambridge University, where feedback assisted with advancing the research.

The use of varied types of data from multiple sources (documents, interviews, published literature) contributes to what Eisner calls “structural corroboration” (1991, p. 10). This can be considered an outcome of triangulating multiple types of data and sources in order to reduce the likelihood of deriving unwarranted generalisations from data outliers. In triangulating different data sources, the intention was to improve the consistency of data interpretations, impeding the exaggeration of minor and ambiguous
items that could be identified in a particular data source. Triangulation is certainly not
the panacea for preventing unfounded deductions, but is merely a tactic to improve the
quality of research findings.

The philosophical interrogation was aided via a critical engagement with literature
which included academic research, commentary in the public media and reports
produced by non-government research institutes.

**Thematic analysis**

Interview transcripts and documents were analysed similarly. A collection of recognised
analysis methods were applied to identify key relevant themes in the data. First and
foremost, the data was analysed by applying an agenda, that is, rather than attempting to
be neutral in what meaning could be found from the data, it was examined for the
presence of specified potential meanings. This agenda is determined by the research
questions, with evidence of paternalistic characteristics being searched for and
highlighted. This search was first conducted by reducing the data. The primary tactic to
achieve this is merely to focus on data that appears to relate to the research questions,
thus much that did not relate to objectives or means of workfare was removed.

However, this does not give licence to a moral agenda determining research findings.
As Weiss says: “There is a distinction between research that strives for fair and
comprehensive analysis of an issue and research that sets out – either consciously or
Rather, in recognising the normative aspects of all research, the agenda of this research
is explicated to open the process to scrutiny, with various tactics applied to enhance the
trustworthiness of the findings.

The data was approached with an awareness of the possibility of items that suggested
the presence of alternative objectives and means as the significance of the objective to
promote workfare subjects’ interests, along with the means of compulsion, is somewhat
relative to the significance of other objectives and means. When data appeared to imply
the presence of the objective to promote workfare subjects interests, rival explanations
were also investigated in order to affirm the most plausible explanation, as suggested by
Miles and Huberman (1994). For example, in Chapter 4 it is investigated whether claims about helping people gain work has more to do with promoting the interests of employers than of workfare subjects.

Attention was also given to whether all major items were duly acknowledged, for instance, recognising the other objectives interviewees emphasised, besides the objective to promote workfare subjects’ interests. However, no attempt was made to enumerate systematically the instances of particular items, such as counting all the times various justifications were present. Justifications were not expressed in the same words, precluding comprehensive word frequency counts, although some key words searches were applied. Nonetheless, the high level of interpretation that was required entailed a less formalistic account of significance. Although the regularity of justifications was considered, so too were explicit claims about the relative importance of objectives; for example, it might be claimed that a particular objective is the most important one. Such claims were then assessed for their consistency and for the presence of contradictory claims.

With interview transcripts, special attention was given to comparing the responses of different interviewees to the same question. Also, implicit meaning of data sources was considered. A tactic utilised to achieve this was considering what factors may lead to particular pieces of information being revealed or concealed. For example, an interviewee may have a vested interest in a particular meaning being accepted or a document may have been created to serve the purposes of a particular political agenda. Specifically, reports produced by departments responsible for social services may frame things differently to departments responsible for employment.

On having identified all the relevant objectives and means, the data was then classified and grouped together on the basis of containing similar meanings. Although a distinction between analysis and interpretation was affirmed – whereby analysis is the sorting of data and interpretation is deriving meaning from data – following Simons (2009, p. 117), interpretation and analysis was an iterative process. That is, prior to sorting, elements of data were interpreted to have specific meaning, which influenced the analysis, and then the analysis of data shaped further interpretation, forming a
hermeneutic circle. This circular analysis was structured into first- and second-level analysis.

In the first level of analysis, codes were established in the category of objectives and means. These were based on a precursory familiarity with the data, such as having conducted some interviews and read several documents; this is sometimes called emergent coding (Stemler 2001). This first level of coding merely noted where similar data contained similar meaning, literally highlighting the data according to a colour code, along with annotation. Data with similar meaning was identified with the assistance of recognising the use of synonyms or similar phrases and words. These codes were then used to analyse the data; this then influenced interpretations of the data, and in response codes were continually expanded and refined, especially in the earlier stages of analysis. Then in the second level of analysis, closely related first-level codes were grouped together and then if such a grouping was pertinent in the data, themes were created. These themes then shaped a reinterpretation of all data. The codes and themes utilised are presented in Table 2.
Table 2: Codes and themes

<table>
<thead>
<tr>
<th>First-level codes</th>
<th>Means</th>
</tr>
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<tbody>
<tr>
<td><strong>Objectives</strong></td>
<td><strong>Means</strong></td>
</tr>
<tr>
<td>Helping people</td>
<td>Conditionality</td>
</tr>
<tr>
<td>Reducing poverty</td>
<td>Requirements</td>
</tr>
<tr>
<td>Social inclusion/exclusion</td>
<td>Work-first</td>
</tr>
<tr>
<td>Welfare dependency</td>
<td>Education</td>
</tr>
<tr>
<td>Social justice/fairness</td>
<td>Training</td>
</tr>
<tr>
<td>Reciprocity</td>
<td>Human capital development</td>
</tr>
<tr>
<td>Responsibility</td>
<td>Making work pay</td>
</tr>
<tr>
<td>Renegotiating rights and responsibilities</td>
<td>Progressing people in work</td>
</tr>
<tr>
<td>Contractualism</td>
<td>Improving quality of work</td>
</tr>
<tr>
<td>Consistency between welfare recipients</td>
<td>Counselling</td>
</tr>
<tr>
<td>Economic growth</td>
<td>Job search support</td>
</tr>
<tr>
<td>Economic efficiency</td>
<td></td>
</tr>
<tr>
<td>Fiscal/budget</td>
<td></td>
</tr>
<tr>
<td>Social harmony</td>
<td></td>
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<tr>
<td>Social control/governance</td>
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<table>
<thead>
<tr>
<th>Second-level themes</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives</strong></td>
<td><strong>Means</strong></td>
</tr>
<tr>
<td>Helping workfare subjects</td>
<td>Enhancing the attraction of work</td>
</tr>
<tr>
<td>Reducing poverty</td>
<td>Making work pay</td>
</tr>
<tr>
<td>Social inclusion/exclusion</td>
<td>Progressing people in work</td>
</tr>
<tr>
<td>Welfare dependency</td>
<td>Improving quality of work</td>
</tr>
<tr>
<td>Social justice</td>
<td></td>
</tr>
<tr>
<td>Reciprocal fairness</td>
<td>Compulsion</td>
</tr>
<tr>
<td>Economic/fiscal</td>
<td>Human capital development</td>
</tr>
</tbody>
</table>

Once all the data had been collected and undergone the aforementioned stages of analysis, the themes were translated into generalisations, that is, general assertions were made about the meaning of the data based on the themes that were identified. For example, if a theme was ‘helping workfare subjects’, then a generalisation might be that benevolence was a highly evident objective. The themes function as evidence to support general claims, and quotes were selected to illustrate the generalisations.

**Theoretical pluralism**

Decisions about how the data was sorted and interpreted emanated from a theoretical perspective that has been designed and adopted to answer the research questions. Data
can only be interpreted through a conceptual and normative lens that enables it to be meaningful. A conceptual and normative framework has been utilised to determine what elements are relevant or irrelevant, what is worth emphasising or disregarding, which relationships are drawn between data (such as what similarities or differences are identified), what generalisations are drawn and what do they mean.

A single established theory was not utilised, rather a plurality of theoretical ideas were employed in analysing the data and in critiquing paternalistic workfare. The reason for not adopting a single theoretical approach is that disparate aspects of paternalistic workfare were considered, where different theoretical approaches were less and more useful. The theoretical ideas employed will become apparent throughout the thesis, but some of the key theories are now denoted. In regard to paternalism itself, JS Mill’s pioneering work was utilised, including modern interpretations and elaborations, such as that of Gerald Dworkin. Then in establishing a conception of well-being, Amartya Sen’s research about capabilities has been drawn on, and, in regard to autonomy in particular, Immanuel Kant’s ideas remain decisive. In understanding the welfare state, TH Marshall’s contributions were essential. The Marxist notions of class and commodification assisted with critical engagement on changes to the welfare state, along with the labour market. Finally, policy proposals addressing labour market conditions, particularly the availability of employment, rely on Keynesian economics.

Social class
A guiding theoretical concept deployed in the research was social class, particularly in the critical section of the thesis. Merely applying the related term of socioeconomic status as a conceptual tool would be analytically deficient. This is because whereas socioeconomic status concentrates on outcomes, class also highlights power relations between groups of people. In understanding workfare, especially its paternalistic aspect, it is essential to appreciate power differentials between subjects, as workfare is a policy where some people’s activities and behaviour are being shaped by others with the power to do so.

Although the concept of class is inextricable from its Marxist heritage, this tradition has been deservedly criticised, at least from the work of Max Weber (1924) and ever after.
For example, the exact boundaries between classes can be hazy. Moreover, it is contentious on what basis class should be defined, such as income, wealth, the selling of one’s labour or power over productive forces. Can a highly paid director of a large corporation be working-class? It is probably due to the problematic nature of class that in recent times many researchers have adopted the safer concept of socioeconomic status. Whilst acknowledging this problematic nature, it is maintained in this thesis that it remains sufficiently meaningful to be a useful analytical tool. The concept of class is nebulous because the nature of social power is complicated and mutable. If a person exercises a great deal of social power (such as being the head of a government department) but has little wealth, then in one sense they are upper class and in another sense lower down the class scale. The inability of class to be monolithic and clearly delineated does not reveal a flaw in the concept, but rather indicates an accurate representation of the amorphous and complex nature of social relations.

The thesis particularly focuses on one class of people who could be described as the ‘workfare class’. These are either currently subject to workfare programs, are likely to be subject to them or have recently been subject to them. Their subjection to workfare is based on systemic social arrangements, largely relating to labour market conditions, like structural unemployment, as will be described in Chapter 8. Existing terms do not adequately capture the features of the conditions that define this class of people. They are not ‘working-class’ because many do not work, and their parents may not work either. The traditional Marxist term of ‘lumpenproletariat’ which largely refers to those who are unable to sell their labour but do not own capital, and are thereby excluded from the labour market, consequently compelled into begging or crime, is also inappropriate. This is because since Marx coined the term, the welfare state developed to integrate these people into the social system, with workfare developed to advance this. ‘Underclass’ has gained currency since the 1960s, especially in the US, but this has come to be closely associated with arguments relating to the ‘culture of poverty’, attributing people’s deprived circumstances to their own character (Irelan et al. 1969; Lewis 1969). More recently, the term ‘socially excluded’ has been widely adopted by governments and researchers, as discussed further in Chapter 3. This term is problematic because if it is understood as referring to those who are not participating in paid employment (which it often is), then those who have been compelled into work
(the focus of this research) are not socially excluded. Conversely, if it refers to people who are not participating in other social spheres, such as civil society, then many subjects of workfare are not socially excluded. The most apposite term is ‘workfare class.’

The concepts of gender, and to a much lesser extent race and ethnicity, will be used in the thesis, but they will be subsidiary to class. This is partially because workfare policy, by its very nature, focuses on paid employment, thus employment status and relations are an inherent component. It will be acknowledged throughout the thesis, though, that gender, race and ethnicity as well as disability can all be relevant to workfare policies, as evident in the US. It is acknowledged that workfare policies can target certain groups of people, such as single mothers, thus identity issues can be central. The secondary status of gender and race is also partially based on the need to focus the research. An entire thesis could easily be written about the gender or racial aspects of workfare. The thesis is necessarily not a comprehensive critique of workfare; its aim is to fill gaps in the research, emphasise neglected aspects and bring alternate perspectives. Substantial research about workfare from gender and race perspectives has already been conducted (Abramovitz 2006; Behrendt & McCausland 2008; Lister 2003; MacLeavy 2007; Shaver 2002). The thesis aims to focus on the essence of paternalistic workfare; gender, race and ethnicity are not inextricable from workfare, as it is possible to have policies that do not target women or a particular race. Conversely, workfare by its nature targets the class of people detached from the primary workforce. Rather than focusing on distinguishing features relating to one category of people, this thesis examines paternalistic characteristics that affect all people subject to workfare – the workfare class.

Despite the utilisation of the concept ‘class’, the thesis is not a political-economic analysis; it does not investigate whose economic interests are truly served by workfare. Rather, it critically engages with the ideas associated with paternalism, principally by critiquing the justifications for workfare. This emphasis could be accused of being distracted by the intellectual facade that conceals the real reasons (i.e. material forces) behind workfare. To avoid an attempted resolution of the intractable Marxist debate about the relation between the base structure (primarily, economic forces) and the
superstructure (primarily, ideas) it is a premise of this thesis that, although ideas may
indeed reflect economic interests, they also develop a life and influence of their own.
That is, ideas are capable of influencing the development of other ideas and of directly
influencing concrete policies, although one need not go so far as to accept Stone’s
(1997) view that “the struggle over ideas” is “the essence of policy making in political
communities”. So whilst political-economic analysis of workfare can yield vital
insights, it will not be comprehensive. Analyses that apply political-economic elements
have already been conducted (Carney 2007; Peck 2001; Piven & Cloward 1971;
Schmidt & Hersh 2006). The contribution of this thesis will be to concentrate on
critiquing the paternalistic characteristic of workfare, by understanding its nature and
identifying under what conditions it could be legitimate.

**Conclusion: Research design**

This research design reflects the dualistic nature of the thesis, with one element focused
on investigation and the other on criticism. Although investigation and criticism are
intertwined, different methodologies and methods were required for each element of the
research. The investigatory element is based on qualitative empirical research, primarily
using document analysis, which was supplemented by elite interviews. The critical
element is a philosophical interrogation, drawing on a plurality of theories and engaging
with a wide array of literature. The somewhat unusual dual nature of the thesis required
the above customised design framework.
Part B: Identifying paternalistic workfare in Australia and the UK

The next four chapters concentrate on the investigatory element of the thesis. The aim of this element is to identify whether paternalism is a significant characteristic of workfare in Australia and the UK. Chapter 3 focuses on the objective to help workfare subjects, revealing that this is a substantial rationale of workfare. Chapter 4 considers the importance of two other objectives, which relate to fiscal/economic concerns and reciprocity. It is shown that although these are important rationales for workfare, they do not overwhelm the substantialness of the rationale to help workfare subjects. Chapters 3 and 4 will show that that although there is no single dominant objective of workfare, the objective to help people will be shown to be of considerable importance. In the succeeding chapter (chapter 5) the means used to achieve these objectives are investigated. It is demonstrated that the primary means utilised is compulsion. Then in the final chapter of this section (chapter 6), it is deduced from the preceding three chapters that paternalism is a significant characteristic of workfare in Australia and the UK. The nature of paternalistic workfare in the two cases is then elucidated.

Chapter 3: Objective to help workfare subjects

Introduction

This chapter will first develop a conceptual framework to analyse the objectives of workfare policy. Then in applying this conceptual framework it will be established that helping workfare subjects by advancing their interests (in a broad sense) has been an important justification of workfare used by the Australian and UK governments, at least between 1996 and 2011. Following this, specific justifications related to helping workfare subjects will be identified. Two such justifications have been prominent in both Australia and the UK: reducing welfare dependency and promoting social inclusion. The UK Labour government further justified workfare with the objective of tackling poverty, with a special focus on ending childhood poverty. Although the analysis of policy justifications is not intended to be comprehensive, drawing on government documents and interviews with policy makers, it will be argued that helping workfare subjects has been an important justification of workfare policy. Reasons will be given to suggest that this justification reflects the associated rationale of workfare. In analysing these justifications of workfare, it will become apparent what is meant by
‘helping’ workfare subjects through explicating government conceptualisations of people’s interests.

**Conceptual framework of workfare objectives**

There are many possible objectives a policy could have (and often does have) which can be ambiguous and conflicting (Walker et al. 2010). Nonetheless, each can be categorised with others that share similar features, thereby creating *kinds* of objectives. To better understand the nature of workfare policies, scholars have developed conceptual frameworks that categorise associated objectives. For example, Paz-Fuchs identifies four “especially relevant” “rationales” for workfare: deterrent, economic/fiscal, reciprocity and social control (Paz-Fuchs 2008, p. 76). Some years earlier, Deacon (1994) had provided a similar taxonomy, recognising three broad “arguments” for workfare: deterrence, utilitarianism and paternalism.32 Although both conceptual frameworks helpfully distinguish the dominant objectives of workfare, neither reduces the objectives to their most fundamental characteristics.

There are three fundamental characteristics of workfare objectives. These characteristics are based on whether the objectives aim to promote the interests of society in general, the interests of certain group(s) in society (particularly more powerful members) or the interests of workfare subjects in particular. These objectives may also be adopted in conjunction, particularly because different parts of government and different policy actors might have divergent objectives.

It is disputable whether society has interests to be promoted, or whether it is merely the interests of its individual members that can be promoted. However, the public appeal of promoting society’s interests is based on the idea that most people will benefit from the realisation of objectives that benefit society generally. Examples of such objectives include the promotion of social harmony, prosperity, equality and fairness. Interpreting workfare policies as primarily aimed towards benefiting society is particularly consistent with a *functionalist* social theory. According to functionalism, society is “a complex system whose parts work together to promote solidarity and stability”

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32 In this context, an ‘argument’ is equivalent to how the term ‘justification’ is used in this thesis which, to recapitulate, are the objectives appealed to in order to defend a policy; if those purported objectives are actual objectives, then the justification and rationale align.
A functionalist interpretation of workfare policies is that the welfare system was increasingly dysfunctional, resulting in social problems like welfare dependency, and that workfare is an adjustment to that system to improve its functioning and thereby restoring and promoting social health.

Objectives aimed at promoting the interests of another group in society besides workfare subjects usually pertain when more powerful social groups benefit at the expense of less powerful ones. Critics of workfare argue that justifications that appeal to the objective of benefiting society in general, and even of benefiting workfare subjects, have a surreptitious objective, and actually benefit certain powerful groups (Carney 2007; Peck 2001; Piven & Cloward 1971). Powerful groups that may benefit from workfare will be examined in the following chapter when exploring the economic objective. This critical analysis of workfare is grounded on a conflict social theory. Conflict theory rejects the functionalist account of society as a unified whole, instead highlighting divisions and inequality that enable domination and exploitation.

Although all the above objectives are about the promotion of interests, only the promotion of the interests of workfare subjects is benevolent. The promotion of society’s interests cannot accurately be described as benevolent, because democratic governments should represent the people, who cannot be kind to themselves. Promoting the interests of a minority of powerful people is not benevolent either, as powerful people have merely promoted their own interests through influencing government. Conversely, promoting the interests of workfare subjects is an instance of one group of people (policy makers, politicians and all citizens who supported their policies) attempting to help another group. This objective to promote the interests of workfare subjects will also be referred throughout this thesis as ‘helping workfare subjects’. Objectives aimed at promoting the interests of workfare subjects will be achieved through advancing various specific interests of these people. This objective contains an account or assumptions about what is in the interests of workfare subjects. Objectives based on assumptions about such specific interests will shortly be examined. The rest of this chapter explains the objective to help workfare subjects.
Helping workfare subjects is an important justification

There were many instances where both the Australian and UK governments claimed to be helping workfare subjects, in the broad sense. That is, it was not always narrowly specified exactly which interests of workfare subjects were being promoted, yet it was affirmed that their interests would generally be promoted through gaining employment.

Australia

In Australian policy documents, as well as from interviews with policy makers, a highly prominent explicit justification given for implementing workfare policies was articulated as the objective to help workfare subjects. Specifically, it was purported that the intention of workfare policies was to promote the well-being of the people who are subject to them. This was a consistent theme since at least 1997, evident in both the conservative Coalition and Labor governments. For example, Kevin Andrews (Minister for Employment and Workplace Relations, 2003-07) made numerous comments justifying workfare primarily on the basis of it helping workfare subjects, for example: “Moving from Welfare to Work helps people achieve … a better standard of living” (Andrews 2005a, p. 2). Other government members made similar comments, such as:

we know that, when you are without a job and are receiving income support in isolation, that is correlated with … lower wellbeing … [This is] the reason … why we are working very hard to see families re-engage with the economy. That is the underlying drive. (Laming 2006, p. 115)

This comment does not specify what constitutes ‘well-being’, but the point is made clear: that moving people who are largely defined by having their primary source of income based on welfare payments into work is generally in their interests.

Also, official government reports explain the connection between employment and people’s well-being. For example, the seminal McClure Report 33 states:

Participation in paid employment is a major source of self-esteem. Without it, people can fail to develop, or become disengaged from, employment, family and community networks. This can lead to physical and psychological ill health and reduced life opportunities for parents and their children. (McClure & Reference Group on Welfare Reform 2000, p. 3)

33 The report’s official name is Participation support for a more equitable society. It was commissioned by the conservative Coalition government to provide the blueprint for future welfare reforms.
This suggests that employment is the fulcrum that can foster an important psychological quality (self-esteem) to facilitate participating in a wider array of social spheres, thereby fostering good health.

In regard to justifying workfare, the succeeding Labor government’s policy statements resemble their predecessors, for example:

Workforce participation is among the most important steps in assisting the disadvantaged into mainstream society by enabling them to contribute to the economy and community and connect with others. (DEEWR 2010c, p. 43)

Here again it is being argued that getting people into work is good because employment has wider benefits for individuals.

In interviews, policy makers stressed the primacy of helping workfare subjects. For example, a policy analyst from the Department of Employment and Workplace Relations (DEEWR) said: “There’s no doubt that the emphasis has always been about helping the individual” (AB). The same point was made by a senior policy maker from the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA): “welfare reforms are about trying to improve people’s life outcomes” (AD). These remarks suggest that there was consistency across relevant government departments in conceiving the objective to help workfare subjects as the leading justification of the policies.

Although some statements by Australian policy makers and in documents do not affirm the primacy of the objective to help workfare subjects, its primacy is never rejected, and it always remains a prominent justification. At the very least, the justification to help workfare subjects is a substantial justification, if not the chief justification.

**United Kingdom**

As in Australia, in the UK there has consistently been a group of dominant government justifications for workfare since 1997 which can be broadly grouped under the category of ‘promoting the interests of workfare subjects’. This justification has spanned the Blair and Brown Labour governments, as well as the succeeding Coalition government. The policy rhetoric generated by UK Labour far exceeded that of the Australian
The objective to help workfare subjects was central in the Labour government’s first review of welfare (which promoted workfare) and thereafter. The Secretary of State for Social Security in 1998, Alistair Darling, stated about welfare reform that one of “[the] key principles will be to get help to those who need it most” (Darling 1998, p. 1). Although helping workfare subjects was often presented in conjunction with other justifications for workfare, above all other justifications, the government often explicitly presented it as the chief reason for changes to welfare policy, both during the early and later stages of their governance. For example, the White Paper that ensued from the initial welfare policy review states: “above all we want a [welfare] system that aids those that need it” (DSS 1998a, p. 4). This message was reiterated and elaborated over a decade’s outpouring of reports, speeches and media releases. Nowhere did the government claim that there is actually an alternative objective that is the most important reason for workfare policy.

As in Australia, a connection was made between well-being generally, and health particularly, with workfare justified through reference to its ability to improve people’s health. For example, one policy document affirms: “Claimants moving off benefits into work experience improvements in … mental and general health, and well-being” (Freud 2007, p. 45). Such claims were reaffirmed in interviews, for example, a policy maker from the UK Department for Work and Pensions (DWP) remarked that a driver of the policy changes was that there is “quite a lot of evidence about working being good for people’s health” (UKA). The reference to health will be further discussed later in the chapter when the interests of workfare subjects are clarified.

The newly elected Coalition government also justified its intended welfare policies by referring to the objective to help workfare subjects, for example: “We are determined to continue our radical approach to reforming the welfare state to help people” (Disability
Work Division 2010, p. 19). Such statements reveal continuity in the justification between the Labour and Coalition governments. The Coalition is clearly attempting to show that their government is one of ‘compassionate conservatism’.

The evidence is very strong that helping workfare subjects has been a central, if not the principal, justification used by UK governments to defend and promote their workfare policies. Although they produced far more policy statements than the Australian governments, the content of the rhetoric is similar, both claiming the centrality of advancing the well-being of workfare subjects. It is unsurprising that in some contexts governments from both countries choose to depict their workfare policies, which are aimed at some of the most disadvantaged people in society, in benevolent terms. This is especially so when considering the etymological connection between the terms ‘welfare’ and ‘well-being’. A key function of the welfare state is to advance human welfare/well-being, especially of those most in need. Reforms to the welfare state, if they are indeed reforms, should serve this end. Before analysing the sincerity of this justification, it will be further analysed, by moving beyond the broad remarks, investigating specific stated objectives relating to helping workfare subjects.

**Prominent justifications related to helping workfare subjects**

**Reducing welfare dependency**

The aim of helping workfare subjects only makes sense if they are assumed to be in need of help, that is, an undesirable state of affairs pertains for people, which workfare is designed to amend. This undesirable state of affairs could include people’s own behaviour as well as their material conditions, and has commonly been characterised by Australian and UK governments, following the US, as ‘welfare dependency’. Reducing or removing people’s dependence on welfare and helping them to achieve a certain kind of financial independence is a specified objective to promote the interests of workfare subjects.

Welfare dependency is not a value-neutral description, but a normative term. That is, it encompasses both a reference to a phenomenon as well as an evaluative judgement. Specifically, it refers to and condemns that certain people’s income is derived from the government. The notion encompasses an implicit assumption about who should and
should not be receiving income from the government. For example, civil servants, age pensioners, war veterans, businesses receiving subsidies and recipients of tax benefits are not considered welfare dependent. This is in addition to every member of society benefiting from other kinds of state provision, such as roads and healthcare. The state of affairs of people receiving these kinds of state benefits is not commonly characterised as a social problem.

The characterisation of welfare dependency as a social problem is constructed; what is “defined as a problem worthy of the interest of the state or of becoming the object of state policy” is the result of political debate and contest (Marston & Watts 2003, p. 43). What distinguishes people described as welfare dependent from others receiving government support is that they are not employed and it is deemed that they ought to be. More than workfare being an obvious solution to welfare dependency, the two notions are rendered partially meaningful through their relation to each other. Workfare is only possible if some recipients of government payments are judged as failing to be in paid work, whilst the characterisation of welfare dependency assumes that one should be moved into paid work.

**Australia**

Welfare dependency has been emphasised strongly by both Australian governments. The conservative Coalition government principally characterised social issues relating to notions such as unemployment, poverty and social security in terms of welfare dependency. Its agenda was revealed in the terms of reference for their major welfare review, the McClure Report: “the Government is concerned that there is an increasing reliance by Australians on welfare” (McClure & Reference Group on Welfare Reform 2000, p. 62). This focus was then evident in documents and speeches justifying the welfare policies that ensued from the report. For example, in 2004 Prime Minister Howard stated:

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34 For example, the Australian government provides family tax benefits which are payments to parents “to help with the costs of raising children” where the income threshold preventing access is well above medium incomes (Centrelink 2010).
income support for those of working age will be linked to employment programmes and services to reduce welfare dependency and increase workforce participation. (Senate Community Affairs Committee 2005, p. 3)

This message was repeated by the Minister for Employment and Workplace Relations who said that the Welfare to Work\textsuperscript{35} legislation would “respond to our twin challenges: the imperatives to increase participation for these groups and reduce their level and incidence of welfare dependence” (Andrews 2005a, p. 3). The conceptual interrelatedness of employment participation and welfare dependence is evident.

The welfare dependency theme continued to reverberate into the Labor government (elected in 2007), with Prime Minister Rudd defending a welfare policy by asserting: “This legislation is about making welfare work. By encouraging individual responsibility and fighting passive welfare. By helping people move from welfare dependence and into work” (Rudd 2010).\textsuperscript{36} In his short speech he referred to welfare dependency five times, leaving no doubt about how the government conceptualised social issues relating to welfare.

The characterisation and focus on welfare dependency was also substantiated from interviews. A senior policy maker from FaHCSIA remarked that employment “activation policy is a response to some of the problems, such as people being dependent on welfare” (AD). The policy analyst from DEEWR went into more detail:

There’s a real concern that long term and heavy reliance on income support can be associated with poor outcomes, particularly with children in terms of intergenerational welfare dependence. (AB)

The link between reducing welfare dependency and helping workfare subjects was explicitly made in a submission to the\textsuperscript{2005Senateinquiry into welfare to work by the Department of Employment and Workplace Relations:}

Reducing welfare dependency will help drive up employment rates, improve the well-being of income support recipients, reduce intergenerational social

\textsuperscript{35} This policy package was a result of the McClure Report, intensifying employment requirements and broadening who these requirements applied to; it is explicated in Chapter 5.

\textsuperscript{36} Direct quotes that lack page numbers are from sources that lack pagination, such as websites.
and economic problems, and help to raise the living standards of Australians.
(Senate Community Affairs Committee 2005, p. 4)

Although it can be disputed to what extent the attention on welfare dependency is due to genuine concern for the well-being of workfare subjects, it is unquestionable that it is closely linked to the justification of helping workfare subjects.

Sometimes the Australian government justified its welfare policies by claiming it was facilitating self-sufficiency or self-reliance. Facilitating self-sufficiency is actually the same objective as reducing welfare dependency, just stated positively. Welfare dependency is the undesirable state of affairs which is amended by becoming self-sufficient. The use of the term ‘self-sufficiency’/’self-reliance’ is most evident in the Building a better system report: “A key objective of [welfare] reform should be to increase self-reliance among working-age people” (Australian Government 2002, p. 3). The term ‘self-reliance’ (or ‘independence’ used synonymously) appears 31 times in the body of the document, far more than other concepts denoting social objectives. This positive terminology was applied far less in the UK, but this appears to be a mere rhetorical difference between the two cases, rather than a substantive difference in policy objectives. However, when the Australian government speaks of self-sufficiency, it is not always entirely clear what is meant.

There is evidence that self-sufficiency is sought both as a means to achieve other ends/objectives – primarily, to save the government money – as well as helping individual workfare subjects as an end in itself. The 2002 government discussion paper that aimed to “build a consensus” for planned welfare policies states: “All elements of the system … [should] promote efforts to increase financial independence” (Australian Government 2002, pp. ii, 9). This implies cost saving concerns, supporting the interpretation of the notion to promote self-sufficiency as merely synonymous with getting people off welfare payments.

Although the following remark by the policy developer from DEEWR confirms this interpretation of self-sufficiency, the interviewee goes on to suggest there has been a change:
That we don’t have to pay them income support may have been for some years why it’s good to be self-sufficient, I think there is now broader recognition that no, it’s good for a whole bunch of reasons. (AA)

This implies that whilst self-sufficiency is important as a means to achieving financial benefits, this is no longer the exclusive understanding of self-sufficiency. It is now enmeshed with various positive outcomes which include promoting the agent’s self-esteem, confidence and autonomy (Yeatman 2000). Self-sufficiency is related to the justification of helping workfare subjects in that it is a specific prescription of what is in the individual’s interests.

The objective of promoting self-reliance/sufficiency is by no means isolated to that report, with a policy developer from DEEWR commenting: “I think predominantly the motivation [of workfare] is to improve people’s self-sufficiency, help them achieve the benefits that can be achieved through employment” (AA). Disregarding the ‘true’ intentions of promoting self-sufficiency, for now, it is commonly explicitly associated with improving the well-being of workfare subjects; therefore, the importance of self-sufficiency reaffirms the importance of helping workfare subjects as a justification for workfare.

**United Kingdom**

Welfare dependency has also been consistently highlighted by UK governments as a central social problem that workfare aims to address. In doing so, both the Labour and Coalition governments have implied that it is the very welfare system that is at fault. For example, the Coalition claimed that “The benefits system … has trapped generation after generation in a spiral of dependency and poverty” (DWP 2010a, p. 1) which echoes the Labour judgement that “Rather than providing work for those who can … [the benefits system] promotes wasteful long term dependency” (DSS & DfEE 1998, p. 5). The implication is that to truly help people, the welfare state should address dependency and get them into work.

Welfare dependency is sometimes identified as the chief social problem; for instance, a Secretary for Work and Pensions in the Labour government said that he was committed to building a welfare state that “above all, helps people to lift themselves out of
dependency” (Hutton 2005, p. 1). The Coalition has continued to emphasise the centrality of dependency as a problem that needs to be addressed, with the Secretary of State for Work and Pensions stating: “the true cost has been paid by some of the poorest receiving these benefits as they have become trapped in dependency” (Smith 2010b). In regard to justifying workfare policies, the emphasis on dependency is probably the greatest area of continuity between the Labour and Coalition governments.

At least as meaningful as the explicit reference to the centrality of dependency is the regularity with which it has been referred to, which culminated in Reducing dependency, increasing opportunity (the ‘Freud Report’). This was a report commissioned by DWP that the former banker David Freud wrote with a team from the department. In it he asserted: “The biggest challenge now is to support those people who are facing multiple disadvantage and long term benefit dependency” (Freud 2007, p. 51). This report then fed into the White Paper Raising Expectations and Increasing Support (on which Freud was employed as an advisor) which claimed to implement Freud’s recommendations “in full” (DWP 2008c, p. 8). Subsequently, Freud became Minister for Welfare Reform in the current Coalition government. The continued emphasis on dependency across Labour and Coalition governments is unsurprising, not least because of the continuity of those involved in shaping welfare policy. The Coalition government has not necessarily increased attention paid to dependency but, because it has placed less emphasis on other specific objectives to help workfare subjects (as will be shown), the relative importance of reducing dependency has grown.

Corresponding to the emphasis on welfare dependency, especially in the UK and to a lesser extent in Australia, concern for unemployment has been largely replaced by ‘worklessness’. In the UK this gradual replacement began with the Labour government. Their 2009 welfare policy White Paper emphasised unemployment far more than worklessness (Economic Impact Unit), then in a following White Paper both terms appeared to a similar extent (DWP 2009b), but their final White Paper referred in the body of the text to worklessness almost three times more than unemployment (Disability Work Division 2010). This was then massively intensified by the Coalition government, where in their welfare White Paper the terms ‘workless’ or ‘worklessness’ appeared 19 times compared to a single use of the term ‘unemployment’ (DWP 2010b).
This shift in language partially reflects the switch from reducing unemployment to increasing employment participation, as noted in Chapter 1. The two terms carry additional connotations. ‘Unemployment’ implies a systemic shortage of jobs, with the unemployed person not being entirely responsible for their predicament. ‘Worklessness’ implies that the individual is failing to work. The terminological shift denotes a changed interpretation from a lack of opportunities to a failure to act. Worklessness describes more than a person merely being unemployed—it refers to a culture of people not working. It is argued that this culture is concentrated in specific areas, within certain families and crosses generations. Just as with welfare dependency, the notion of worklessness is underlined by a focus on individual failings. The two terms are mutually reinforcing, as worklessness does not merely designate people who do not work, but those who do not work and are welfare dependent.

None of this detracts from the sincerity of the justification to help people by reducing welfare dependency. Rather, the focus on welfare dependency and worklessness could merely denote a change in the understanding of what it in people’s interests, and how to help them. The personal benefit to an individual who is no longer ‘dependent’ on welfare payments is often made explicit: “It is essential … we ensure that the right support is available to enable people to become independent and lead fulfilling lives” (DWP 2008b, p. 23). This statement about ‘independence’ is made in the context of getting people into work, and suggests that in doing this their lives will be improved.

There is evidence that employment can be good for people’s well-being; for example, one study showed that employed people report higher life satisfaction, happiness and health than unemployed people (Sanders 2009, p. 99). Although there is contrary evidence (as will be explored in Chapter 8), it is plausible that the UK and Australian governments hold that people will be helped by reducing what is defined as their dependence on welfare payments. Even those who have been morally condemned

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37 There has been a substantial research discourse, mostly in the US, about the notion of a ‘culture of poverty’. Seminal texts include Gans (1969), Gilder (1981), Kelley (1997), Lewis (1969) and Rainwater (1969). Although this discourse concerns more than mere ‘worklessness’ (with race and gender being a significant element), worklessness forms a central part of the literature.
(maybe especially, as with the Poor Laws) can be helped, colloquially referred to as ‘tough love’. A reason to accept this will be presented shortly.

**Promoting social inclusion/attacking social exclusion**

A second justification for helping workfare subjects is based on attacking social exclusion. Social exclusion is a term that arose in France in the 1970s and has since spread across much of Europe and other OECD countries, especially in the late 1980s and more so in the 1990s (Hayes et al. 2008, p. 1; Silver 1994, pp. 531, 535). One reason for the increasing use of the term ‘social inclusion’ is its broad, flexible and multifunctional nature (Hulse et al. 2011, p. 12; Saunders 2011, p. 185). It has been used in various ways, although the literature shares some common elements. Three core elements are an awareness of the multi-dimensional causes of disadvantage, attention to the processes through which disadvantage is perpetuated, and an appreciation of people’s discontinuity with social relations and practices (Millar 2007, p. 2; Room 1995; Tsakloglou & Papadopoulos 2002).

Social exclusion could refer to an end state of affairs, most broadly this often refers to a society where people are excluded from ‘participation’ (Millar 2007, p. 3); when this state of affairs is framed in positive terms of achieving a better society where all citizens can participate, the term ‘social inclusion’ is more appropriate (Hulse et al. 2011, p. 12; Levitas 2003). Alternatively, the term could refer to a general approach, which is used as a means to advance specified objectives like helping the most vulnerable (Gordon 2008), or it could be used as an “umbrella concept to frame … policies” (Hulse et al. 2011, p. 12) which encompass both means and ends.

It will be evident in the following analysis of the use of ‘social exclusion’ in the UK and Australia that all the above meanings are encapsulated, with equivocation between them. Broadly, it will be shown in both cases that the adoption of social inclusion is most concerned with helping the materially worst-off people achieve a higher level of social participation. However, social participation largely concentrates on gaining employment. Many people subject to workfare policies are already active social participants, with vibrant social networks, who are engaged in volunteering and community organisations (Murphy 2011b). The promotion of social inclusion largely operates as a justification for workfare.
United Kingdom

When New Labour came to power it introduced into official government discourse the notion of social exclusion, having adopted the term from continental Europe (Atkinson & Davoudi 2000, p. 435). Toynbee and Walker suggest that one reason why the term gained currency in the UK is because it provided New Labour with a conceptual framework to address social disadvantage without any connotations of ‘Old’ Labour, which concentrated on inequality (2010, p. 196).

In 1997 Labour established the Social Exclusion Unit which was “tasked with improving understanding of the key characteristics of social exclusion, and the impact of government policies, promoting solutions and making recommendations for change” (DSS 1999, p. 4). Although welfare policies were not the only means to achieve objectives related to social exclusion, as the Social Security Secretary Harriet Harman (1998a) said: “Welfare reform … is a key part of the Government’s battle against social exclusion”. This message continued throughout New Labour’s governance, with a much later report affirming that one of the government’s eight principles to welfare reform is that “there should be specific action to attack social exclusion” (DWP 2008b, p. 12). It is clear that attacking social exclusion is a stated objective of welfare policies, and if it is presumed that being socially included is in people’s interests, then attacking social exclusion helps workfare subjects.

Although not all socially excluded people are workfare subjects, all workfare subjects are regarded as socially excluded. This is why in the first report on social exclusion, the Security of State for Social Security states that “social security and employment systems [should] play an active role in helping people who can work to do so” (DSS 1999, p. 7). This is because not participating by being employed, when it is deemed one should be, is to be socially excluded. When used in this sense, the term ‘social exclusion’ has been interchanged with ‘welfare dependency’ and, just as with ‘welfare dependency’, workfare policy attacks social exclusion, by definition.

38In 2002, the influence of the unit was downgraded by shifting it from the central policy making organisation (the Cabinet Office) to the Office of the Deputy Prime Minister. In 2006 it was transformed into the smaller Social Exclusion Taskforce with a narrower focus on the most severely excluded (Stewart et al. 2009, p. 13).
In addition to employment participation, social exclusion has been intimately connected to reducing poverty. Related to this has been a focus on areas of concentrated disadvantage with high unemployment, sometimes referred to as a place-based approach. In the UK this approach received greater attention and resources than in Australia. Two prominent and related programs implemented under this rubric were the New Deal for Communities and the National Strategy for Neighbourhood Renewal which implemented initiatives that focused on outcomes such as related to the physical environment and personal safety. Another program was Sure Start which provided specialised pre-schooling to children from 500 of the most disadvantaged neighbourhoods. This placed-based approach was a second prong accompanying the ‘people-based’ approach, which focused on addressing the specific problems of particular groups of people, such as the homeless, teenage mothers, long term unemployed and migrants (Power 2009, p. 116). A far less important element of social exclusion agendas in the UK and Australia was a ‘structural approach’ which would address the systemic barriers and causes (like structural unemployment and inequality) of lack of social participation.

Nonetheless, the connection to poverty and employment participation has meant that the social exclusion agenda in the UK is quite embedded within general welfare policy, particularly in comparison to Australia. That is to say, rather than a few specific policies added on to the existing welfare policy complex, which aimed at addressing elements of social exclusion, as with the Australian homelessness strategy, the transformation of the UK welfare state is at least partially concerned with social exclusion. All the Labour government welfare policy White Papers incorporate social exclusion, and in Reaching out: An action plan on social exclusion, which ‘renewed’ the social exclusion agenda, Prime Minister Blair pronounced: “Tackling social exclusion is at the heart of this government’s mission” (HM Government 2006, p. 3).

The government established targets, action plans to attain those targets, indicators of success and annual reports to enable the measurement of the level of success or failure of their social exclusion strategy. Over 40 indicators were developed, some examples of successful outcomes in the Include: The employment rate of disabled people rose by

Sometimes the Labour government referred to social justice, stating that: “We are determined to transform the benefits system to ensure that it provides social justice” (DWP 2007b, p. 79). Such official statements were reiterated, unsurprisingly, by the former policy advisor who is connected to the Institute for Social Justice, who said in an interview about welfare ‘reform’: “I think there is a really important social justice element to it” (UKD). Such statements illustrate the routine use of the term ‘social justice’ to denote an important objective of workfare in the UK.

Although the term social justice can invoke the promotion of equality, it is evident that it merely formed part of the social inclusion strategy of helping the worst off. Inequality in the UK rose under the Labour government (Stewart et al. 2009, p. 24; McKnight 2009 p. 91). Policies were implemented that increased the wealth of the more affluent, such as reducing capital gains tax, and in 2007 doubling the inheritance tax threshold (Stewart et al. 2009, pp. 16). Hence, if social justice was a sincere objective, it was part of improving the living standards of the poorest; this equates to social inclusion rather than promoting equality.

By 2008 the government stopped releasing its annual report measuring social exclusion, suggesting that the emphasis on attacking social exclusion began to wane. This is possibly because progress in tackling a number of social exclusion outcomes also began to falter from the mid-2000s. Independent organisations continued to monitor the government’s performance. In particular, the New Policy Institute and Joseph Rowntree Foundation maintained their annual reports. In their 2010 report they found that, from 1999 to 2009, 27 of the 47 indicators improved whilst 13 got worse (Parekh et al. 2010, p. 12). Some of the successes include: educational attainment, with 16-year-olds failing to achieve five GCSEs falling by a quarter between 1995 and 2009, the rate of low birth weight babies born to manual labourers fell by a fifth from

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39 Opportunity for all: Measuring progress on reducing social exclusion and poverty.  
40 Monitoring poverty and social exclusion.  
41 The General Certificate of Secondary Education awarded for specified subjects.
from 1998 to 2008; out of work lone parents fell 11 percentage points in the decade to
2009; and in the decade up to 2008-09 there was a 13 percentage point increase of
people from the bottom quintile who have a bank account (Parekh et al. 2010, pp. 61,
67, 78, 107). Many targets were not met, but overall there was improvement in most of
the indicators. Although there could be exogenous factors why the indicators improved,
the fact that they did provides reason to believe that attacking social exclusion was
indeed a genuine objective of the government.

There has also been criticism of the social exclusion agenda, and the UK government’s
particular approach to it. Most prominently, Ruth Levitas argued that within the broad
social exclusion concept, Moral Underclass and Social Integrationist Discourses (MUD
and SID) dominated over a Redistributionist Discourse (RED). Essentially, MUD
focuses on the ‘delinquent’ behaviour of disadvantaged groups and obliges behavioural
change; SID centres on unemployment and mandates paid work; and these are opposed
to RED which concentrates on poverty and addressing it through promoting equality
(Levitas 2005, p. 7).

In the years since Levitas’ criticisms, the continued application of SID in the UK is
evident from the extensive references to the importance of employment, as cited earlier
in the chapter. The following is just one reference to the explicit relationship made
between employment and social exclusion, where it was stated that a government
objective is “reducing social exclusion by improving employment prospects for people
facing the greatest disadvantage” (DWP 2008b, p. 12).

MUD also remains prevalent, evidenced by the following statement made in a review of
welfare policy commissioned by DWP that one of the four main arguments for welfare
conditionality was the promotion of social inclusion: “imposing requirements on
individuals will shape behaviours and mean they acquire new skills and habits that will
improve both their own and their family’s life chances” (Gregg 2008, p. 23). Whilst
Levitas is correct about the dominance of MUD and especially SID, which shape the
specific goals adopted within the social exclusion agenda, this does not detract from
whether those objectives are intended to help workfare subjects and whether they have
been advanced. This is because MUD and SID simply reflect a particular conception of what is in the interest of workfare subjects and how to help them.

The UK Coalition government abolished the Social Exclusion Taskforce, and although there is some continuity of staff and functions within their ‘Big Society’ rubric, many of the specific indicators the previous government used to gauge particular objectives have been abandoned. Attacking social exclusion has not necessarily been abandoned altogether; elements of the agenda remain, as will be shown below relating to poverty and employment participation. Although tackling social exclusion has been an important objective of workfare since 1997, from at least 2006 (when the Social Exclusion Unit was downgraded) and especially with the election of the Coalition government in 2010 its role declined, and with it the objective to help workfare subjects.

Australia

With the election of the Australian Labor government in 2007, the concept of social inclusion became more pronounced within Australian government policy discourse. There was some allusion to social inclusion during the previous administration, for example, in the McClure Review it was expressed that the overall objective of changing the welfare system – primarily on the basis of a workfare model – was to “minimize social and economic exclusion” (McClure & Reference Group on Welfare Reform 2000, p. 4). Shifting people into employment is justified by the concern with advancing a more inclusive society. This did not translate into policy, and there was little mention of social inclusion by ministers.

As the policy developer for DEEWR says, the “social inclusion agenda … has got more prominence here in recent years” (AB). This was manifested in the establishment of an external advisory Social Inclusion Board and the Social Inclusion Unit within the Department of the Prime Minister and Cabinet, shortly after the Labor government came to office. The function of the unit is to provide research and advice across government on developing policies to promote social inclusion. The following statement captures the meaning of social inclusion in the Australian policy context:
The Australian Government’s social inclusion agenda aims to make sure every Australian has the capability, opportunity and resources to participate in the economy and their community taking responsibility for shaping their own lives. (Australian Government 2010, foreword)

This statement essentially equates social inclusion with individuals participating in society. By invoking “capability, opportunity and resources”, the document implies that participation is good for the individual. However, the emphasis on economic participation and “responsibility” suggests that workfare is part of the social inclusion agenda. This is because the term ‘economic participation’ is euphemistic for ‘employment’; if the issue was that people were not consuming enough goods and services, it could easily be solved by higher welfare payments, whereas the concern is that they are not producing enough goods and services.

The Australian government refers to the positive designator ‘inclusion’ rather than exclusion, as in the UK; this is similar to the application of the positive description to promote self-sufficiency and not merely reducing welfare dependency. The UK terminology is actually more accurate, as the policies in both countries are essentially focused on helping disadvantaged individuals, rather than systemic structural change to create a more inclusive society.

Although the focus of social inclusion is the well-being of disadvantaged individuals, it cannot be entirely equated with this. The government carefully ensures that the social inclusion approach is understood broadly enough to appeal to various objectives and concerns. Therefore we are also told that social exclusion “costs the entire community” (Australian Government 2010, foreword). Hence, social inclusion justifies policy by arguing primarily that the policies are not only good for individual workfare subjects, but also for society generally.

The Australian emphasis on general social benefits whilst focusing on disadvantaged individuals is similar to the UK. This similarity is unsurprising because the adoption of a social inclusion agenda by the Australian Labor government has clearly been influenced by the UK Labour government (Saunders 2011, p. 208). This is implied by the DEEWR policy developer:
We’ve had a new flavour come in … The UK have been into it for a while, … now it’s not just about we need to [activate people] because we will not survive if we don’t have more people in the work force, but there are some broader social benefits here and in fact some broader social problems because these people are not being included. (AB)

This highlights both the UK influence and the non-economic benefits related to getting people into work.

The government clearly associates its social inclusion agenda with workfare: “Employment … is … the first and most important plank towards economic participation and social inclusion” (DEEWR 2010c, p. 46). As in the UK, additional policies that are not focused on employment have also been implemented under the social inclusion rubric. For example, there has been additional investment to reduce homelessness, support disadvantaged children and help refugees integrate into society (Australian Government 2011a). Although the social inclusion agenda is not as comprehensive as in the UK under their Labour government, this suggests that social inclusion is a genuine government objective, of which workfare is one way amongst others of promoting this end.

**Tackling poverty**

The UK government’s objective of promoting social justice is largely advanced through tackling poverty. The centrality of fighting poverty to UK social policy (and indeed workfare policy) is what distinguishes it most from Australian policy where this has been near absent. The conservative Coalition government did not even officially recognise that poverty existed in Australia (Saunders 2011, p. 19) and, unlike in the UK, an official measure of poverty is still lacking. To the extent that the Australian Labor government is concerned with tackling poverty, their policies are largely encapsulated within their social inclusion agenda.

Tackling poverty has been a key aspect of UK welfare policy, with Labour’s Minister for Welfare Reform Frank Field (1997) stating: “Poverty is the big issue for this Government” and Prime Minister Blair (1999, p. 17) pledging: “Our historic aim will be for ours to be the first generation to end child poverty” This pledge is reminiscent of the
unfulfilled promise made by Prime Minister Hawke in 1987 that “by 1990 no Australian child will be living in poverty” (AAP 2007). The failure to meet this aspiration may have inhibited future governments from making similar promises. The UK’s child poverty ambition was reaffirmed throughout the Labour administration, for example, Social Security Secretary John Hutton stated: “tackling child poverty is my Department’s number one priority” (DWP 2006b, p. 1). The government justified its welfare policies by referring to poverty in all the White Papers from 1997 to 2010. It was referred to more often than social exclusion, social justice or even dependency, which was the second most frequently used.

The most common measure of poverty that the UK government applies is the OECD standard of relative poverty, which is earning below 60% of the national median disposable income, adjusted for household size. Poverty is easy to measure, at least in comparison to contested, vague, broad or complex concepts like well-being.

Although the Labour government fell well short of their target of halving child poverty by 2010, they did make progress, reducing it by about 4% (Parekh et al. 2010, p. 31), pulling 600,000 children out of poverty (Toynbee & Walker 2010, p. 198). Pensioner poverty was reduced by 12 percentage points (Parekh et al. 2010, p. 14) and, although poverty was not reduced for childless working-age adults, it is estimated that overall poverty would have been six percentage points higher for them if Labour had continued the policies they inherited (Sefton et al. 2009, p. 44). These significant gains were achieved by 2005, after which poverty rates remained fairly static and even rose a little (Sefton et al. 2009, p. 44). Sefton et al. suggest this is because the government did not build on earlier policies, having “taken its foot off the pedal” (2009, p. 44). An additional reason was that the rate of economic growth slowed, particularly affecting working-age people not entitled to child benefits, including the unemployed, under-employed and working poor. This suggests that exogenous factors, chiefly the state of the economy, play a significant role in poverty reduction.

Overall poverty actually declined in the last two years of Labour’s term, which was during the GFC (Jin et al. 2011, p. 67). But this can at least somewhat be explained by the fact that poverty is measured relatively, so if middle incomes decline, those at the
bottom are relatively better off. By the same process though, during economic booms, when middle incomes increase, it requires policy interventions to distribute money to low income earners who would otherwise fall into relative poverty. This distribution clearly took place under the Labour government. Despite the apparent demoted priority of tackling poverty in its latter years, the extent to which some progress was made suggests the justification to tackle poverty was sincere, even if it somewhat relied on economic growth. In tackling poverty, social justice was somewhat promoted, as more resources were made accessible to the materially worst-off.

The primary policy strategy to address poverty, including child poverty, was through work: “Our approach of work for those who can aims to tackle the most important cause of poverty and social exclusion: being out of work (DSS 1999, p. 31). The policies implemented reflect the centrality of work in tackling poverty. So although there was an increase in funds for welfare payments like child benefits, child tax credits and income support, by far the most funds were spent on Working Families Tax Credit which, as will be described in Chapter 5, has the primary aim of incentivising people to work (DSS 1999, p. 60).

The centrality of tackling poverty and using workfare to achieve this was corroborated in interviews. In particular, a senior policy advisor from the DWP commented:

We talk about getting people into work, but actually what we really want to achieve is one step further, it’s about reducing poverty, about helping people save for their retirement, about reducing child poverty. (UKA)

This was followed by the remark: “We focus on one area, and what we focus on is getting people into work, as one step towards that, the aspiration of getting people out of poverty”. The advisor claims that workfare is a means towards achieving the objective of reducing poverty.

The UK Coalition government has continued to justify its welfare policies with the objective of fighting poverty, for instance: “Addressing poverty … in Britain is at the heart of our agenda … At the heart of this fight against poverty must be work” (HM Government 2010, p. 4). This claim is from a report that the government released shortly after gaining office which highlighted the extent of poverty in the UK,
something that a government would not do if they intended to change policy objectives away from addressing poverty. However, it appears that they have dropped the specific policy target of ending child poverty by 2020. The senior policy advisor from DWP said:

I’ve not seen a great deal of what the current government says about its aspirations, but the last government certainly had some very clear goals … [with] a very clear set of steps to achieve this. The current government hasn’t necessarily done this. (UKA)

Nonetheless, signifying that the Coalition government intends to continue to tackle child poverty, subsequent to the above report on poverty, the former Labour minister Frank Field was commissioned to review poverty in the UK and recommend policies to reduce it. Reflecting the aims of the review, he argued that a “new approach” was required to fight poverty, one that did not focus on income poverty and rely on the tax and payment system. It was claimed that measuring income poverty annually detracts from investments in addressing the key causes of child poverty, which then flow into adult poverty. It is affirmed that these key causes relate to the home environment, such as parenting styles and abilities. Although the review admitted that increased funding would be unlikely (Field 2010, p. 15), it did recommend substantive programs, such as ensuring disadvantaged children have access to full-time childcare from the age of two (2010, p. 7).

A possible explanation why the Coalition continued justifying their welfare policies by referring to poverty is because of ideological path dependency. That is, just as Thatcher’s Conservative government transformed political discourse (such as legitimising individualism and an expanded private sector), so too did the Labour government, placing fighting poverty on the national agenda. Evidence of this ideological path dependency comes from the above Coalition review of poverty:

Prime Minister Blair’s 1999 proclamation to end child poverty instantly transformed the ranking on the political agenda of the issue of poverty in a rich society. How best to abolish child poverty became a topic of high political

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42 Even if it is true that Labour did not change public discourse in regard to reversing elements of neoliberal economic policy (Anderson 2000, p. 7; Hay 1999, p. 2; Jordan 2010).
It is politically difficult for incoming governments to radically alter objectives and norms that have become widely accepted. Just as Labour accepted the expanded role of the private sector, it is possible that the Coalition has accepted that the government has an important role to play in fighting poverty and in helping workfare subjects generally. However, it is difficult to assess whether an incoming government has actually integrated the established ideology into its own policy rationale or merely maintains some of the rhetoric and intends to gradually change the underlying objectives and norms. The Coalition’s intentions will only become evident by assessing their policies as they develop over time.

There were early signs that, despite continuity in the rhetoric that their welfare policies “will substantially reduce poverty”, there would be some discontinuity (DWP 2010b, p. 5). It was predicted that as a consequence of implementing the Coalition tax and benefit policies, poverty – in particular, child poverty – would increase over the following three years (Brewer & Joyce 2010). Just one significant social program reduction among many is that contrary to Field’s recommendations, the percentage of childcare payments claimable under the Working Families Tax Credit has been reduced from 80% to 70% (Peachey 2010). To be fair to the Coalition, the economic context of recession and substantial government debt, as opposed to the mostly booming economy that Labour enjoyed, has restrained policy options. One can only speculate as to whether the Coalition would have implemented such policies anyway.

It is clear that the objective of tackling poverty continues to be appealed to in order to justify workfare because of the wide belief that poverty is a terrible social ill, where the poor are most in need of help, thus any change in welfare policy must be measured by its ability to help workfare subjects escape from poverty. The emphasis on fighting poverty reinforces the centrality of justifying workfare in terms of helping workfare subjects. Whilst the reduced rate of child poverty is testament to the previous government’s sincerity in achieving this goal, there appears reason to think that under
the Coalition government poverty reduction is less important. This somewhat downgrades the value placed on helping workfare subjects, although it remains an important justification.

The interests of workfare subjects
All four specific justifications relating to helping workfare subjects through advancing their well-being – welfare dependency, social inclusion, social justice and poverty – could be conceived of as either an end objective in itself, constitutive element of human well-being, instrumental to human well-being or a combination of all three. However, the concept of ‘poverty’ was narrowly used, referring to income. Income is merely a resource that can enable a person to live well. Fighting poverty was instrumental to the further objective of promoting well-being. Similarly, promoting social justice can be (and possibly ought to be) conceived of as an end in itself, but in practice it was largely an instrumental objective. Rather than accommodating the relational aspects of the concept, that is, the equality and equity of social relations, it focused on giving more resources to the poor. By definition, resources are not valuable ends in themselves, but means to further ends, enabling people to advance their general well-being.

Reducing welfare dependency can be an end in itself, by conceiving the state of affairs of being welfare dependent as inherently bad. That is, it could be argued that a constitutive part of the good life is to be financially independent of the state. However, as mentioned earlier, other people in society who are not financially independent of the state are not considered as in need of redemption. No one in society is self-sufficient, by definition. It is possible some character traits associated with self-sufficiency are partially being valued for themselves, such as industriousness. But the neglect of other categories of people (such as the idle rich and pensioners) suggests that welfare dependency is not mostly being conceived of as a negative state of affairs in itself, rather it is derivative of a further conception of well-being. It is presupposed that the so-called ‘welfare dependent’ suffer from preventable psychosocial problems, in particular, low self-esteem, motivation, autonomy and morale, as well as a high degree of alienation. Apart from such problems being undesirable in themselves, they also interfere with the development of other aspects of well-being, such as articulated through the notion of social inclusion.
The concept of social inclusion is both instrumentally applied as good for people’s psychological health and is concerned with people’s access to resources. However, of all four specific justifications, social inclusion appears most like it is conceptualised as a constitutive part of well-being, and not entirely a means towards it. That is, its application implies that participating in society (especially employment) is part of the good life, that participating is simply something people should do as an important ingredient of living well. Being welfare dependent is not necessarily incompatible with this (if a lack of employment participation is compensated by other forms of participation), but due to the psychosocial problems that welfare dependency supposedly fosters, it can inhibit it. However, it is never affirmed that this participation comprises the entire good life; there are other elements of human well-being.

Although the objective of advancing well-being was a central justification of workfare, it remained quite vague what else besides social participation constituted well-being, with little detail provided by governments about how they understood the well-being that they were supposedly advancing. Occasionally physical and psychological health was invoked, as can be seen from some quotations earlier. This provides some concreteness and objectivity to well-being, as health is measured scientifically. Mostly, though, ‘well-being’ remained a broad and vague notion. Towards the end of the period studied (2009), some further clarification arrived although, as was common, more detail was available in the UK than the Australian case.

The detail that was provided in the Australian case accompanied the rise of the social inclusion agenda. For example, it stated that a driver of social exclusion is “poor health and well-being” and that an objective is to provide “the best opportunities for all Australians to live a long, healthy, happy and prosperous life” (Australian Government 2010, p. 8). Again health is invoked, and prosperity likely refers to access to consumer goods and services; importantly though, even the more subjective notion of ‘happiness’ is affirmed as a policy objective.

43 Although this ‘medicalised’ element of well-being is not devoid of values, especially regarding psychological health, debates with normative content persist about whether certain psychological attributes (such as sadness) should be considered unhealthy or not.
Another important element of well-being identified by the Australian government (2010, p. 2) was being “treated with dignity and respect”, that is, being treated in a way that is appropriate to a human being. According to the most seminal contributor on this topic, Immanuel Kant, this must at least include appreciating an individual’s unique and irreplaceable value as an end in themselves. Kant (1998 (1785)) bases this value on the human capacity for rationality, which includes being autonomous in the sense of having the capacity to freely decide how to live. Many subsequent thinkers have added to Kant’s notion of dignity, but respecting people’s autonomy has remained central. Scholars have further developed the notion of autonomy, with some providing highly robust accounts which include acting according to certain kinds of principles and under specific conditions (Arneson 1999; Chan & Bowpitt 2005; Feinberg 1971). Autonomy is obviously not described in such a sophisticated manner by the UK and Australian governments, but nonetheless a parsimonious account is evident, that is, agents are autonomous if they are largely directing and shaping their own life. The Australian government appears to endorse this notion of dignity grounded in respecting autonomy, as it is affirmed that people should “play an active part in shaping their own life”. A final detail of well-being provided in the Australian case is the objective to enable people to “develop their own potential” (Australian Government 2010, p. 2). To be well, people should not merely have the autonomy to decide how to live, but should actually be able develop their capabilities.

This notion of developing one’s potential is elaborated in the UK where the Equality and Human Rights Commission draws on the ‘capabilities approach’ to well-being as part of the Equalities Measurement Framework which is used to assess equality levels across select domains (Sabina et al. 2009). As developed by Amartya Sen, the capabilities approach contends that “capability to function … represents the various combinations of … beings and doings … that the person can achieve … reflecting the person’s freedom to lead one type of life or another, …the capability to achieve functionings will constitute the person’s freedom … to have well-being” (Sen 1992, p. 40). Clearly drawing on this, the UK government intended to assess equality based on the “‘substantive freedom’ … in the central and valuable things in life that people can actually do and be” (Sabina et al. 2009, p. xiii). In addition to individual attributes,
inherently social elements have been identified that are based on human interdependence, hence the importance of social participation.

Ten ‘domains’ of ‘beings and doings’ were identified and described, including: the capability to engage in productive and valued activities; the capability of being and expressing yourself, and having self-respect; the capability to enjoy a comfortable standard of living, with independence and security; the capability to be knowledgeable, to understand and reason, and to have the skills to participate in society; and the capability to participate in decision making, have a voice and influence (Sabina et al. 2009, p. 17-18).

These capabilities were considered to have three aspects. They could relate to outcomes, such as whether people actually “have a decent paid job”. They could relate to processes: whether people were actually treated with dignity and respect, such as “not be[ing] forced to work in a particular occupation or without pay”. Finally, the domains of capabilities could relate to autonomy: being able to make decisions and exercise control over one’s life, such as “choos[ing] a balance between paid and unpaid work, care and leisure on an equal basis with others” (Sabina et al. 2009, p. 17). As in the Australian case, autonomy again features as a central aspect of well-being, with even more detail. Not only has a highly substantive account of well-being been provided, but the commission responsible for explicating this account is tasked with “influenc[ing] the development and amending of all government policy”. Therefore, the clarity provided in defining well-being is relevant to the objective of advancing it through workfare policy.

Hence, the objective to improve people’s well-being was made much more explicit in both cases, and much more concrete in the UK. Both broadly adopted the approach that well-being largely involves individuals having the autonomy to develop their capabilities/potential; additionally, consideration of the equality of capabilities conjoins well-being and fairness, that is, a fair society is one where all people are facilitated in being capable. This conception of well-being and fairness is drawn on throughout this thesis, thereby holding the governments accountable to their own standards. Workfare policy is often concerned with the conditions that enable this well-being, rather than directly advancing it, quite reasonably so. It was claimed in the UK case that, by
creating a somewhat more socially just society through at least ameliorating poverty, people will have more opportunity to develop their capabilities. For both Australia and the UK, it is supposed that removing a person’s ‘dependency’ on welfare will lead them to be more vigorous and thereby better able to develop their capabilities. A particularly important capability that formed part of living well, which was stressed in both cases, was to participate in social activities, especially work.

**Sincerity of helping workfare subjects justification**

There are commentators who argue that Labour, to a large extent, continued with and intensified conservative/Thatcherite/neoliberal welfare policies, with references to fighting poverty and social inclusion serving as rhetorical cover (Callinicos 2001; Dwyer 2008, p. 213; Ferguson et al. 2002; Hall 1998; Hay 1999, p. 113). In support of this interpretation about policy continuity is the revealing comment by a senior policy advisor from DWP:

> There was never really much disagreement … even the last government and even the one before … There’s always a degree of consensus whenever we’ve done our welfare reform bills, across all three parties.

This suggests that, rather than being a radical departure from the Conservative government, much the same would have been introduced had New Labour never come to power.

In contrast to the policy continuity interpretation, other commentators essentially accept Labour’s claims that the policies updated social democracy for modern globalised circumstances (Giddens 2000, 2007; Jayasuria 2006). There are also those who contend that Labour’s policies inherently integrate both these conservative and progressive elements (Deacon 2002; Driver & Martell 2002). In judging Labour by their outcomes, it seems that this last interpretation is most accurate. Although they may not have fundamentally altered unfair social structures relating to the labour market (as will be shown in Chapter 8), they helped improve the well-being of some of the most disadvantaged people; they did this by reducing poverty, preventing its expected rise and advancing certain elements of social inclusion. This suggests that the justification to help workfare subjects was sincere.
As for the UK Coalition government, at the beginning of 2011 social outcomes from policies (like impacts on poverty rates) had not eventuated and it is premature to assess them, but as shown above, the scrapping of the social inclusion agenda, along with changes to benefits that have been predicted to increase poverty, suggests that the disconnect between rhetoric to help workfare subjects and actuality has widened. In the subsequent chapter an examination of the Coalition government’s main other justifications show that despite this disconnect, the rationale to help workfare subjects does still somewhat reflect the justification, albeit the prominence of this objective is less than under Labour.

In Australia, although since 1997 workfare has consistently been justified by appealing to the objective of helping workfare subjects, it is only with the establishment of the social inclusion agenda in 2007 by the Labor government that specific means have been applied that do not largely redescribe workfare in terms of ends. That is, workfare by definition is about shifting people from welfare and into work; reducing welfare dependency and promoting self-sufficiency are inextricably part of the nature of workfare. This is not to deny that reducing welfare dependency and promoting self-sufficiency can be in people’s interests. Policy makers might sincerely believe that this does advance people’s well-being, but it is difficult to judge the sincerity of helping workfare subjects merely from objectives that are an inherent element of the definition of workfare. The examination of alternative justifications and objectives of workfare in the next chapter will assist in judging the sincerity of the Australian governments’ justification to help workfare subjects.

A comparison with the UK also assists with such judgement. Unlike UK Labour, the conservative Coalition in Australia did not elucidate many specific goals that were part of the overarching objective to help workfare subjects. It was not clear how they were to be helped, except for reducing their dependence on welfare and thereby assisting them to become self-sufficient via employment. The sincerity of their broad objective to help workfare subjects rests on the plausibility that they were actually trying to help by reducing welfare dependence.
The UK case lends plausibility to the justification of the Australian conservative Coalition government to help workfare subjects by reducing their dependency. This is because under the UK Labour government, additional to the specific goal of reducing welfare dependency, other aims were also detailed, such as tackling poverty and social exclusion, which as shown earlier they actually did. This then provides the avenue to deduce that if the UK government was sincere about tackling poverty and social exclusion in order to help workfare subjects, there seems little reason to doubt their sincerity about helping through reducing dependency on welfare. From this it can be inferred that the Australian government was also sincerely trying to help workfare subjects by reducing dependency on welfare, as the Australian rhetoric and actual policies related to welfare dependency very closely resembled those in the UK. The Australian conservative Coalition government did not emphasise helping workfare subjects to the extent of UK Labour, and the comparative lack of specific policies which actually helped workfare subjects reflects this. Fighting poverty was not on the agenda, and consequently poverty rates increased (ACOSS 2007, p. 5). However, the above suggests that, to the extent that helping workfare subjects through reducing welfare dependency was appealed to, there was sincerity.

Conclusion: Helping workfare subjects
In both Australia and the UK, workfare was widely justified through the broad objective to help workfare subjects. Under the UK Labour government, the emphasis on welfare dependency was balanced to a greater extent than in Australia by other concerns, specifically social justice, poverty and social exclusion. Stewart et al. argue that from 2003-04 the importance of these objectives in the UK waned somewhat, largely due to the distraction of foreign wars, constrained public finances as economic growth slowed and a preoccupation with public sector reform (2009, p. 13). Nonetheless, social justice, social inclusion and tackling poverty remained important justifications.

The UK Coalition government does not justify workfare with these objectives to the same extent as Labour did, consequently dependency is emphasised. This emphasis on dependency is somewhat similar to the Australian conservative Coalition government. Across all four governments though, dependency remains a legitimating justification through its connection to helping the so-called dependent.
The current Australian Labor government justified workfare to a much greater extent than their predecessor through promoting its social inclusion agenda. However, it has not emphasised social exclusion to the same extent as UK Labour, nor have objectives relating to poverty and particularly social justice been prominent. Nonetheless, to the extent that the objectives of attacking social exclusion, tackling poverty, and promoting social justice have been appealed to in both countries, along with reducing welfare dependency and improving the well-being of workfare subjects generally, in combination, are comparable to or exceed other justifications. The competing justifications will be explored in the following chapter. Moreover though, the justification to promote the well-being of workfare subjects reflects an actual objective to help workfare subjects. This was especially prominent under UK New Labour, somewhat less so under Australian Labor, and less again under the Australian conservative Coalition. Whilst the current UK Coalition government has shifted policy objectives, as will be explored subsequently, the objective to help workfare subjects remains important.
Chapter 4: Objective to benefit society

Introduction

Despite the importance of the avowed objective to help workfare subjects, other justifications of workfare have been highly prominent in Australia and the UK. First among these is the promotion of reciprocity (or reciprocal fairness). This has been particularly prominent in Australia, and a little less so in the UK. However, based on empirical investigation, the chapter argues that reciprocity does not overwhelm the objective to help workfare subjects. Second, the chapter investigates two related objectives for workfare in the UK and Australia which, although widely used as justifications, some might argue remain underplayed. These are reducing or restraining government expenditure and growing the economy. That is to say, the objectives have more importance in driving and shaping workfare than is openly admitted. It will be argued that there is little reason to believe that these two objectives have much more significance than the governments represent.

What both the reciprocity and economic/fiscal justifications have in common is that they relate to benefiting society in general. It will be shown that there is good reason to doubt this, rather they are associated with objectives that benefit some people in society, at others’ expense; that is, certain groups with more power in society benefit, and workfare subjects suffer. It is not being assumed that there is one group in society who can be identified as ‘the powerful’, but even though power in society is dispersed and complex, some groups of people have considerably more influence over social conditions than others, such as political leaders, large employers and high income earners. Despite such powerful groups benefiting from objectives related to reciprocal, economic and fiscal justifications of workfare, it will be contended that these objectives still do not overshadow the objective to help workfare subjects.

Reciprocity objective

Reciprocity is based on a certain conception of fairness whereby people are engaged in a mutually beneficial enterprise and thus have a responsibility to contribute. White defines the “principle of reciprocity” as “those who willingly share in the social product have a corresponding obligation to make a reasonable (relevantly proportional) productive contribution to the community in return” (2000, p. 513). In the context of
workfare, as people benefit from receiving income support payments, the claim is that they have a responsibility to contribute to the economic production that enabled those payments, which obliges them to work when they are able to. Reciprocal fairness could be understood as a socially good end in itself, that is, societies where people contribute a fair share are prima facie better than those that allow ‘free-riding’. It could also be interpreted as an instrumental good, whereby through enforcing reciprocity, more citizens will be required to be productive, creating a more prosperous society. Either interpretation is based on creating a better society.

**Mutual Obligation in Australia**

In Australia since 1996 the rubric of Mutual Obligation has been used to espouse the notion of reciprocity, justifying specific workfare policies. Mutual Obligation affirms that workfare subjects have certain obligations because the government/community is obliged to support them: “people in receipt of unemployment payments … [should] give something back to the community in return for the support they receive” (Whiteford&Angenent 2002, p. 91). The most overt means by which workfare subjects have been obliged to ‘give back to the community’ was to engage in Work for the Dole, described in the following chapter. Under the Howard government, Mutual Obligation was arguably the dominant theme underpinning workfare policies.

The succeeding Labor government has not renounced the Mutual Obligation principle. In fact, whilst in opposition the party tried to take credit for this, having initiated a similar notion, termed ‘reciprocal obligation’ in 1994, under the Working Nation initiative. The current Labor government has somewhat shifted from the terminology of Mutual Obligation, instead introducing the notion of ‘compact’:

> Comacts are a new way the Australian Government is trialling support for individuals and communities at risk of joblessness. The compacts bring together a range of supports and reciprocal arrangements through which the Government will work with those individuals and communities to keep them connected to the labour market and moving towards employment. (Australian Government 2010, p. 23)

As with Mutual Obligation, reciprocity is at the core of the compact.
The importance of reciprocity is affirmed in interviews. The policy developer for DEEWR remarked that “an underlying concept there has always been is Mutual Obligation, regardless of government and for a number of years” (AA), as reiterated by the policy analyst from DEEWR:

The language has changed but not necessarily the underlying policy rationale… At various times of discussion of welfare policy, there have been greater or lesser emphasis on the roles of the different players in the debate, but I think that’s been a consistent underpinning of policy rationale …The basic concept … is that notion that there is reciprocity in the assistance that the government gives. (AB)

Importantly, the policy analyst remarked: “I think we have seen a movement … away from the discussion of rights and entitlements to more … reciprocity” (AA), that is to say, a greater emphasis on the obligations of recipients of welfare support.

Interviewees who worked in the department responsible for employment (DEEWR) focused more on reciprocity than those who worked in the department responsible for social security (FaHCSIA), who put more emphasis on helping workfare subjects.44 This is because reciprocity primarily functions as a justification for moving people into work, with DEEWR obviously operating on the basis that such participation is of social benefit. FaHCSIA primarily focuses on people’s well-being: “Our purpose is improving the lives of Australians” (FaHCSIA 2010). DEEWR states no such grand overarching purpose, but rather has more specific objectives, one of which is “To increase workforce participation” (DEEWR 2010a). Although both departments connect employment with well-being, unsurprisingly DEEWR utilised additional arguments for employment activation (reciprocity) whereas FaHCSIA simply focused on well-being. This reveals that policy is not necessarily developed homogenously, but governments are complex organisations whose different divisions can have distinct policy objectives.

Reciprocity has been associated with helping workfare subjects. For example, the McClure Report states: “Our main reason for supporting a broad application of the Mutual Obligations concept is the long term benefits for individuals, families and the

44 In Australia’s tripartite system of governance, the federal government is responsible for employment policy and most welfare payments.
wider community” (2000, p. 5). This argument is based on the presumption that by enforcing people’s obligations to work, people will be better off. Although reciprocity is mostly conceptualised as promoting the interests of society in general, the above comment illustrates how this was also combined with helping workfare subjects.

Furthermore, it is argued that reciprocity legitimises the welfare state. For instance, a government member of parliament pronounced:

> We know that simply providing income support without any sense of reciprocity does not work … [P]assive welfare support without any sense of responsibility or obligation is eventually eroded by its own middle class, who cease to have faith in a pension system if there is no reciprocity but simply passive income provision. (Laming 2006)

This implies that, at least in the long run, the workfare class benefit from reciprocity being enforced.

The policy analyst from DEEWR provided an explanation why the Australian welfare state relies on the enforcement of reciprocity:

> It is based very much on tax payer funded benefits that don’t require a history of employment or contribution is quite important. Because that sort of changes the dynamic of public discourse and the legitimacy of the system …[I]t is after all funded by people who are working and paying taxes, so it is part of the rationale for some of the reforms …Without some activation, policy [social security] could potentially lead to, aagghh, I guess for want of a better word, resentment. (AB)

It is argued here that reciprocity is particularly pertinent to Australia because unlike the UK, national social security payments have never operated on an insurance model, but rather come from the general pool of taxation. This might partially explain why the reciprocity objective has been more prominent in Australia than the UK.

Under the Howard government, reciprocity was arguably more dominant than helping workfare subjects as a chief justification for workfare. Under Labor and its social inclusion agenda, there has been a relative contraction in the overt use of reciprocity to
justify workfare policies, but it remains an important justification for workfare. The
sincerity of this justification can be questioned too, as it is only plausible that the
government is enforcing this notion of fairness if there is actually a community demand
or expectation for reciprocity.

Enforcing community expectation of reciprocity in Australia
A justification that was closely aligned with reciprocity was enforcing community
attitudes/expectations. The two justifications are connected by arguing that the reason
why reciprocity must be enforced is because the community demands so. It would be a
strange notion of fairness indeed if only policy makers and not the population upheld it.

The government claimed that the notion of Mutual Obligation reflected community
attitudes. For example, the McClure Report asserted: “An obligation to participate will
reinforce community expectations” (McClure & Reference Group on Welfare Reform
2000, p. 33). Community attitudes continued to be invoked in explaining the
introduction of reciprocity based policies; in a parliamentary speech regarding Welfare
to Work, the Minister for Employment and Workplace Relations stated: “The bill meets
with community standards about the need for a balance of assistance, incentives and
obligations to increase participation” (Andrews 2005a, p. 3). The general requirement to
work was often defended on the basis of community attitudes. For example, in an
inquiry into welfare to work, DEWR submitted: “passive income support is out of step
with community norms and expectations” (Senate Community Affairs Committee
2005). The above two statements merely illustrate that policies justified in terms of
reciprocity are usually accompanied by claims relating to ‘community expectations’.

In interviews, policy makers also associated workfare policies, reciprocity and
community attitudes. A comment from the policy developer from DEEWR illustrates
this:

When the research is undertaken … pretty much universally and for a number
of years people think that there should be a safety net … But on the other side
of that, people are actually doing something to improve their situation and put
something back in the system … That is a restraint that any government has
that they wouldn’t want to shift too far away, because they would be shifting a long way away from public perceptions. (AB)

Where reciprocity was not directly referred to, its presence was implicit. For instance, the senior policy maker at FaHCSIA commented: “It is about enforcing a social norm. In the Australian community it is expected that you work” (AD). The context of this remark suggested that the ‘expectation to work’ largely stems from the notion that people should not be able to ‘free-ride’.

Workfare policies were further legitimised by referring to historical and continuous popular support for reciprocal welfare obligations. For instance, in regard to enforcing welfare requirement, the policy analyst from DEEWR said: “It is a widely held public view for a long time and it’s not changed for a long time” (AB). This was reaffirmed by a colleague:

All governments for a long period of time of both persuasions have tried to have that reassurance for that average Joe on the street that that people who are receiving public assistance are being held to account in some way. (AA)

To prevent workfare policies being understood as an aberration or policy departure, their consistency with prolonged community attitudes is appealed to.

It can be questioned whether governments implemented workfare type policies on the basis of upholding community standards, or were inclined to do so for alternative reasons, then using public opinion as a justification. The policy analyst for DEEWR queried whether the Welfare to Work policies were “ahead of public expectation or behind” (AB). One does not need to be cynical to believe that even democratic governments enact unpopular policies, whether to promote national interests or those of a particular minority group.

Nonetheless, there is evidence suggesting that there are indeed high levels of support for workfare policies based on reciprocity. Mutual Obligation targeted at the young and long term unemployed was particularly endorsed, but there was much less support for other categories of workfare subjects (2002b). More recent research from the Australian Social Attitudes Survey also showed over 70% of people believe that “people who
receive welfare benefits should be under more obligation to find work” (Denemark 2007, p. 273). This suggests that the objective to promote reciprocity does indeed resound with colloquialisms used in Australia such as ‘doing your fair share’, ‘pulling your weight’ and ‘not bludging off others’. Although there remains a diversity in the specific obligations that follow from reciprocal fairness (Goodin 2002); thus, how the widely accepted principle of reciprocity manifests in specific obligations is decided in the political sphere.

Rights and responsibilities in the UK
Notions of reciprocity and enforcing community attitudes are prominent in UK workfare policy discourse, although not to the same extent as under the Australian conservative Coalition government. In the UK, the extent to which the notions are deployed in the context of legitimising the welfare state, rather than merely promoting reciprocity as an end in itself, is greater than in Australia. Prime Minister Blair stated that an objective of his government was to “make the welfare state popular again” (1999, p. 7) which Deacon identifies as one of the four central themes of New Labour’s welfare reforms (2002, p. 102). In explaining the need to implement popular reforms, Blair said: “we have reached the limits of the public’s willingness simply to fund an unreformed welfare system through ever higher taxes and spending” (1997). The ‘reforms’ he had in mind were the enforcement of reciprocal fairness. According to this logic, because the public expect reciprocal fairness, the government will enforce it, and in doing so support the welfare state, thereby promoting the interests of workfare subjects.

A further point of difference between the Australian conservative Coalition government and the UK Labour government was that whereas the former preferred the term ‘Mutual Obligation’, the latter mostly used the language of ‘rights and responsibilities’. The term was mostly used to advocate for reciprocal fairness but, like the Australian government’s use of Mutual Obligation, it also refers to a general approach to welfare policy that particularly incorporates the policy instrument of conditionality.

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45 This was from a stratified randomised sample of 3,817 Australians.
The notion of reciprocity was central to New Labour’s welfare policies (Freud 2007, p. 77). The rights and responsibilities framework is such an important part of its philosophy that the party is partially defined by it, constituting one of the elements making New Labour ‘new’. Under Blair’s leadership, Clause 4 of the party constitution was changed to include “where the rights we enjoy reflect the duties we owe” (Levitas 2005, p. 236). It is the content of those duties/responsibilities which makes the rights and responsibilities framework so pertinent to welfare policy change.

The rights and responsibilities framework in the UK is closely tied to workfare, as the primary responsibility is to work when one is able to. In fact, it is often equated with workfare, rather than being anything over and above it. One instance of this is the stated principle of employment activation as “A stronger framework of rights and responsibilities to move benefit claimants from being passive recipients to being active jobseekers” (DWP 2007b, p. 10). Although reference to responsibilities is usually accompanied by reference to rights, it is the former that are actually being emphasised. This is clear because the language of rights and responsibilities is usually invoked in the context of justifying new employment related obligations.

The government might argue that the emphasis on responsibilities is to correct the imbalance towards rights from the preceding era in welfare policy. Both the UK Labour and Coalition governments often claimed to be endeavouring to achieve a fair society through welfare reform although, as mentioned earlier, the term ‘fair’ has gained wider currency with the Coalition government. What constitutes ‘fairness’ was often left ambiguous by both governments, which can be assumed was done for rhetorical purposes, as almost everyone accepts a fairer society – in general – is desirable. In various instances, fairness may have had diverse meanings; nonetheless, as in the Australian case, it is clear that what is often meant by fairness is related to reciprocity, specifically, to prevent people capable of working from ‘free-riding’. For example, the Coalition Secretary of State for Work and Pensions said: “we will … make sure the system is fair by ensuring that receipt of benefits for those able to work is conditional on their willingness to work. So to be fair to the taxpayer, we will cut payments if they don’t do the right thing” (Smith 2010c). The rights and responsibilities framework
operates to justify workfare by propounding the objective of promoting reciprocal fairness.

Probably because the term *rights and responsibilities* was closely associated with New Labour, the Coalition government, as well as directly invoking fairness, has increasingly adopted the notion of ‘contracts’. For example, it claimed that they “want to create a new contract with the British people” (DWP 2010a, p. 1). The following quote from a policy advisor at DWP explains the shift in language: “It used to be called rights and responsibilities …The current government talks more in terms of contracts. But there is pretty much agreement amongst political parties that there is a something for something approach” (UKA). Whilst there has been some shift in language, the policy framework remains consistent.

**Sincerity of the reciprocity justification**

Rather than responding to public opinion about policies based on reciprocal obligations, governments may have cultivated it to generate sufficient support for the policies. Moreover, policies do not necessarily aim to serve the good of society, but the interests of political leaders who ‘scapegoat’ workfare subjects (Fitzpatrick 2007, pp. 364-5). The interests of political leaders are served through assisting them to implement other policies they desire by providing a distraction, as well as generally helping them maintain power. For example, after Work for the Dole was introduced in Australia, an opposition member of parliament accused the government of “pressing … community hot-buttons” by “beating up on the unemployed” for its own “political advancement” (Lawrence 1999, p. 2). Specifically, political leaders might publicly blame workfare subjects, thereby distracting attention from deeper social problems like unemployment in order to further their own ability to win elections and maintain power (Green 2002, p. 27). Workfare subjects can be caricatured as undeserving due to personal vices, such as laziness, and devious in accepting welfare at the expense of hard-working members of the community.

There is some reason to believe that Australian governments have done this. For example, welfare fraud has been emphasised, establishing a ‘Dob in a dole bludger hotline’ to encourage citizens to alert the government of suspected welfare fraud. This
was accompanied by declarations from the Minister for Employment and Workplace Relations to “crackdown on welfare cheats” (Andrews 2005b), despite evidence that most instances of receiving over-payments are not the result of deliberate fraud (Hui et al. 2011). This highlighting of fraud is conducive to stigmatising all workfare subjects as cheats or ‘bludgers’. In the UK, the Coalition government has further heightened concern about welfare fraud. For example, in the context of the government’s agenda to reduce government debt in response to the GFC, Prime Minister David Cameron (2010) wrote: “Cutting fraud and bureaucracy in welfare should be the first and deepest cut that we will make”.

Although UK and Australian governments usually qualify accusations of fraud by acknowledging that only a minority are ‘cheats’, the focus on this minority and the repetition of these claims still serves to exaggerate the social issue (Hughes 2008, p. 7). Welfare fraud seems to be over-emphasised in the UK because it is peculiar that it would receive priority (as Prime Minister Cameron suggested) over targeting the misconduct of financial institutions which were implicated in causing the GFC and consumed immense government resources in being ‘bailed out’. Rather than recovering money from those financial institution and their beneficiaries, Cameron’s comment about fraud implied that wasteful spending on welfare programs is responsible for the government debt. There is evidence that welfare fraud is exaggerated in both Australia and the UK, with research showing that although tax fraud costs the government far more revenue than welfare fraud, it receives much fewer resources and attention (Marston 2007; Monbiot 2011).46 The neglect of more significant matters suggests that the high publicity given to getting welfare recipients into work is not about benefiting society through reinforcing community norms of reciprocal fairness, but rather there is a surreptitious objective: the promotion of the interests of certain people in society, that is, political leaders (who have considerable power to shape policies) promote their interest in staying in government through scapegoating workfare subjects.

However, evidence of over-emphasis on welfare fraud, and the general attempt to stigmatise workfare subjects as failing to uphold reciprocal fairness, does not show that

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46 Monbiot bases this claim on the following reports: DWP (2009a, p. 8), HMRC (2010, p. 7) and Murphy (2010).
the Australian and UK governments generated the community norm relating to reciprocal fairness. Rather, it suggests that they may have provoked and used public opinion to serve their own ends. Although justifying workfare by appeals to reciprocal fairness might partially be about furthering certain people’s interests, consistent with this is an actual objective (at least to some extent) of benefiting society through enforcing reciprocity. There is reason to believe that such actual objectives pertain. During the conservative Coalition administration in Australia, reciprocity was more widely invoked to justify workfare than under the UK Labour government; correspondingly, policies that reflected this were implemented to a greater extent than the UK. The Australian conservative Coalition and UK Labour governments provide the clearest comparison, as both emphasised reciprocity for a protracted period of time. Actual policies regarding reciprocity in both countries reflect the prominence of the related justifications.

Advancing the interests of political leaders to stay in office by scapegoating workfare subjects reflects the prominence of the associated justification. Workfare subjects could only be scapegoated if there are community expectations of reciprocity. Even if the justification of reciprocity does not entirely represent the broad kind of objective to promote the interests of society, it still reflects policies that actually do reinforce what much of the community consider as reciprocally fair.

**Summary of reciprocity objective**

Although reciprocal fairness has been an important objective of workfare in the UK, it is not as prominent as under the Australian conservative Coalition government. This may explain why mandatory work programs (e.g. Work for the Dole) were introduced in Australia a decade earlier than the UK, and in a more arduous form. Following from reciprocity being such an important objective under the Australian conservative Coalition government, ‘helping workfare subjects’ was less important compared to the UK. Emphasising the need to enforce duties is not only an alternative objective, but can undermine it. In depicting people as failing to contribute a ‘fair share’, sympathy for them is eroded. Despite the considerable prominence of the objective to help workfare subjects in Australia, the reciprocity objective (including interpretations of it as a surreptitious objective to scapegoat workfare subjects) under the conservative Coalition
was somewhat more prominent, but of less importance under Labor, both relative to the conservative Coalition and to the objective to help people.

In the UK, although the reciprocity objective was emphasised, and was a key objective of the Labour Government, it was appears to have been as prominent as the combination of various objectives related to helping workfare subjects. Unlike helping workfare subjects, it was rarely explicitly portrayed as the principal objective of workfare. The Coalition government reduced the emphasis on helping workfare subjects, but this is not due to strengthening the objective of reciprocity, rather, as will be explored in the following section, an enhancement of economic and fiscal objectives.

To further interrogate the sincerity of the justification of reciprocity, the presence of underplayed objectives, which reciprocal fairness could be used to mask, need to be examined; this task will be included in the next section on the economic and fiscal objectives.

**Economic and fiscal objectives**

The economic objective is grounded upon a market-liberal understanding of economic success which prioritises economic growth through markets. This predominantly involves the efficient utilisation of resources, which include human labour, and the distribution of goods and services across the population is of only marginal concern, if at all. It is purported that workfare can contribute to economic growth by getting more members of society to contribute to economic production, rather than mere consumption. The fiscal objective is the reduction, or more likely the restraint, of government spending on welfare programs.

The economic and fiscal objectives can be intertwined, most clearly in that if workfare programs are successful in reducing government expenditure, the savings can be used to stimulate growth, either through increased government investment or reduced taxes. The investments could stimulate growth through building infrastructure or enhancing skills in order to improve productivity. As for reducing taxes, according to the ‘supply-side’ school of economics it enables higher consumption and investment, stimulating production.
It will first be established that appeals to economic and fiscal objectives play an important role in justifying workfare in Australia and the UK. It will subsequently be argued that the prevalence of the economic and fiscal justifications does not significantly underestimate their actual importance; the justifications largely align with the rationale, rather than understate it.

Australia

There are various references to fiscal objectives throughout official Australian government welfare policy documents, specifically relating to reducing government expenditure on welfare, or at least minimising the cost of welfare provision. For instance, one of the six key principles of the McClure Report is “Maintaining the Government’s disciplined approach to fiscal policy” (McClure & Reference Group on Welfare Reform 2000, p. 62). Then when it came to further implementing some of the ideas advocated in that report through the Welfare to Work legislation, we are told: “this new compliance regime is anticipated to save close to $75 million a year” (Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Bill2005, p. 42). In regard to the same legislation, the Minister for Employment and Workplace Relations stated: “It also reduces the obligation on taxpayers” (Andrews 2005a).

The succeeding Labor government, keen to be seen as fiscally and economically responsible, perpetuated this discourse. It came to power promising a “new era of fiscal discipline” (Swan 2007) and continued to emphasise a need to restrict government expenditure. For example, the social inclusion agenda is partially justified in terms of fiscal savings:

> While social exclusion has an immediate negative impact on those experiencing the exclusion, disadvantage also has economic and social impacts…Social disadvantage results in costs to the budget. (Australian Government 2010, p. 9)

This quote also epitomises how government documents generally do not refer to fiscal objectives in isolation, but as part of a package of concerns and objectives where social and individual gains are also usually referred to.
This is reflected in the following remark by the senior policy maker from FaHCSIA who when asked: “What do you think have been the main reasons why the policies have been implemented?”, responded: “In addition to improving people’s life outcomes there is the fiscal imperative” (AD). Interviews with policy makers support the claim that the objective to reduce government expenditure influenced workfare policy.

The policy developer from DEEWR explained why fiscal concerns are becoming even more important: “In lots of ways that demographic change has been used as a catalyst, or a policy (I suppose) rationale, for engaging those less represented in the work force” (AA). The demographic change referred to is Australia’s aging population, which means there will be increased demand for age pension payments, with a reduced tax base:

I think the demographic shift is a big, big thing, which goes back to affordability at the end of the day, what can we afford to support, economy wise … I don’t think it would get the number one guernsey, but the cost factor is always in there, and that’s been a bit of a different issue with changing demographics. (AA)

That is, although demographics might not be destiny, it certainly is significant. This awareness of demographic changes and the potential impacts on government budgets is paralleled in many other developed countries, including the UK (DWP 2010a, p. 5).

In explaining why “authoritarian “workfare policies have been implemented over relying on pure voluntary approaches, a former FaCS and DEWR policy advisor frankly stated: “It’s cheaper, it’s a resourcing issue in the end”:

The problem with voluntary programs is that the people who use them are already highly motivated, economically that is a bit of a waste because you’re spending money on people who are going to make it fine by themselves. (AC)

This comment does not contradict the notion that a central objective for workfare is to help workfare subjects, but rather suggests that financial efficiency is a consideration in shaping who is helped and how.

It is explicitly denied that reducing costs is the central objective of workfare: following remarks in a joint statement about the unaffordability of some welfare policies, the

47 These became FaHCSIA and DEEWR.
federal Ministers for Community Services and for Employment and Workplace Relations both asserted: “the Government is not undertaking welfare reform as a savings exercise” (Australian Government 2002, p. i). Reducing expenditure is certainly not presented as the central objective of workfare policies; nonetheless the government is quite open that fiscal objectives have played an important motivating role.

In Australia, fiscal objectives were usually connected to (and sometimes conflated with) economic objectives, that is, the promotion of economic growth through government fiscal prudence. Sometimes the economic objectives were purported independently. For example, regarding workfare policies aimed at parents, the policy analyst from DEEWR commented: “More people part-time in the labour force is at least one way to contribute to Australia’s productive capacity” (AB). This illustrates the development of the second wave of welfare ‘reform’ aimed at lifting the employment participation rate and evidently, at least partially, to increase economic production.

There are even more candid remarks revealing how workfare functions to advance economic objectives. For example, the former policy advisor to DEWR and FaCS frankly stated:

The economy was going well, the labour market was going well, basically the pool of unemployed people was drying up, there were labour market constraints that motivated people who were on the employment program side.  

(AC)

This is reiterated by the policy analyst for DEEWR: “There are capacity constraints on the Australian economy on the supply of available workers … so what are your sources of labour supply, activating people that are not currently active in the labour market” (AB). These comments suggest that at least one specific goal of workfare was to increase the supply of labour to serve the broader objective of economic growth.

**United Kingdom**

**Labour**

When New Labour came to power it certainly seemed to be concerned with the cost of welfare, asserting “we must have a system we can afford” (DSS 1998a, p. iv). Prime Minister Blair explicitly claimed that the changes to welfare policy were not “cuts-
driven” (DSS 1998a, p. iv), but fiscal considerations remained apparent. For example, it is affirmed that “by helping more people back to work and helping people avoid long term unemployment or sickness claims, this will also help save money on benefits too” (Disability Work Division 2010, p. 7). However, UK Labour did not emphasise fiscal restraint to the same extent as the Australian conservative Coalition, nor even Australian Labor. In particular, UK Labour did not affirm throughout their tenure the necessity of maintaining surplus budgets.

Nonetheless, concern for the cost of welfare continually featured in welfare policy reviews. A review for DWP candidly stated:

The need for a conditionality regime and its extension over the last 20 years can be explained both by the large increase in the number of individuals across many developed countries that had become dependent on benefits, and the rising costs of supporting these individuals.(Gregg 2008, p. 10)

Here, Gregg asserts that the increased requirements placed on workfare subjects are driven by the objective to limit the rising expenditure on welfare payments.

The general importance of fiscal considerations was also reaffirmed by interviewees. For example, a policy maker with DWP explained that recent policy changes “try to deliver better value for the tax payer” (UKA), while making clear that this is just one of their objectives.

As in Australia, justifications for welfare policy changes that appealed to fiscal objectives were often combined with other objectives, such as those relating to social justice and individual well-being. For example, Labour Secretary of State for Social Security Alistair Darling (1998) stated: “by preventing poverty … we’ll save money in the future”. The context of this comment was that reducing poverty is important in itself, as well as having fiscal benefits for the state.

A policy maker from DWP also highlighted the connection between reducing government expenditure and broader gains, claiming that one of the drivers of the rapid changes in welfare policy is that “it’s good for wider society, because obviously people are in work, so we’re not paying out-of-work benefits” (UKA). The implication is that
by reducing expenditure on welfare payments, money becomes available for other social goods. The policy maker elaborated on the relation between policy objectives:

The overall objective is to maximise employment opportunity, so to make sure the jobs are available for people, to increase people’s ability to take up employment opportunity, making sure people have got the skills to do the job, to deliver value for money to the tax payer, and to increase probably the health of the individuals, ultimately delivering better employment outcomes should have knock on effects for health, and vice-versa. (UKA)

So whilst this remark begins by suggesting that there will be a single overall objective, it then goes on to provide a more sophisticated (and somewhat convoluted) account of how employment, fiscal and personal objectives are combined and mutually reinforcing.

Most commonly though, when the objective of reducing government expenditure was combined with other objectives to justify policy changes, it was combined with promoting economic objectives more generally. For example, one report disclosed: “The fiscal prize is considerable. Achievement of the 80% employment aspiration would boost GDP, reduce benefit spending and increase Exchequer revenues to a material extent” (Freud 2007, p. 8). This indicates the interconnectedness between welfare policy, employment outcomes, economic growth and government budgets.

The relation between reducing welfare payments and economic growth is continually reinforced and elucidated in various government communications. For instance, Gordon Brown, in the first year of his Prime Ministership stated: “in a globalised world, we simply cannot afford the high price of large numbers of people on benefits. Instead, we need people in work, making the best use of their talents and helping us compete” (DWP 2008b, p. 5). This suggests that under-utilisation of human resources, and not merely financial resources, is a concern in developing welfare policies.

In interviews, policy makers at DWP reiterated this, for example: “For the economy to operate effectively and for society to function effectively, they want as many people as possible to be working” (UKB). A senior policy advisor also referred to the economic advantages of workfare policy, along with wider social benefits:

Alleviating poverty is great, from a principled stand point, but there are benefits to society, if you can tackle poverty of aspiration for example, you can get high
educational attainment which helps the economy which helps everything else.

(UKA)

It is clear from documents and interviews that having people receive welfare payments is considered an onerous fiscal burden for the state, as well as wastefully unproductive when those people could be contributing to economic production.

With the onset of Britain’s recession in 2008 the need for workers somewhat diminished, with a senior policy advisor from DWP commenting that “the recession has been a big driver” (UKA) of the welfare policies that succeeded it. Although the general workfare approach of trying to shift people into employment remained static, the government made additional investments to support people back into employment, particularly relating to human capital development (HCD), as described in the next chapter. Although it might appear contradictory to implement workfare-style policies during a period of increasing unemployment, the government’s explanation was to “help bring unemployment down further and faster than in previous recessions, saving billions of pounds in benefit payments as well as increasing tax revenues for the future” (Economic Impact Unit 2009, p. 8). A professed objective of workfare policies following the recession was to reduce future government expenditure. The report that the above statement is from, Building Britain’s recovery, focused on the economy in general rather than mere cost cutting, and more specifically on “tackl[ing] the effects of the recession” (Economic Impact Unit 2009, p. 6). The link that was made between economic concerns and improving workfare subjects’ well-being is evident. Partially because economic objectives were closely linked to helping workfare subjects, even with the Labour government’s heightened concern with fiscal and economic objectives as a result of the GFC, these justifications are still not more prominent than helping workfare subjects.

The Coalition’s amplification of reducing government expenditure

In contrast to Labour, the UK Coalition has substantially increased the emphasis on the fiscal goal of reducing government expenditure (or deficit reduction), with spending on welfare particularly stressed. This is in addition to continuing to give great attention to economic objectives in general. This changed emphasis has occurred within the context of, and arguably in response to, the GFC and recession. In the Queen’s Speech which
outlines the agenda of the new government, it was said: “The first priority is to reduce the deficit and restore economic growth” (UK Government 2010). It is clear that welfare ‘reform’ is being shaped to serve this purpose. On numerous occasions Coalition ministers explicitly stated the objective to reduce spending on welfare. Some examples are when the Secretary of State for Work and Pensions, Ian Duncan Smith, asserted: “The welfare bill has become unsustainably expensive” (DWP 2010b, p. 1) and the Minister for Welfare Reform David Freud (2010) remarked: “the country quite literally cannot afford to go on like this”. Such remarks sought to justify intended changes to welfare policy involving reduced government expenditure.

The remarks of ministers were reiterated anonymously in official reports. For example, the consultation document 21st century welfare that prepared the way and outlined the direction for welfare policies stated: “The costs of maintaining a failing system are spiralling out of control; we cannot continue spending at such a rate on welfare” (DWP 2010a, p. 8). The government then vows to “contain spending on welfare” (DWP 2010a, p. 39) and in the ensuing White Paper proposes to “reform the welfare system to make it … more affordable” principally through implementing “reforms [that] put work … at the centre of … [the] welfare system” (DWP 2010b, p. 6, p. 1). The Coalition has very overtly presented the objective to reduce government expenditure as a central driver of workfare.

This heightened emphasis on cost-cutting was confirmed in interviews. For instance, a policy maker from DWP in 2010 remarked:

Cost is a factor, of course. And actually as we move into more straitened times, value for money becomes more critical … For the next three, 10, 15 years funding will be much harder, essentially what it means is we’ll have to ration the support we give to people. So we’ll have to make some difficult decisions about the focus of the department, whether we’re an economics department or a social justice department. (UKC)

This comment is particularly revealing, suggesting that reduced allocation of funds by the Coalition government may mean that DWP might apply cheaper means to activate workfare subjects, involving less investment and more compulsion. It is also indicates divisions within government and conflicting objectives.
A senior policy advisor from DWP commented on the overarching objectives of employment activation policies:

In the current economic climate we’ve got at the moment of cutbacks, it is becoming increasingly important at the moment, because welfare spend is the biggest chunk of spend that the government has. So actually reducing that somehow, to reduce the structural deficit has become more important. That was not necessarily so in the last government. (UKA)

This comment discloses that the welfare policies of the Coalition government, more so than the preceding Labour government, are significantly being driven by the goal of reducing expenditure, reflecting the changed economic circumstances in the aftermath of the GFC.

Despite the Coalition’s heightened emphasis on reducing government expenditure, it is advocated in conjunction with other objectives, particularly the objective to help workfare subjects. Moreover, the Coalition does not argue that its changes to welfare policy are essentially aimed at reducing costs; on the contrary, as detailed above, they have said that they have “a simple mission. To end the debilitating cycle of worklessness and give people back control of their lives to aspire for something better for their families” (Grayling 2010a). Despite the heightened importance of the fiscal justification under the Coalition, whereby its centrality is indisputable, it is not the overriding justification of workfare policy, and helping workfare subjects remains an important justification.

Documents and interviews reveal the significant presence of the fiscal and economic justifications in the UK and Australia across all governments since 1997, but the governments have not been suggesting that these are the most important objectives of workfare. Other researchers have also found that “the most important legitimation narrative for the transformation ‘from Welfare to Work’...is not economic ...it is ...perfectionism” (Henning 2009, p. 160), where ‘perfectionism’ refers to the promotion of a particular account of well-being. Except for the UK Coalition government, there is less reference to fiscal and economic objectives than to other objectives. If the actual
fiscal and economic objectives reflect the associated justifications, then they dominate the importance of the objective to help workfare subjects.

**Representation of fiscal and economic objectives**

It could indeed be argued that the economic and fiscal justifications underplay the actual importance that the related objectives have in driving workfare policy. This is the opposite claim than can be made against the justification to help workfare subjects. Rather than insincerity, actuality exceeds rhetoric; when governments refer to the importance of economic and fiscal objectives, they sincerely mean it, but they underplay how important it actually is. Evidence of this in the UK is the following remark by a senior policy advisor from DWP:

> The government will talk in different terms to different audiences. When you’re actually involved with these people on the ground you can’t actually talk of reducing benefit spend as what you want to happen. What you want to happen is get them into work and change their lives for the better. (UKA)

This could be interpreted as suggesting that, in some forums, the aim of helping workfare subjects is actually overstated. This might especially be the case in welfare policy reports because the policy domain of welfare, as the term suggests, is supposed to be concerned with the welfare/well-being of workfare subjects. Policy rhetoric cannot necessarily be trusted because, as well as differing from public-populist rhetoric, it is catering to the intended audience.

However, even in the UK Coalition government’s 2010 Spending Review Statement, which had the purpose of explaining the allocation of all government funds over the subsequent four years and thus was not targeted towards an audience preoccupied with welfare policy, the Chancellor of the Exchequer said: “Fairness means creating a welfare system that helps the vulnerable [and] supports people into work” (Osborne 2010). The implementation of the key welfare policy change aimed at getting people into work, Universal Credit, required an additional £2 billion over four years (HM Treasury 2010b, p. 67). Far from concealing fiscal and economic concerns, the

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48 Much reduction in welfare spending is being achieved through tighter means testing for various benefits, such as the Child Benefit; such cuts have been characterised as reducing middle-class welfare (Shackle 2010). Although some of the increased means testing is undoubtedly affecting low income
Coalition has emphasised them. Like Labour before them and the Australian governments, they have been candid about the importance of these objectives. There is no need to underplay them as they are portrayed as being in the public interest.

A political-economic analysis could further scrutinise the nature of economic and fiscal objectives, investigating whether they are in the public interest. Specifically, it could be doubted that all people in a jurisdiction gain from economic growth (Mitchell & Bill 2006) and restraining government spending, whether all gain equally and whether some people are even harmed. For example, restraining spending on welfare programs might simply mean that less redistribution takes place, with higher income groups gaining a greater share of national income (Beder 2000, p. 184). By restricting welfare payments as an alternative to employment, more people are forced into the labour market, placing employers in a stronger bargaining position to attain cheap and compliant labour (Macdonald 1996; Soss et al. 2009). As Carney says about workfare as implemented under the Australian conservative Coalition, it is “deliberately designed to widen the pool of workforce ‘participants’” (2007, p. 1), which could dampen wage growth. Employers (and possibly the middle class) stand to gain from workfare policies at the expense of people whose skills are not in relative high demand.

Consistent with this analysis is the following statement from an Australian government discussion paper: “A key issue is maximising participation by improving work incentives and it is therefore desirable to restrict payment of the base rate of income support to people earning less than minimum full-time award wages” (Australian Government 2002, p. 12). This statement candidly explains that in order to foster a willing supply of low wage workers, social security should not be too attractive in comparison to employment.

It has also been argued that welfare policies, and workfare in particular, are used to maintain the social status quo. Piven and Cloward contended that changes to welfare payments that support disadvantaged people have “two main functions: maintaining earners too, this is particularly the case with changes to housing and council tax benefits, as well as education allowance (Finn 2011, p. 140).

49 This could be described as the consequence of increased commodification, which is further considered in Chapters 7 and 8.
civil order and enforcing work” (1971, p. xv). Macdonald and Marston argue that “technologies of agency”, such as case managers aimed at ‘helping’ people into employment, are designed to create a certain kind of citizen who is adjusted to the needs of neoliberalism, that is, the compliant worker and avid consumer (2005, p. 381). Researchers who have been heavily influenced by the work of Michel Foucault argue that welfare ‘reform’ (usually centred around workfare) aims to ensure people behave in certain acceptable ways by delineating norms of citizenship and virtue, thus workfare is largely about social governance, masked as social harmony (Dean 1995; Rose 1990; Spicker 2005). This Foucauldian interpretation shares a particular characteristic with a standard political-economic analysis, that people with more power in society benefit at the expense of workfare subjects. Thus, appeals to social harmony, along with the fiscal and economic justifications, misrepresent the actual objectives of workfare which are to benefit more powerful groups in society.

The political-economic analysis of economic growth and fiscal austerity might be revealing, these objectives might not benefit society generally, but rather more powerful members of society. Nonetheless, so long as it is widely accepted that economic growth and fiscal austerity are in the national interest or generally good for society, there is no need to underplay economic and fiscal objectives. Such arguments are highly prominent in many policy areas beyond welfare, as there is wide acceptance of an economic paradigm within Australian and UK public debate. Governments often justify policies in terms of balancing the budget, and many vows have been made to either maintain a budget surplus or return the budget to surplus. One example of the use of economic arguments was the Australian conservative Coalition government primarily justifying what were unpopular industrial relations policies in economic terms.50

In the UK, the Conservatives largely came to power promising fiscal austerity; for example, the first sentences of the introduction to their election manifesto state:

Gordon Brown’s debt, waste and taxes have wrecked the economy and threaten to kill the recovery. A Conservative Government will take action now to cut the

50 For example, the Minister for Employment and Workplace Relations stated: “The intention was to achieve a statutory framework for promoting the workplace flexibility necessary for increasing productivity and economic growth” (Andrews 2005c). These policies are described in Chapter 8.
deficit … We will create a new economic model built on investment and savings, not borrowing and debt. (Conservative Party 2010, p. 3)

In both cases, the economic or fiscal justification was employed precisely because people accept the associated objectives as legitimate. There is little reason to believe that their common and explicit use is a significant distortion of the actual extent to which economic and fiscal objectives influence policy. They are indeed important in the development of workfare, but not dominant.

If the fiscal objective was singularly driving workfare policy, then it would be imprudent to use conditionality as the primary means to implement it. This is because operationalising conditionality is very expensive (Carney 2007, p. 3). Although it is not as expensive as other policy mechanisms, like HCD, it is far more expensive than merely removing or reducing welfare payments. This even applies to the most parsimonious kinds of welfare conditionality, since directing, monitoring, and assessing the behaviours of recipients of welfare is inevitably more resource intensive than reducing or removing welfare payments.

The extent to which the fiscal justification aligns with actuality – whether it be underplayed or exaggerated – can also be tracked by examining government expenditure. In the case of the UK, when New Labour came to power they were keen to overcome the party’s reputation for fiscal imprudence. Consequently they promised not to increase spending for the first two years in office, which they duly did. There was a perfect alignment between rhetoric and policy. After these initial two years there was a real increase in spending on welfare benefits each year with the general budget sinking into deficit, and then spending escalated when the GFC materialised (Institute for Fiscal Studies 2011). Keynesian ideas clearly guided the government’s response to recession, where they rapidly increased spending to try to prevent future costs. Nonetheless, the increased spending even prior to the recession, which appears to somewhat misalign with the rhetoric, suggests that the Labour government did not understate the importance they placed on the fiscal objective. The fact that much of this increased spending was on widely endorsed programs, such as training and those aimed at children, is immaterial to whether the fiscal objective was driving policy.
When the Coalition came to power, they massively heightened the importance of fiscal objectives by pledging deficit reduction, and substantial spending cuts ensued, announcing £18 billion of cuts to welfare spending (Brewer 2010). There was close alignment between justifications and policies. Diagram 1 presents the alignment between fiscal justifications and actual spending, where the bottom line indicates the level of government saving, including negative saving.

Diagram 1: Alignment of UK fiscal rhetoric and actuality

Unlike in the UK, in Australia there was little change between governments in the emphasis placed on constraining spending on welfare. As shown earlier, when the Labor Party came to power in 2007 they continued to somewhat justify their policies in terms of fiscal and economic objectives. Labor initially continued the Coalition policy of maintaining surplus budgets. Nonetheless, under both governments, spending on social security and welfare increased, with specific spending on the unemployed and sick never being substantially reduced and usually rising (Australian Government 2008, 2009a, pp. 37-8; Laurie & McDonald 2007).

With the onset of the GFC and the higher unemployment that ensued, the Labor government increased spending on welfare by nearly $27 billion from the 2007-08 financial year to the following 12 months. General counter-cyclical economic stimulus
spending pulled the budget into deficit for the first time since 1996 (Australian Government 2009a). However, due to Australia avoiding recession, the budget deficit in the 2009-10 financial year, just over 4% of GDP, was minor compared to most other OECD countries, especially the UK where it was around three times greater (Australian Government 2009a; HM Treasury 2010a).

In gaining re-election (as a minority government), the Labor Party promised to return the budget to surplus by 2012-13, with the Treasurer in his 2010 budget speech stating: “Our strategy will see us return to surplus in three years, three years ahead of schedule” (Swan 2010). The government even maintained this fiscal objective despite Australia having since suffered the worst natural disaster in its history – the Queensland floods – introducing a special levy to pay for reconstruction rather than extend debt. As unemployment declined, the government was able to reduce spending on social security and welfare by over $15 billion in the 2009-10 financial year from the previous twelve months (Australian Government 2009a). Both the Coalition and Labor governments have placed a similar degree of importance on fiscal objectives, and their policies reflect this, where spending has not substantially declined or increased, GFC aside. This is illustrated in Diagram 2.

**Diagram 2: Alignment of Australian fiscal rhetoric and actuality**
The GFC precipitated an increase in both Australian and UK government spending on welfare and in general, which consequently heightened concern and emphasis on fiscal restraint. In Australia, rather than fiscal justifications being underplayed, the inverse seems true: the greater the emphasis on fiscal objectives, the more the government is spending. It is more plausible that the heightened rhetoric is a reaction to the increased spending, which is designed to return spending to pre-crisis levels. Although a similar pattern pertained in the UK, the difference is that rather than a pledge and actual policy to return spending to such levels, there has been a pledge and actual policy to reduce spending. The different economic conditions, where the UK is more indebted, largely explains the divergence. However, UK Labour was advocating a slower return to budget surplus than the Coalition. It remains unclear how the Australian Labor or Liberal/National parties would have responded in the same economic circumstances. Regardless of why a rhetorical and policy distinction has emerged between the two countries, in both cases the actual workfare policies appear to consistently reflect the fiscal justification provided. Fiscal objectives are presented as important but not dominant, and governments have somewhat restrained spending on welfare, but this does not reduce spending on welfare payments to working-age adults out of work except when unemployment declines.

By comparing Australia and the UK, it can be further substantiated that in both cases the fiscal justifications represent the actual extent that the fiscal objective played. Under all four governments, the greater the magnitude of the policy rhetoric to restrain spending, the more this is reflected in actual policy (budget outcomes). New Labour emphasised fiscal prudence less than either of the Australian governments and the UK Coalition, and they increased spending on welfare by a greater proportion. The UK Coalition government very heavily stressed the need to reduce spending, and have indeed reduced expenditure – including on welfare programs – by a greater proportion than the other governments, whereas both Australian governments emphasised fiscal restraint at a magnitude between the UK Labour and Coalition governments, and their spending reflects this. This further indicates that in both countries, the justifications of workfare in terms of fiscal objectives accurately represent the role which these objectives played.
Summary of economic and fiscal objectives
The Australian conservative Coalition and Labor governments justified workfare policies with economic and fiscal objectives. The same level of inter-government consistency did not pertain in the UK, as although fiscal and economic justifications have continuously been significant, their prominence greatly increased with the election of the Coalition government in 2010 in the context of the GFC. With the possible exception of the UK Coalition, the fiscal and economic justification was never primary, and across all four governments the actual level of government expenditure largely resembles the associated rhetoric. Although a political-economic analysis can illuminate who benefits from fiscal and economic objectives, there is little reason to believe that these are the overwhelming objectives of workfare.

Conclusion: All prominent objectives of workfare
The UK and Australian governments have clearly justified workfare policy by appealing to multiple objectives. Although, the attribution of weight to various objectives necessarily invites contention, it can be concluded from the above analysis that the most prominent broad kind of justification has been appealing to the objective of benefiting society generally, which follows from the combined prevalence of the economic, fiscal and reciprocity justifications. It was acknowledged that for each one of these justifications, there is good reason to doubt that society is generally benefited, instead certain powerful members of society might benefit, such as political leaders, employers and higher income earners. Regardless of who actually benefits though, the prominence of economic, fiscal and reciprocity justifications is not understated, but largely represent the actual level of importance of the associated objectives. Likewise, the objective to help people reflects the high magnitude of the rhetorical claims to help workfare subjects. Therefore, the economic, fiscal and reciprocity objectives, even in conjunction, do not eclipse the objective to help workfare subjects. Considered separately, each of the objectives associated with benefiting society largely remains of no more than comparable importance to the objective to help workfare subjects. Under the UK Labour government, helping workfare subjects was probably the most important workfare objective, and this is also arguably so (albeit to a lesser extent) under the Australian Labor government. Although all governments were concerned with enforcing
reciprocal fairness, the Australian conservative Coalition was the only government where this was most significant. Lastly, the economic and fiscal objectives were also important for all four governments, but they were only given priority by the UK Coalition government. However, as has been established in the last two chapters, it is clear that for all four governments, helping workfare subjects is an important objective of workfare policy, if not always the central one.
Chapter 5: The means to achieving the policy objectives

Introduction

This chapter analyses the means utilised to achieve the objectives that were discussed in the above two chapters. As stated in the research design, this task is less problematic than identifying objectives, as the policies themselves can be analysed, rather than the claims of policy actors. Prior to performing this analysis, a conceptual framework is provided to identify the means used to implement workfare, distinguishing between positive and negative interventions. This framework will facilitate analysis of the Australian and UK cases, identifying which means have been applied to a significant extent. It will be argued that for both cases, compulsion has been the primary means, distantly followed by HCD, which again is distantly followed by enhancing the attraction of work, with direct government job creation only applied to a minor extent.

Conceptual framework of workfare policy means

There are as many different versions of workfare as there are jurisdictions that have implemented workfare policies. The varieties have been categorised in a range of ways. For example, Binkowski and Goede argue that policies can be active or activating, whereby the former concentrates on providing resources and the latter on directive behavioural change (1996, p. 193). Dean offers a tripartite distinction based on a comparison of concrete policies: the obligation to work, the right to work, and a somewhat middle position which combines the right to support in gaining employment with the obligation to engage in that support (2004, p. 16). For this thesis, it will be most useful to first distinguish between policy instruments on a more fundamental basis, which is between negative and positive approaches.

Negative workfare means

The negative approach intends to intervene with agents in ways that is expected the agent does not want, thereby inducing them to work by deterring unemployment. At the heart of the negative approach is compulsion. Four specific policy instruments that apply the general means of compulsion are: generally removing welfare payments,

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51 Dean develops this based on an interpretation of Trickey and Lødemel’s (2000) research.
generally reducing welfare payments, placing conditions on welfare payments, and stigmatising certain recipients of welfare payments.

Murray (1984) argued for the dismantling of the welfare state through generalised removal of welfare payments. This is a kind of workfare policy because its aim is obviously to shift people away from receiving welfare payments. Moreover, although the agent is ‘free’ to decide how they then go about acquiring an income, gaining employment will be the only available option for most, thus agents are compelled into employment. Attas and De-Shalit argue that when one does not have access to welfare payments, “the effective incentive … is punitive, in the sense that it punishes one for refusing to work, rather than rewarding one for working” (2004, p. 314). However, the agent remains ‘free’ to decide how to gain employment.

No OECD nation has completely dismantled its welfare state, but the resources available (including monetary payments) have been reduced in various jurisdictions, such as happened in most states of the US, particularly due to the transfer from AFDC to TANF (Albert 2000, p. 304). Reducing welfare payments operates on the same principle as removing them, but is less severe. Through making welfare payments less adequate, people are compelled to seek alternative income through employment. Failing to track welfare payments with prices and/or wages equates to a relative reduction, as it has the same impact of diminishing the adequacy of welfare payments. This policy drift has been the most common means of reducing payments, particularly in the US (Soss et al. 2009, p. 16).

Placing conditions on welfare payments is placing provisos on accessing payments, as alluded to earlier in the thesis. There are two broad kinds of conditions: administrative and conduct. Administrative conditionality is designed to ensure that welfare support operates as intended (Spicker 2005, p. 353). For example, if the welfare benefit is targeted there will be a condition that the recipient belong to that category of the population. For this reason, this kind of conditionality has also been referred to as

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52 It seems that most, if not all, welfare benefits are targeted. A particular benefit might be targeted at a small segment of the population, such as people with a disability, or a very large segment, such as all citizens. Furthermore, even ‘universal’ services are actually targeted; for example, primary school education and certain healthcare are only available to the people that authorities deem are in need of the
categorical conditionality (Clegg & Clasen 2007).\textsuperscript{53} Administrative conditionality might require the agent to \textit{prove} that they belong to that segment of the population. If McClelland (2006) is correct in asserting that all welfare systems use targeting to some extent, it will follow that all use this kind of conditionality to some extent.

Conduct conditionality compels subjects to act in certain ways, through enforcing particular obligations. Although the various kinds of conduct required could be further distinguished, for the purposes of this thesis the relevant obligations relate to gaining employment. Examples include proving that one has searched for a specified number of jobs in a week, attending frequent interviews with employment advisors, participating in short courses and engaging in work placements. People are compelled to satisfy these obligations by attempting to make the consequences of non-compliance less desirable than meeting the obligations. These consequences are executed through sanctions or breaches, which are punishments for failure to satisfy an obligation. Sanctions are most commonly a withdrawal or reduction of welfare payments. Conduct conditionality is a more directive form of workfare than simply removing or reducing welfare payments. Specific acts relating to gaining employment are mandated, as opposed to letting the individual decide how to respond to a reduced income. When this thesis uses the term ‘conditionality’, it is conduct conditionality that is specifically being referred to.

In practice, conduct and administrative conditionality can be merged, primarily because conditions aimed at obliging conduct could be presented as administrative. For example, if the requirements to prove that one belongs to the targeted segment are particularly stringent, such as having to attend frequent appointments, the real aim might be to compel one into employment. Even without changes to welfare entitlements, cumbersome procedures can be used to intentionally reduce the number of claimants (Goodin 2001, p. 199).

Conditionality is a negative intervention because it operates on the expectation that subjects want their own welfare payments to be unconditional, even if they do not apply service, just as with welfare payments. They are called ‘universal’ in reference to the lack of connection to the recipient’s financial means.

\textsuperscript{53} Clegg also has a third category called ‘circumstantial’ conditions, based on the requirement to meet certain criteria within a targeted group. However, since this can be accommodated by considering the degree of targeting, a dichotomous rather than a trichotomous distinction has been adopted.
this to everyone else. It could be argued that some subjects might want conditions attached to their welfare benefits to help motivate them to do what they believe is in their own interests, similar to a recovering alcoholic who might want disincentives to prevent lapsing. However, what makes the intervention negative is precisely that one is being motivated by something that they do not want. This is regardless of the fact that, at a reflective or second-order level, one approves of being punished. The punishment or sanction will only be an effective deterrent if one does not want the intervention, at least at a first-order level. To the extent that the negative approach could be characterised as providing an *incentive* to work, this incentive is derivative of the disincentive attached to not working.

The policy tactic\(^\text{54}\) that essentially applies conditionality has been called ‘work-first’. This was pioneered in the US and transferred to Australia and the UK, as described in Chapter 1. Work-first operates by attempting to shift people into any legal employment as quickly as possible. The assumption is that any such job is better than no job, with a lack of concern for matching people to *suitable* employment. Related to this, work-first places low importance on developing people’s employability, as it is supposed the sector can provide sufficient employment. Although a work-first approach could be combined with other policy instruments to shift people into employment, such as the provision of support, any approach that prioritises compelling people into quickly finding employment is a work-first approach. At its core is the essential feature of the negative workfare approach – compulsion.

A further negative intervention used to get people into employment is to stigmatise those receiving certain kinds of welfare payments. As was described in the previous chapter in the section about reciprocity, Australian and UK governments have done this through associating workfare subjects with fraud and emphasising their failure to fairly reciprocate. Stigmatising is rarely used in isolation from other policy mechanisms, but rather supports more directive approaches that rely on compulsion.\(^\text{55}\)

\(^{54}\) The term ‘tactic’ is being used to refer to the approach of instantiated policies which utilise specific policy means.

\(^{55}\) The moral implications of workfare relating to stigmatisation will be investigated in Chapter 7.
**Positive workfare means**

The positive approach induces people to work by intervening in ways that it is expected the agent wants, or at least is indifferent to. Two kinds of positive interventions are most commonly used: supporting agents to gain employment, and enhancing the attraction of employment.

Policy interventions that support people to gain employment do this through providing resources that they can choose to access; common examples include information, employment advice, counselling, training, education, job placements, provision of more employment opportunities, work experience, wage subsidies, childcare, additional payments for undergoing employment activities and, lastly, payments to help transitioning to work. Assuming that accepting and participating in the above forms of support remains voluntary and uncoerced, then such interventions are positive. This is because the fact that agents freely choose to utilise the support demonstrates that they want that intervention.

The second kind of positive intervention of enhancing the attraction of work is based on providing an incentive to work, that is, increasing people’s motivation to work by making it more attractive. To count as a positive intervention, the incentive to work must not be derived from avoiding undesirable outcomes, such as a reduction in welfare payments. Broad examples of enhancing the attraction to work include increasing low incomes, progressing people in work and improving the quality of work. The extent to which the Australian and UK governments applied the first two interventions will shortly be outlined. The final chapter will then examine how the quality of work can be improved.

Both supporting workfare subjects to gain employment and enhancing the attraction of work can vary in the extent to which they are targeted or universal, that is, there could be programs specially designed for workfare subjects or available to the whole population. Universal programs are more likely to affect wider social conditions through altering systemic structures. For example, a universal approach to addressing low wages might intervene in industrial relations, increasing minimum wages, whereas a targeted approach might offer temporary wage supplements to workfare subjects.
Another example is a universal policy of full employment as distinct from offering specific jobs to some unemployed individuals.

Interventions targeting individual workfare subjects and universal programs are not dichotomous, but two poles of a continuum. Many fall in between these two poles. For example, childcare subsidies could fully cover costs for workfare subjects and then be phased out as income rises. Conversely, all negative workfare interventions are targeted. They only intervene with people who are not working. As for people who are employed, negative interventions (such as removing, reducing, stigmatising or conditionalising welfare payments) will not impact them, beyond providing deterrence against accessing welfare payments. However, negative interventions can be less or more targeted within the general category of recipients of welfare benefits, such as placing conditions just on youth unemployment or on all working-age people not working. It is probably more accurate to describe predominantly universal policies aimed at getting people into work as ‘employment policies’ and reserve the term ‘workfare’ for policies that largely target workfare subjects.

A policy tactic in many countries that utilises positive means is human capital development (HCD). This uses various policy mechanisms to increase people’s employability by helping to cultivate in them qualities that are in demand by employers. These qualities largely refer to employment skills which could be generic, such as literacy, numeracy and communication, or specialised, such as gaining a diploma. Broader qualities could also be included, such as relating to character traits, like flexibility, and attitudes, like diligence. The collection of qualities useful for employers is known as human capital, whose development is mostly conducted through mechanisms such as training and education, either universal or targeted.\textsuperscript{56}

Although HCD can be a purely positive intervention, it can also be combined with negative interventions, such as conditionalising welfare payments on participation in training programs. All positive policy interventions can be conditionalised, and they

\textsuperscript{56} Although HCD is technically a policy ‘tactic’ rather than a means, for brevity’s sake it will be considered as a means, rather than referring to the various specific means (such as providing training and education) that constitute this approach.
often are. In practice, no jurisdiction applies purely positive or negative means, but a combination.

Understanding the nature of a jurisdiction’s workfare policy requires analysing the interrelation of positive and negative concrete interventions. The taxonomy used for this analysis of the Australian and UK cases is shown in Table 3. In applying this type of analysis to the Australian and UK cases, it will be argued that the primary means utilised was compulsion, followed by HCD, then enhancing the attraction of work (although more so in the UK) and finally, to a minor extent, there was some direct government job creation. The ranking of the extent that various interventions have been used is deduced from direct policy analysis, explicit statements in policy documents and interviews with policy makers.

### Table 3: Different kinds of workfare means used in Australia and the UK

<table>
<thead>
<tr>
<th>Rank of policy use</th>
<th>Negative interventions</th>
<th>Positive Interventions</th>
</tr>
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<tbody>
<tr>
<td>Primary means</td>
<td>Compulsion</td>
<td></td>
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<tr>
<td>Secondary means</td>
<td></td>
<td>Human capital development</td>
</tr>
<tr>
<td>Tertiary means</td>
<td></td>
<td>Enhancing attraction of work</td>
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<tr>
<td>Minor means</td>
<td></td>
<td>Direct government job creation</td>
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**Primary means: Compulsion**

The primary means to achieve the objective of helping people through workfare policies in Australia and the UK has been compulsion. In both cases the use of compulsion is not usually explicit, but its presence in policies is unmistakable. Neither has the libertarian approach been applied in compelling people to work through simply removing welfare payments altogether. However, in both countries there have been significant changes to the welfare system, with increasing compulsion as a central element. These changes have been based on making access to welfare payments conditional. Prior to examining these policies, the extent to which the use of compulsion was disclosed in discourse will be presented to illustrate its presence.

The Australian government has stated explicitly in official documents that it is increasing compulsion as a means of reforming the welfare system, as in the following case:
[the government] has been progressively developing a national reform agenda in relation to welfare recipients in disadvantaged regions and dysfunctional families and communities ... Each measure uses a combination of different tools to achieve its objectives, including income management or increased conditionality on the receipt of income support. (Australian Government 2011b)

In interviews with Australian policy makers it was stated, albeit reluctantly, that compulsion plays a role in welfare policy changes. The DEWR/FaCS former policy advisor commented:

Ideally, you should have a system that is quite flexible to recognise different people’s needs and capacities, it is difficult to achieve in practice … I don’t really like the authoritarian approach, so it is a matter of how you get people to want to invest in their own future, and you may need to employ compulsion. (AC)

This position is consistent with the actuality of policies, as although compulsion may not necessarily be the preferred means to achieve intended outcomes, it remains an important one.

An example of the UK government’s disclosure of the use of conditionality, which makes the presence of compulsion particularly apparent, is as follows: “We ought to look at applying conditionality in a way that pushes individuals to increase their work” (DWP 2010a, p. 29). In the same document the government’s understanding of conditionality is outlined:

Individuals who are able to look for work or prepare for work should be required to do so as a condition for receiving benefits and those who fail to meet their responsibilities should face a sanction such as a benefit reduction.

This is known as conditionality. (DWP 2010a, p. 28)

It is clear that the aim of conditionality is to apply sufficient pressure to workfare subjects, thereby causing them to do something the state desires. Hence, conditionality is inherently compulsive.
As alluded to in the previous chapter, in the UK the term ‘rights and responsibilities’ is often used synonymously with conditionality, where rights to welfare payments are conditional on meeting responsibilities, with ‘responsibility’ really just denoting ‘mandatory requirements’. In addition to ‘rights and responsibilities’ denoting the objective of reciprocal fairness, the prominence of the term signifies the centrality of the compulsive nature of welfare policies.

Both Australian and UK governments have explicitly stated that they have a work-first approach, on numerous occasions. For example, the Australian Minister for Employment and Workplace Relations stated in a parliamentary speech that the “work first approach is at the cornerstone of the government’s Welfare to Work measures” (Andrews 2005b, p. 7). The UK Labour government openly stated that it was applying “a Work First approach to moving people from welfare into work” (DWP 2003, p. 3). To those familiar with various approaches and labels associated with workfare, governments can be remarkably explicitly about the compulsive nature of their policies.

There was also candour (particularly in the UK) about the important role which sanctions play in workfare. The kind of sanction used in both cases is the withdrawal or reduction of welfare payments. One UK government report explains that “Sanctions are vital in supporting and enforcing the conditionality regime” (DWP 2008c, p. 113). Their presence is continuously highlighted by governments which frequently pledge to intensify them, for example: “We want to look at escalating sanctions” (DWP 2008b, p. 41). A later report from the UK Coalition government echoes this message: “Strengthened conditionality will in turn be supported by a new system of financial sanctions” (DWP 2010b, p. 4). The candour of the presence of welfare related sanctions is unsurprising, as just like other forms of punishment, the widespread knowledge about the punishment is designed to deter or encourage certain behaviour. Governments wish to be seen as enforcing community expectations, therefore they characterise themselves as being ‘tough’, a characterisation that reflects reality, as will be shown shortly.

These official statements about the importance of sanctions are reaffirmed in interviews. For example, in the UK a senior policy advisor from DWP commented:
The accepted view though, and we do have an accepted view [at DWP], is that sanctions are integral in getting people engaged in the labour market … The sanction is there as an incentive. It’s the bad side of incentive if you like, the stick to the support carrot. You have a right to support, that’s the carrot, and the stick is that you have a responsibility to engage in that support, and we’ll hit you with that stick. (UKA)

This illustrates how sanctions are presented as an incentive, but leaves no doubt that this incentive is derived from imposing on people something that they are not expected to want; hence it is clearly a negative intervention.

Interviewees were clear that sanctions are believed to effectively enforce requirements, as a policy maker from DWP asserted:

“Having a sanctions regime in place activates more people … The hassle factor is very important” (UKC). Whilst the UK and Australian governments are not always explicit that their workfare policies are compulsive, in understanding sanctions as vital to compelling behaviour, the government is unambiguous in asserting the central role of compulsion in workfare.

Despite this explicit disclosure of the compulsive nature of workfare in the UK and Australia, an examination of the actual policies fully exposes the key role of compulsion, as will be discussed next.

**Australia**

The significant changes to Australian welfare policy since 1997 have essentially intensified compulsion, revealing a work-first approach whereby the basic policy mechanism to get people into employment has been to compel them into employment related activities.

The Work for the Dole program was introduced soon after the Coalition government came to power in 1996.\[^57\] It requires people receiving unemployment benefits to participate in training and/or employment programs. Initially, only people aged 18 to 24 receiving benefits for more than six months were required to participate. It has been

\[^57\] See the chronology in Appendix 2 for some key developments of the program.
continually extended, now including people aged up to 59. The activities also became more arduous, with the number of hours a week that participants can be required to work rising to 25. Activities are often ‘hosted’ by councils and community organisations and commonly include tasks such as gardening, maintenance and clerical work (DEEWR 2010b).

Work for the Dole is not intended to lead to direct employment. For example, unlike the policy of the preceding Labor government, Working Nation, it does not offer temporary employment subsidies and public service positions. Moreover, although the scheme ostensibly involves some training elements, it does not provide qualifications and is largely aimed at motivating and assisting people to merely find employment. There is some evidence that participation in the program reduces one’s chances of gaining employment (Borland & Tseng 2004). Work for the Dole is fundamentally intended as a deterrent to not working, thereby compelling people into employment. The government partially justifies the program by appeals to helping workfare subjects, such as when the minister stated: “It will give young people a chance to engage with the community rather than being alienated from it” (quoted in Yeend 1997, p. x). Nonetheless, the inherently compulsive nature of Work for the Dole is not affected by such rhetoric and objectives.

Working for the dole/benefits/welfare is one of the most compulsive programs of any workfare scheme. This is because it imposes employment obligations, whilst the participant only receives a welfare payment that is considerably lower than the minimum wage. Just as with the workhouse regime during the Poor Laws, the message to workfare subjects is palpably clear: ‘You are better off in the labour market than relying on government support.’

A further initiative, Australians Working Together, was introduced in 2001, which was guided by the McClure welfare review. This commenced second wave workfare of expanding employment participation. It largely extended activity requirements to other social security recipients beyond those receiving regular unemployment benefits. For example, recipients of parenting payments whose youngest child had turned 13 were required to enter into agreements which required participating in activities focused on
gaining employment for about six hours a week. The mature age allowance was also eliminated, obliging unemployed people over the age of 50 to satisfy similar (although less severe) activity obligations as those on regular unemployment benefits.

The 2005 Welfare to Work legislation builds on the previous two initiatives, intensifying requirements and sanctions as well as broadening groups subject to the measures. Amongst other things it introduced and strengthened activity requirements for those receiving the disability support pension and parenting payments. Eligibility criteria for the disability support pension were restricted, therefore shifting some people previously exempt from activity tests onto unemployment benefits. For example, to be classified as unable to work, one must be incapable of working for 15 hours a week, rather than the previous 30 hours. In regard to parenting payments, the primary change was that parents were subject to activity requirements when their child turned six. The requirements also became more arduous, obliging them to work at least 15 hours a week; if ‘suitable’, 25 hours could be required.

Sanctions were intensified for failure to meet requirements. Three breaches, no matter how minor, triggered an eight week suspension of payments (Carney 2006, p. 11). As a result of changes to the sanctioning regime, a great number of people were indeed more severely penalised (Carney & Ramia 2002). The phrase “taking reasonable steps to comply with” was removed from several sections of the Social Security Act. As the Bill Digest, which aims to provide advice for the Parliament, states, the aim of omitting the phrase was to “remove the jobseekers’ rights to argue they were not able to comply [with participation requirements] for reasonable reasons beyond their control … this is a diminution of jobseekers’ rights” (Daniels & Yeend 2005, p. 28). Analysis of Australian conservative Coalition policies reveals the centrality of compulsion as a policy means, which was understated in official government discourse. Work for the Dole, Australians Working Together and Welfare to Work essentially make it harder for people not to work, rather than making employment itself more attractive.

The succeeding Labor government softened some sanctions. For example, failure to meet a requirement such as attending an employment service interview no longer results in an automatic eight week loss of payments; the ‘client’ is contacted and given the
opportunity to justify their absence and, when sanctioned, payments resume after
requirements are fulfilled (Carney & Ramia 2011, p. 7). Such sanctions are reserved for
‘serious misconduct’ (Ramia & Carney 2010, p. 269). Subsequent to introducing these
reforms, “tougher rules for job seekers” with new penalties were proposed in 2010
(ALP 2010).

Disregarding the policy oscillation, and even though the sanctioning
regime is presently less severe than prior to Labor reforms, compulsion remains the key
policy tool.

Labor has introduced new compulsive policies, albeit within an education and training
framework. In the Compact with Young Australians, the aim is to ensure that all
unemployed people up to the age of 24 are at least engaged in education or training, if
not working. A ‘learn or earn participation requirement’ was introduced, obliging
engagement in formal education or training to receive specific welfare payments (Youth
Allowance). Also, some welfare payments (Family Tax Benefit Part A) were only paid
to parents conditional on their children satisfying the requirements.

In introducing the policy, along with ‘requirements’, the language of ‘entitlements’ was
invoked, but it is unclear what these amount to. Young people are nominally entitled to
an education or training place, and whilst there has been additional investment in
training, accessing such places is not assured or even typically free. Provision seems
mostly to rely on a non-committal affirmation that “state and territory governments
have indicated an intention to work with their education and training providers to
address issues related to the provision of education places” (Australian Government
2009b). As critics of the interim McClure Report remarked, whilst obligations on the
individual are specific and enforceable, those on government are somewhat vague
(McClure& Reference Group on Welfare Reform 2000, p. 33). What’s more, like the
compulsive policies that preceded it, the Compact with Young Australians is justified
principally by appealing to the objective of benefiting those that are its subjects; it is
described “as a key to realising [young people’s] potential” (Australian Government
2009b, p. 1). Irrespective of the objective, whilst the compact remains a notable shift

58 In 2011, the government intensified Work for the Dole, compelling people to engage in activities 11
months of the year rather than six months and increasing penalties (AAP 2011).
from Work for the Dole (which was primarily introduced with the reciprocity objective), compelling people to do certain things remains at its core.

United Kingdom
As with the Australian case, analysis of UK policies reveals that compulsion is a key means in getting recipients into employment for both the Labour and Coalition governments.

Over Labour’s 13 plus years in power (1997-2010), they continually intensified conditionality (see the chronology in Appendix 3). In their initial year in office they introduced the first of their ‘New Deals’. The term ‘Deal’ invokes a contractual approach to welfare policy. Prime Minister Blair frankly stated that his intention was “reforming [welfare] on the basis of a new contract between citizen and the state” where each has specified obligations (DSS 1998a, p. v). The obligations of workfare subjects related to employment, with the program being “orientated towards getting individuals back to work as quickly as possible” (Driver & Martell 2002, p. 193). Although the program contained carrots as well as sticks, fundamentally it introduced requirements to participate in employment activities. The activities’ function was primarily to get people to find work, secondly to deter them from not working and thirdly to improve employability. Specific requirements included fortnightly interviews and, after a period of time, engaging in vocational training, voluntary work, subsidised private employment or community work.

Similar to Australia, UK Labour’s welfare ‘reforms’ can largely be summarised as the deepening and broadening of conditionality. Conditionality has been broadened in that requirements have been continually extended to include more categories of people receiving welfare payments. A policy maker from DWP explained: “since … [the mid-1990s] we’ve worked through the broader welfare population and developed appropriate and increasingly effective labour market policies” (UKC). As in Australia, employment activation was initially targeted at the young unemployed, and then increasingly expanded to include other categories: over 25-year-olds, lone parents and the disabled. The specific requirements and the corresponding support varied depending on which category one was in. For example, what constituted reasonable work for lone parents
took into account school hours. In addition to widening the categories of people subject to requirements, the scope of categories was extended. For example, the age of a lone parent’s youngest child, which would exempt them from requirements, was continually reduced, from 16 when Labour came to office, to 12 in 2008, 10 in 2009 and then seven in 2010 (McKnight 2009, p. 97). Also, the assessment of disabilities was altered with the intention and outcome of requiring more people to engage in employment activities.

Conditionality has been deepened in that people have to fulfil more requirements to receive welfare payments. The continued development of the New Deal programs, and the intensification of associated requirements, culminated in 2009 with the Flexible New Deal. For those subject to the program, receiving full welfare payments was made conditional on undertaking four weeks intensive activity, such as work experience or training.

Shortly before losing power in 2010 Labour began trialling their most compulsive policy a ‘Work for your benefits’ scheme (DWP 2008c, p. 207). This resembles Australia’s current Work for the Dole which was introduced in a less onerous version more than a decade earlier. The UK scheme involved working full-time for up to six months at a time for those who had failed to find employment after undergoing the prior employment activity stages.59 There are few greater forms of compulsion that a supposedly liberal democratic government can impose on law-abiding citizens. Furthermore, the UK Labour government fulfilled its pledge to escalate sanctions for failure to participate in employment activities, introducing an “automatic sanction [of no less than one week’s payment for a first offence] for failing to attend a mandatory interview or work programme” (DWP 2008c, p. 113).

Although the Coalition government’s workfare programs had not been implemented by the beginning of 2011, an extract from the 2010 White Paper reveals their intentions. Employment advisors would be enabled to:

- require some jobseekers to attend their local office more frequently to demonstrate the steps they have been taking to return to work; require some

59 The Coalition government did not continue with the pilots in 2010, but implanted their own scheme in 2011.
people to broaden their job search earlier in their claim; … raise the number of steps they expect a customer to take in any week to have the best prospects of finding work; [require] people … to undertake activity to address a skills need. (DWP 2010b, p. 28)

In addition to the above increases in requirements relating to job searching, enhancing employability and demonstrating these steps have been taken, the introduction of four weeks of full-time compulsory work has also been flagged:

Where advisors believe a jobseeker will benefit from experiencing the habits and routines of working life, they will have the power to refer the recipient to Mandatory Work Activity. (DWP 2010b, p. 29)

The government has not introduced novel requirements, there has been an intensification of existing ones (Finn 2011, p. 139). This will be combined with further broadening of whom the requirements are applied to. For example, exemption from activity requirements was narrowed to people whose youngest child was five (down from seven) (DWP 2010b). More people who were classified as disabled will be subject to similar requirements as the unemployed. Finally, tougher sanctions for failure to meet requirements have since been revealed: a loss of benefits for three months for non-compliance, six months for a second instance and three years for a third offence (Smith 2010a). Deacon and Patrick comment (partially quoting Lister and Bennett (2010)) that the Coalition’s program does not “break out of the policy paradigm established by Labour, but rather took it further and faster in what has become a process of policy leapfrog” (Deacon & Patrick 2010, p. 2). The key role of compulsion in the Coalition government’s workfare policies, just as in the previous Labour government and both Australian governments, is unequivocal, all the more so because its role has been intensified.

**Summary of compulsion**

Compulsion is the dominant means of shifting people into work in Australia and the UK. The application of compulsion in the UK has lagged behind Australia, such as requiring people to work directly for welfare payments. However, it appears that the UK might now surpass Australia in this regard. Both countries’ workfare policies have intensified compulsion, that is, the requirements have become more onerous and the
sanctions harsher. Further evidence of the work-first nature of the workfare approaches in both countries is that they spend only a little over half as much on active labour market programs as the OECD average (OECD 2011). This is because it is cheaper to essentially rely on compulsion, rather than alternatives such as investing in HCD.

A secondary means: Human capital development

Australia

The Australian conservative Coalition government “drastically reduced the availability and priority of training” (Lawrence 1999, p. 2) which had been available under previous workfare schemes, such as Labor’s Working Nation. It clearly did not deploy a HCD approach to workfare. The policy rhetoric of the Labor government (2007 onwards) has changed from emphasising obligations to find a job as quickly as possible, to providing the support and training that assists people get work. That is, there has been a shift from work-first towards HCD discourse.

Labor claims to have begun “transforming Australia’s human capital” (Gillard 2008a). This largely seems to be focused on addressing “skills shortages that have plagued business” (Gillard 2008c). Nonetheless, the government reaffirms the benefits to individuals from training and education, for example, supporting people to “gain the skills and support that enable them to sustain participation in work and improve their earnings and prospects over time is an important part of any strategy to reduce long term disadvantage” (Australian Government 2010, p. 25). No reference is made to strategies that resemble work-first.

This shift in language is substantiated from interviews, where a DEEWR policy analyst stated: “Reforms like … Welfare to Work … took … a work-first type focus … The current government has more a focus on human capital development” (AB). This was echoed by the DEWR/FaCS former policy advisor: “The previous government definitely had a more work-first approach” (AC) and reiterated in even more detail by the DEEWR policy developer:

  In terms of the compliance approach … it was very much a work-first approach previously … The work-first approach in lots of ways was quite black and white, you were or you were not. Now if you’re not … there’s
additional help … So it is interesting that the dialogue has shifted considerably
to think a bit more broadly outside that silo that these people must get a job
and it’s work-first. (AA)

It is evident that work-first workfare is no longer the approach the Australian
government claims it is applying.

Although the shift in language under-represents the compulsive nature of workfare
policies, there has been an actual increase in resources to help develop the skills of
people receiving welfare payments. A new advisory board was created, Skills Australia,
with additional funds made available for training (Ramia & Carney 2010, p. 268). For
example, 450,000 additional places were funded until 2012 which are targeted at people
outside the workforce, providing a Certificate III qualification or above (Gillard 2008c).
Another instance of the enhanced role of HCD is the pledge to double the number of
undergraduate scholarships that target people from low socioeconomic backgrounds
(Gillard 2008b). Although not all people from such backgrounds are workfare subjects,
they are most likely to constitute the workfare class.

When Labor came to office, people from low socioeconomic backgrounds were a third
less likely than those from high socioeconomic backgrounds to attend higher education.
People from low socioeconomic backgrounds entering higher education are under-
represented by 40%, showing no improvement since the mid-1990s (Centre for the
Study of Higher Education 2008, pp. 2-3). In 2009 the government stated its intention to
ensure that, by 2020, 20% of enrolments in higher education will be by people from low
socioeconomic backgrounds (Australian Government 2009c, p. 13). Although they
would still be under-represented, this is an admirable goal whose success will be judged
at the close of the decade.

These policies to improve access to higher education are in addition to the Compact
with Young Australians and the increased funds for training. There has undoubtedly
been an increased use of HCD in Australia but, as will be shown in Chapter 9, this
remains insufficient and does not reorient the welfare system to one based on “capacity-
building” (Carney & Ramia 2011, p. 22) HCD initiatives remain far less pronounced
than compulsion.
United Kingdom

HCD has played a larger role in the UK than in Australia since 1997 and was continually emphasised by the Labour government. For example, Prime Minister Brown wrote: “when people sign on for benefits they sign up for skills as well” (DWP 2008d, p. 3), and the public was constantly reassured that there will be “increased help with skills and training” (Economic Impact Unit 2009, p. 56). Labour’s New Deals incorporated significant training and education elements, specifically the right to access courses that award qualifications, including up to the diploma level. This focus on skills increased as unemployment declined because many of the most ‘job ready’ had been shifted into employment, thus more emphasis was placed on developing the employability of the remainder.60

The entitlements that UK Labour introduced for workfare subjects included free courses that assisted with improving numeracy and literacy and free training that gave them the equivalent of a secondary school certificate (DfEE 2001, p. 41). People who already have this are entitled to free or subsidised training that provides a higher diploma or equivalent qualification, whilst those under 25 can gain access to a training course that bestow advanced diplomas or equivalent qualifications. Funding to increase the number of apprenticeships available was also substantially increased (DfEE 2001, p. 42). There was undoubtedly a substantial investment in providing training and education to workfare subjects.

With the onset of the GFC, as unemployment rapidly increased, the Brown-led Labour government escalated the HCD approach, eventually. ‘Eventually’, because as the recession began in between the Green Paper No-one written off and the White Paper Raising expectations, the policies were already in development, so the same trajectory is largely continued. That is, despite the reduced employment opportunities, increased conditions and sanctions were attached to the receipt of unemployment benefits. Once the government did change policy direction and invest in HCD, they claimed that their motivation was based on having “learned the lessons of previous downturns and were

60 See the Labour government’s last welfare policy Green and White Papers published prior to the GFC: No one written off and Ready for work (DWP 2007b, 2008b).
determined not to repeat the mistake of leaving people to struggle alone. We wanted to avoid the deep scars of long term unemployment” (Economic Impact Unit 2009, p. 4). A sceptic might argue that the aim was to ‘park’ people in various training programs so the unemployment rate appeared less dire.

Disregarding the intentions behind the escalated investment in HCD, it remains a point of dissimilarity with Australian policy. Even though the Australian Labor government did increase investment in education and training, during the GFC it did not do so to the same extent as with UK Labour government. An explanation for this is that Australia did not experience substantially increased levels of unemployment as a consequence of the GFC. Even prior to the GFC (as shown below), the UK Labour government emphasised HCD more than Australian governments, particularly the conservative Coalition government.

Another point of dissimilarity between Australian and UK policy is that whereas in Australia, skills development was largely concerned with economic objectives, in the UK it was relatively more incorporated with the objective to help workfare subjects. The HCD policies focus “on the particular needs of those out of work by making skills an integral part of support to get them into sustainable employment” (DWP 2008d, p. 18). Essentially, the government affirms that “Realising our vision will mean ensuring that all adults have the skills they need to find … work” (HM Government 2007, p. 4). This ‘vision’ seems to involve “giv[ing] everyone the best chance to make the most of themselves and their potential” (HM Government 2007, p. 3). The HCD approach purportedly helps advance people’s well-being by assisting them to gain employment.

Alongside helping people, HCD is also proposed as a means to achieve economic objectives. Reports that DWP published in collaboration with other departments, especially the Department for Innovation, Universities and Skills, tended to give priority to economic objectives. For example, the 2008 report *Work skills* affirmed that “Britain’s long term prosperity depends more than ever on developing the talents and potential of all our people to the full” (DWP 2008d, p. 3). Its focus was on employment

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61 Another example of a report produced by both departments is *World class skills: Implementing the Leitch Review of Skills in England* (HM Government 2007).
skills, with welfare reform merely being an element of that agenda, rather than HCD being a means to achieve the objectives of welfare policy. HCD is not exclusively related to the workfare policy trend but, when it is, it is most often utilised to achieve the objective of helping people.

HCD and compulsion were often utilised in conjunction, as in Australia, primarily by making welfare payments conditional on participation in training, for example: “Where a need for training is identified, attendance at an appropriate course will also be required” (DWP 2008d, p. 29). A further manner in which HCD and compulsion were conjoined is through the rights and responsibilities rubric, where it is held that following from the right to some training and education is the obligation to work: “Because we are giving individuals much greater support to gain the necessary skills required to take up these jobs, we should, in return, expect them to take on greater responsibility themselves for finding work” (DWP 2007a, p. 35). Although HCD and compulsion are conceptually distinct approaches, in both Australia and the UK they are often integrated to achieve the objectives of workfare.

This rhetorical combining of compulsion and HCD, reflects actual policy. For example, as a response to the UK recession, one policy introduced was the Young Person’s Guarantee, which resembles the Compact with Young Australians. Young people who were unemployed after six months were offered training, an internship or employment, and just as with the Australian case, accepting an appropriate offer was mandatory.

Combining policies of compulsion with HCD serves to legitimise compulsion, which is why HCD rhetoric is prevalent; but in actuality the training and education opportunities are often deficient, whilst the obligations are stringent. That is, the HCD rhetoric exaggerates reality, whereby the resources provided are insufficient to develop the useful skills of disadvantaged populations (Dean 2003, p. 442; Lindsay et al. 2007, p. 558). To illustrate, by 2009 fewer than one in five young people from the most disadvantaged areas of England entered higher education, compared to more than one in two from the most advantaged areas (Higher Education Funding Council for England 2010, p. 1). Despite reforms aimed at broadening access, by the end of Labour’s term in office, the most advantaged 20% of final year students were seven times more likely to
gain places at leading universities than those from the bottom 40%, a bigger gap than when Labour had come to office (Jordan 2010, p. 50). This indicates that, as shown with Australia above, in the UK people most likely to be receiving welfare support – the workfare class – have inferior access to higher qualifications. The inadequacy of the HCD approach is further investigated in the final chapter.

The UK Coalition government did not emphasise HCD in its first welfare policy reform White Paper.\(^{62}\) As with the preceding Labour government, it appears that HCD and compulsion will be combined, for example: “advisors will also be given clear powers to mandate people in both the work preparation and active job search categories to undertake activity to address a skills need, such as training, which will aid their movement into work” (DWP 2010a, p. 28). However, an increase in funds for investment in training is unlikely. With billions of pounds cut from the Departments of Education, Work and Pensions, as well as Business Innovation and Skills, the implication is that there will be fewer resources (HM Treasury 2010b). The Coalition government has committed to maintaining most of the education and training support outlined in the previous paragraph, but as a consequence of their focus on reducing expenditure, there appears to be some movement towards reduced free access to training (DBIS 2011, pp. 10-11). In regard to universal welfare provision, they have increased the costs of higher education, which could deter low income people from attending, even if the costs are not upfront. It appears that the significance of HCD has declined relative to compulsion, as unlike compulsion, the Coalition government does not appear to be advancing this policy mechanism, but partially withdrawing it. Nonetheless, it is likely that HCD will remain a notable policy mechanism of workfare.

Summary of human capital development

Although HCD has clearly been an important means towards getting people into employment, it remains secondary to compulsion, both temporally and conceptually. In regard to temporality, substantial support services to workfare subjects are only provided after a period of time where mere compulsion has been insufficient to shift them into employment. For example, in the UK the New Deal for Young People (NDYP) only provided access to training or education after four months of mandatory

\(^{62}\) They did indicate that HCD will play an important role in their ‘work programme’ which was introduced in mid-2011, but this lies beyond the period of this case study.
job searching. It is this temporal priority of compulsion that enables work-first and HCD to be reconciled, as compulsion is indeed first, followed by the combination of training opportunities and compulsion.

In regard to conceptual priority, neither the UK nor Australian governments have ever claimed to be taking a ‘skills-first’ approach, whereas they have indeed declared a work-first agenda, which inextricably prioritises the use of compulsion over HCD. This has been described as a ‘work-first plus’ approach (Hakeney et al. 2008, p. 4). However, across the four governments in the two cases there are distinctions in how extensively the HCD element is added to work-first. UK Labour did most to increase the availability of training for workfare subjects, although commentators still described it as work-first (Finn 2003; Robinson 2005, p. 344). The succeeding Coalition government appears to be mostly maintaining HCD that is targeted at workfare subjects, whilst cutting universal provision, although how policies eventuate is yet to be seen. In comparison, the Australian conservative Coalition government placed least emphasis on the provision of accredited training and education for workfare subjects; the succeeding Labor government significantly increased investment, but did not develop training opportunities as extensively as UK Labour. Regardless of the levels of investment in HCD, in all four cases compulsion remains the dominant means to get people into employment, with HCD being of secondary importance.

**A tertiary means: Enhancing the attraction of work**

A significant theme in UK welfare policy is increasing the attraction of work. In Australia, this theme has received relatively little attention from either Coalition or Labor governments since 1997. Despite the increased emphasis given by UK governments to enhancing the attraction of work, it remains a far less prominent kind of intervention than either compulsion or HCD. The two main specific means the UK Labour government pursued in enhancing the attraction of work were to ‘make work pay’ and help people to ‘progress in work’.

**Making work pay**

New Labour adopted the phrase ‘make work pay’ in its first term, implementing two key policies to do this. The first was a national minimum wage. This was a historic step
for Britain, although decades behind other developed nations, especially Australia which had pioneered such laws nearly a hundred years earlier. In 1999 the UK national minimum wage for adult workers was set at £3.60, far below a living wage (National Archives 2007). That is, it is well below Justice Higgins’ (of the Australian Commonwealth Court of Conciliation and Arbitration) 1907 determination that a living wage should enable workers to live in “frugal comfort estimated by current human standards” (Higgins 1907, p. 4; ACTU 2009). Although there have been some increases in the UK minimum wage above the rate of inflation, it remains below a living wage (Toynbee & Walker 2005, p. 55).

The national minimum wage was combined with the Working Families Tax Credit, which morphed into the Child Tax Credit and Working Tax Credit. These essentially supplemented the income of people in low paid jobs, the former for those with at least one child, the latter for disabled people or those usually working over 30 hours a week. By topping up wages, the purpose of tax credits is to enhance the incentive to gain employment. Undoubtedly, they have made work pay more, nonetheless, even with tax credits, the minimum wage for parents and childless workers alike, remains below a living wage; as Stewart says: “Labour has not succeeded in addressing the inherited problem of low pay” (2009, p. 289).

Rhetorically, the UK Coalition government emulated Labour’s assurance that a key instrument in promoting employment is to increase incentives by ensuring work is more rewarding. The Coalition declared that they were “firmly focused on making work pay” (DWP 2010a p. 1), just as Labour did shortly after they came to office: “We will … make sure work pays” (DSS 1998b, p. 1). Both governments subtly defend their overall welfare policy changes by emphasising positive interventions and using similar terminology.

The Coalition’s first major welfare policy change was to combine Labour’s tax credits with various welfare payments, naming the new single payment Universal Credit. The government asserted that the main purpose was to “ensure that work always pays”  

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63 Higgins set the minimum wage at £2 and 2 shillings a week (which amounted to one shilling an hour) (ACTU); in today’s terms this is about 10% more than the British minimum wage.
It is intended to do this by only gradually reducing welfare payments when someone earns an income from employment. The result should be that combined income from Universal Credit and wages will always outweigh Universal Credit alone. Furthermore, “no one will see their benefits reduced when Universal Credit is introduced” (DWP 2010b, p. 13).

However, it appears that over time both those solely reliant on welfare payments and those who combine this with wages will be worse off. This is because changes to the Consumer Price Index, which is used to measure inflation, will indicate that there have been lower prices rises than the current measure, thus reducing future rises in welfare payments, as these track inflation. This will result in people being 1% to 2% worse off (Toynbee 2011). The Coalition is continuing Labour’s approach of widening the gap between, on the one hand, combining employment income with welfare payments and, on the other hand, relying solely on welfare payments. Consequently, many people who gain employment will still require welfare payments, often due to not having full-time employment, which will be explored in Chapter 8. Coalition policies are likely to make circumstances of these people even worse off compared to those on median incomes, thereby increasing relative poverty.

There has not been an overt agenda in Australia to ‘make work pay’. However, the level of low wages remains higher than in the UK, as will be described in Chapter 8. There is also a working credit that enables people to retain up to $1,000 of their welfare payments upon gaining employment. However, low wage work still does not pay adequately, as will be shown in Chapter 8. In 2010 the Labor government recommended to the independent workplace relations tribunal (Fair Work Australia) that there should be a real increase in minimum wages to increase the incentive to work, and condemned the preceding government for presiding over only paltry rises in the real minimum wage (DEEWR 2010c, p. 6, 49) The tribunal acted on the government’s advice. Nonetheless, strategy to make work pay remains of less prominence in Australia than in the UK.

Although the policies that have been introduced by both the UK Coalition and Labour governments have made work pay more, neither government has made the work that welfare subjects are likely to do pay well or even adequately, as will be detailed in
Chapter 8. The same applies to the Australian Labor government’s initiative related to increasing minimum wages, whereas the Australian conservative Coalition did not even feign to make work pay. Nonetheless, the three governments that implemented ‘make work pay’ strategies did somewhat enhance the attraction of work.

**Progressing people in work**

‘Progressing people in work’ has been used in the UK as one specific mechanism to enhance the attraction of work, but has received little government attention in Australia. It is closely linked to keeping people in work, where the intention is to break the ‘low-pay/no-pay cycle’, as detailed in Chapter 8. By enabling people to progress in work, the aim is to enhance the attraction of gaining employment and staying employed.

The ambition to progress people in work is affirmed in official documents, for example: “Finding a job is only part of the story. It is also important that people are able to progress in their careers” (Economic Impact Unit 2009, p. 58). This was reiterated in interviews, where a senior policy advisor at DWP commented:

> It’s not just to get them into work, it’s to keep them in work and progress them in work. We don’t necessarily talk about that. If you read the press it is always about getting people off benefit, but amongst officials, keeping people in work and progressing them in work is equally important, if not more important.

(UKA)

It is being implied that there is a distinction between populist-political discourse and policy rhetoric, but ‘progressing people in work’ was not mentioned in other interviews, and only moderately in official government communications, indicating its low importance. This applies even more to the Australian case, where it was completely absent in interviews with policy makers, and practically so in official government discourse.

By far the dominant purported means to ‘progress people in work’ in the UK is through providing access to improving skills:

> The challenge we face is not solely about helping people back into work. It is also about helping people progress in work … For a start, that means helping people get
The training opportunities referred to in the above section on HCD seem to form the majority of the concrete policies aimed at progressing people in work, the assumption being that if people begin employment with a qualification of some sort, they are more able to advance in the workplace.

What most distinguishes the UK approach from Australia’s lack of a strategy to progress people in work is some continued provision of training once they gain employment. A particular program to do this in the UK is Train to Gain whereby employers are helped to give their employees access to training. For example, an employer who recruits an unemployed person can access funding to enable their new recruit to gain a diploma (DWP 2009b, p. 75). Under the Coalition government this program had its budget reduced by £200 million (DBIS 2010), thus it seems they have less commitment to progressing people in work.

Another program in the UK was a demonstration project (2003-08) called Employment Retention and Advancement (ERA) which applied a “combination of post-employment advisory support and financial incentives” (Riccio et al. 2008, p. 1). This involved ‘job coaches’ to provide information, encouragement and advice to participants at least two years after finding employment. Participants were given cash bonuses for remaining in full-time employment, financial support to help cope with personal emergencies, and some funding to assist with further training. The final evaluation found that the program had modest positive effects on improving the earnings for sub-groups of participants, but did not improve job quality (Hendra et al. 2011). The evaluation suggested that the program should not be replicated across the board, and “at best” could be applied to the target population it was most effective with, although such targeting would be difficult (Hendra et al. 2011, p. 247). This might have contributed to the trial not being implemented as a national program, but it is testament to a genuine attempt to progress people in work.

To the extent that enhancing the attraction of work through progressing people in work is a policy objective, training is the chief means to achieve it. The policy mechanisms of
enhancing the attraction of work and HCD are interrelated. Furthermore, because workfare subjects can be compelled to participate in training, HCD, conditionality and enhancing the attraction of work have all been implemented in combination to advance the same objectives.

Progressing people in work has largely been promoted in the UK (and hardly at all in Australia) by focusing on the individual, such as their skills or lack of skills. The alternative mechanism that was utilised to enhance the attraction of work – making work pay – has applied a structural approach which attempts to change labour market conditions to incentivise people to respond in personally and socially beneficial ways. This has been emphasised more in the UK than in Australia, but in neither country has much attention been given to enhancing work’s ‘intrinsic’ nature. Enhancing the attraction of work, whether by making it pay or progressing people in work, has clearly not been the main mechanism used in either the UK or Australia to get people into employment. The need for far greater attention to enhancing the attraction of work, in regard to labour market conditions and the intrinsic quality of work, will be demonstrated in Chapter 8, with policy recommendations made in Chapter 9.

**A minor means: Direct government job creation**

Direct government job creation supports people to gain employment by providing more employment opportunities; this might involve employment in government bodies, but not necessarily. After the Great Depression, many countries engaged extensively in direct job creation programs, and this continued in the post-war period. In the UK and Australia direct government job creation has been near absent since the 1980s, with a slight aberration during the GFC.

When the consequences of the GFC began to materialise in the UK, Labour established the Future Jobs Fund which aimed to create about 150,000 jobs (Economic Impact Unit 2009, p. 37). It did this by enabling local authorities and other organisations to bid for grants to fund enterprises that would employ people receiving welfare benefits. The government described this as “a new approach to creating jobs” (Economic Impact Unit 2009, p. 37), which it largely was, if one only considers the last three decades. However, with about 2.5 million unemployed people in the UK around the time of the
initiative (Office for National Statistics 2011), it is not sufficiently extensive to have a substantial impact.

Responding similarly to the GFC, in mid-2009 the Australian Labor government established a Jobs Fund which provided one-off grants to organisations to employ people to work on community and environmental projects (DEEWR 2009). The second and final round of grants was expected to generate 1,600 jobs. With both the Australian and UK jobs funds, the governments did not directly employ people, but provided funding to support other enterprises.

This minor exception to market-liberal employment policy only had a planned 12 month time span in Australia, whilst in the UK the initiative was abolished by the Coalition government in 2010. The UK Coalition’s approach to job creation returns to the hegemony of private enterprise, with Prime Minister Cameron stating he will “get behind British businesses and support the job creation we need. These jobs won’t come from government” (Cameron 2011). Whilst both the UK and Australian governments emphasise job creation, the government is only indirectly involved. Both refrain from policies that fundamentally alter structural labour market conditions to provide disadvantaged people with greater substantive employment opportunities. Direct government job creation has been a minor means utilised to shift people from welfare to work.

**Conclusion: The means to achieving the policy objectives**

The UK Labour government utilised HCD and policies to enhance the attraction of work more than the Australian conservative Coalition government. This cannot be explained merely through the slight distinction in employment conditions, such as minimum wage rates; it also reflects more than a different approach to achieving the same objectives, namely, some variance in objectives. Although both governments endeavoured to help workfare subjects, they held different notions of not just how to help, but what it was to help. They were concerned with slightly different aspects of human well-being. The UK Labour government was much more concerned with poverty and social exclusion. Recognising the problem of in-work poverty, there was some concern to enhance the attraction of employment, by ‘making work pay’, thereby
reducing not just ‘worklessness’, but poverty. Similarly, to be fully included in society it was recognised that it is insufficient merely to be working, but it is also important to increase the chances of disadvantaged people to secure ongoing employment with the possibility of promotion, which can be advanced by cultivating people’s skills through a HCD approach. Since the Australian conservative Coalition government was far less concerned with poverty and social exclusion, enhancing the attraction of work and developing skills was not an important element of their workfare approach.

Since the change in governments in both countries, approaches to workfare have somewhat converged, with Australia using more positive instruments and the UK more negative ones. Australian Labor have adopted social inclusion as an objective and correspondingly implemented some HCD policies. They have enhanced the attraction of work by increasing the real minimum wage: “An important way in which minimum wages can promote social inclusion is through the provision of a safety net” (DEEWR 2010c, p. 49). In the UK there has been a diminishment of HCD, although the specific impact on the workfare class is yet to be seen. This diminishment is probably due to the abandonment of the social inclusion agenda, but without a concerted repudiation of the social inclusion objective, the policy instruments promoting that agenda have not been eliminated. As the specific objectives of the two cases converge, so too do the policy instruments to achieve them.

Governments in both countries have consistently aimed to reduce welfare dependency as an important aspect of promoting people’s well-being; this common objective contributed adopting compulsion as the central means of achieving this. The use of compulsion suits this objective, where well-being is conceptualised as reducing dependency, as people can be ‘helped’ by quickly getting them into any employment.

Although since 1997 there has been some alteration of the prominence of the policy instruments used to get people into work in Australia and UK, the ranking of the different instruments remains consistent. In the UK, compulsion has consistently been the most important policy instrument, despite the increased use of HCD by the Labour government during the GFC, with enhancing the attraction of work and then direct government job creation far less important again. The election of the Coalition
government merely led to advancing the prominence of compulsion, both from its amplification and the diminishment of alternative policy means. In Australia too, compulsion has consistently been the most important policy means, although its dominance has been somewhat mitigated by the rise of HCD under the Labor government. In both countries, the use of compulsion, HCD and even enhancing the attraction of work have often been integrated to advance the objectives of workfare. Nonetheless, compulsion remains the dominant policy instrument utilised to get people into work.
Chapter 6: Significance of paternalistic characteristic of workfare

Introduction

To the extent that workfare contains compulsive elements, the explicit objective of helping workfare subjects becomes implicitly paternalistic. Contrary to common beliefs, paternalism is not a policy rationale, that is, it is not merely the reason for a particular policy. Paternalism is neither a justification used by government, nor a mere objective, as it also encompasses the instruments by which a particular objective is advanced. It is a description of a kind of policy approach that contains particular characteristics: the conjunction of the objective to promote people’s interests, and the policy mechanism of compulsion. When a paternalistic approach is applied to workfare, the resultant policy could be called *paternalistic workfare*.

Other researchers have also identified the paternalistic nature of UK and Australian welfare policy. For example, Driver and Martel state: “New Labour’s welfare reforms demand, as the new paternalism requires, certain types of behavioural responses and sanctions those forms of behaviour deemed as ‘irresponsible’” (2002, p. 198). In Australia, Yeatman describes Mutual Obligation as “paternalistic contractualism”, that is, the notion of a social contract is applied in compelling the self-reliance of subjects (2000, p. 158). The more thorough investigation of the presence of paternalism in Australian and UK welfare policy conducted in this research supports such claims.

It is not claimed that paternalistic welfare policies aimed at getting people into work are a new phenomenon. However, the *extent* to which paternalism characterises welfare policy is novel. There are other paternalistic aspects of social policy, but what Ben-Ishai says about the US equally applies to Australia and the UK: “workfare is the most developed and known example of new paternalist policy” (2012, p. 157). With the decline of welfare payments understood as entitlements, compulsion has become increasingly used as a policy tool. Although the Poor Laws exhibited a high degree of compulsion, the benevolent aspects were far less pronounced, with a moralistic emphasis on punishing the undeserving. They operated at a time when most of the population could not vote, thus those who might one day be in need of welfare support...
had no influence on policy. Paternalism in the workfare era to a new extent combines compulsion with benevolence.

No understanding of paternalistic workfare can be complete without engaging with the work of its most renowned contemporary academic advocate, Lawrence Mead, who promotes paternalism as the policy solution to poverty in countries with welfare states like the US, UK and Australia. Mead is concerned with benefiting workfare subjects through alleviating their material deprivation. He explicitly distinguishes his paternalistic approach from other social policies that have the similar objective of addressing poverty: “paternalism emphasizes the obligations of clients rather than their rights or needs” (1997b, p. 21). Mead rejects the use of entitlements in what he calls traditional social policy, whereby people have a right for their needs to be met from government with minimal conditions attached. To the extent that traditional social policy attempts to address behaviour, it does so through changing environmental circumstances (such as by positive approaches like creating employment opportunities) to provide incentives, giving people choices. Mead does not deny that there have been environmental causes of disadvantage and rejects the particular negative approach of removing welfare payments (Prideaux 2005, p. 92), but argues that the best way to help disadvantaged people is to focus on individuals and directly “alter… [their] patterns of life” (1997b, p. 23) through “directive and supervisory means” (1997b, p. 2). Mead is essentially advocating for the use of compulsion to change people’s behaviour for their own benefit.

Mead articulated most of his ideas about welfare paternalism in the *new paternalism* in 1997, when this case analysis commences. However, 15 years later, his writing could be mistaken for a descriptive account of much welfare policy in Australia and the UK. As shown above, the use of compulsion was evident, and so too was the presence of the objective to help people. This chapter considers how Mead’s ideas, as well as additional paternalistic theory, pertain in Australia and the UK. This will be done by identifying the conjunctive presence of compulsion and benevolence, that is, not merely the presence of each element, but how compulsion is enmeshed with the objective of benefiting workfare subjects. The presence and nature of paternalistic workfare in Australia and the UK will initially be examined through government discourse.
Subsequently, Australian and UK paternalistic workfare will be analysed through situating them within conceptual distinctions. The varieties of paternalism will then be further identified through analysing how each case uniquely combines particular conceptions of helping workfare subjects with compulsion. Finally, the mutual influence of paternalistic policies between the two cases will be recognised.

**Government discourse disclosing conjunction of compulsion and benevolence**

There was a complete absence of the term ‘paternalism’ in official government discourse, both in Australia and the UK, probably because it has acquired pejorative connotations, but its presence was evident from allusions that conjoined benevolence with compulsion. Policy makers interviewed were quite candid about the presence of ‘compulsive benevolence’.

In Australia, for example, the McClure Report referenced research about a pilot program by Department for Families and Community Services: “For most groups, it appears as if a structured approach within a requirement framework provides the best measure of assistance” (McClure & Reference Group on Welfare Reform 2000, p. 42). A ‘requirement framework’ is compelling people to act in a way that they otherwise might not, and this is justified through ‘assisting’ those compelled – thus, paternalism.

In regard to the UK, allusions to paternalism were particularly evident in the report with the suggestive subtitle: *The role of conditionality in improving employment outcomes*. This report states that conditionality:

> aims to encourage people to engage in actions and activities that help themselves … The structure and operation of conditionality policy is principally aimed at fostering positive outcomes for individuals and helping to prevent negative ones. (DWP 2008a, p. 1)

It is clearly claimed that the objective of applying compulsion through conditionality is to help workfare subjects improve their lives. In this report, ‘paternalism’ – the phenomenon – is pervasive, even though ‘paternalism’ – the term – is absent.
In interviews, policy makers were often more explicit about the use of compulsion to help workfare subjects. For example, policy maker from DWP commented: “I never thought there was a disconnect between the desire to help and imposing mandatory activity” (UKA). The interviewee is correct: compulsion and benevolence are perfectly compatible, being the very definition of paternalism. Another policy maker at DWP explained:

Most of them said that without the muscular aspect of the program they wouldn’t have made what was a life changing transition, so they needed that additional push, and they needed personal advisors to be tough with them and say, look, you actually have to do this. If you can’t make your own decision about how you take the next step, I’m going to make you do something. (UKC)

It is being argued here that compulsion is not only an effective means towards helping workfare subjects, but is necessary, as people will not improve their behaviour without it.

In another UK interview, benevolent compulsion was defended at length:

I don’t think it is compassionate to pay people not much and leave them there for 20 years. I think it’s a warped form of compassion. You go and talk to people who have lived the last 10, 15 years on benefits, they do not have a nice life, it’s horrible. They lack self-respect. The number of people who don’t give a toss about being on benefits, although I’m sure there are many, proportionally is not high. It is emasculating, it is disenfranchising, it is embarrassing. And even in areas where it is very dense and everyone does it, they’re piss poor. I would happily look anyone in the eyes and justify … morally … a bit of tough love. (UKD)

This makes starkly evident the tight connection which policy experts make between compulsion and helping workfare subjects.

Australian policy makers were no less candid, for example, the former DEWR/FaCS policy advisor:

[It] is an element of all income support that the rules are there because they are good for you, but what do you do if people don’t follow them? So clearly
you need some form of sanction … Partly it is about a worry that people will lose track if you just let them do whatever they like, the danger is … if they have been out of the workforce it is hard to get back in. (AC).

Paternalism here is implicit, but certainly not obscured; rather, the overt reference to helping workfare subjects whilst discounting their autonomy is unequivocally paternalistic.

Governments also justified using compulsion for benevolent ends by referring to the presence of evidence, as in the following excerpt from a UK review:

the evidence is now overwhelming that employment is generally beneficial for individuals and their families. This corpus of evidence stands traditional Government policy on its head. Far from being reluctant to engage, the Government could on this evidence be accused of dereliction if it were to fail to do so. (Freud 2007, p. 32)

The implication is that because work is in people’s interests, not only are the government’s compulsive practices justified, but they have a moral duty to get people into employment.

Similarly, in his review for the government, Gregg asserts that evidence suggests that “movements into work are largely beneficial for the claimant and their dependents, that the use of conditionality is effective in changing behaviour” (DWP 2008a, p. 6). It is being claimed that conditionality is the appropriate policy tool to achieve the objective of helping workfare subjects through employment. Although the evidence about the positive outcomes of work could be questioned (as will be done in Chapter 8), the presence of paternalism is undeniable.

**Confronting policy makers with the term ‘paternalism’**

Despite this candour about using compulsion to help workfare subjects, policy makers avoided the term ‘paternalism’. For example, the Australian policy analyst from DEEWR admitted: “I’m a bit uncomfortable using that term myself” (AB), whilst the policy developer at DEEWR joked: “So we talked about paternalism, you didn’t hear me say that word” (AA). Clearly, it is not the benevolent aspect of paternalism that raises ‘discomfort’, but the conjunction of benevolence with compulsion which entails
government presuming to know better than its citizens what is in their interests and is willing to impose it. As a consequence of the term having taken on pejorative connotations (which may or may not be valid), governments are reluctant to admit their policies are paternalist, resulting in a ‘catch 22’ situation. If their denials of paternalism are accepted, the other conclusion to be drawn is that compulsion is not intended to help workfare subjects. The policies are either benevolent and therefore paternalistic, or neither paternalistic nor benevolent.

Upon explicit questioning, two Australian policy makers did come close to accepting the role of paternalism in welfare policy. The former DEWR/FaCS policy advisor commented:

I think by its nature the welfare state is paternalistic … If paternalism means intervening to try to achieve better outcomes for people … then all welfare states are paternalistic. (AC)

This was reiterated by the policy developer from DEEWR: “I think there is a sense that governments are paternalistic, that’s their very nature, that people would like a body and entity to look after them and to look after others” (AA). These comments underplay the compulsive element of paternalism, not fully admitting that it is not all benevolent interventions that are paternalistic, but only those interventions that utilise compulsion. In neglecting this fact they are able to affirm that there is nothing unusual in recent workfare policies – that paternalism is a standard element of state practices, and in particular of welfare policy, and that current policies are not particularly novel, but rooted in historical trajectories. An attempt is made to normalise and thereby vindicate the current paternalistic aspect of workfare.

They are not alone in identifying a continuous paternalistic aspect of welfare policy, as scholars have also noted the continuity of paternalism. For example, Paz-Fuchs claims: “Since the early days of the Poor Laws, and perhaps earlier, social policy that targeted the unemployed could at least partially be explained as being motivated by a paternalistic attitude that sought to better the life of the individuals subject to the harsh measures that were attached to welfare relief” (2008, p. 203). However, over-emphasising the historical presence of paternalism at particular moments in time can
result in failing to appreciate the oscillation of the degree to which it has been applied over time.

UK policy makers were similarly dissatisfied with the term ‘paternalism’ when confronted with it. But, unlike the Australian policy experts, two expressed a different understanding of the notion. One commented: “Paternalistic implies you’re not being tough in my language … in my political lexicon, paternalistic… bluntly… isn’t prepared to force some of the stuff I’m talking about” (UKD).

Another interviewee shared this understanding:

I think the welfare state used to be paternalistic, it used to hand out money, you can’t get more paternalistic than that. I think the relationship we have now is much more sophisticated and … balanced. To the extent if you look at our jobseekers’ charter, it’s a very clear statement of what the deal is, drawing on the financial and job search support we offer, requires the job seekers to meet their part of the contract. So far from being paternalistic it’s a very clear sketched out deal and contract. (UKC)

This suggests that a contractual approach to welfare, which is closely associated with conditionality, is contrary to paternalism, because it is implied that entering into a contract respects an individual’s agency. In both the above statements, it is suggested that paternalism patronises the individual, by not requiring specified behaviour. However, both interviewees acknowledged and propounded the role of compulsion in helping workfare subjects. Rather than denying the presence of paternalism, there appears to be a mere semantic dispute, possibly influenced by a cultural distinction between Australian and UK terminology.

Nonetheless, the senior policy UK advisor who did clearly share an understanding of paternalism similar to Mead’s frankly stated: “The government is paternalistic. Yeah, again this is where it comes back to, the government has previously tried not being paternalistic about this” (UKA). They went on to explain that when the government did not enforce requirements, unemployment was a “bigger problem”, and since behaviour was mandated there has been more success in getting people into work.
Despite the general reluctance of interviewees to use the term ‘paternalism’, they openly affirmed that workfare uses compulsion to help people. Policy makers exhibited a clear line of paternalistic reasoning: employment is good for people, people do not always engage with the labour market as actively as necessary to gain employment, therefore the government should intervene through conditionality to change people’s behaviour, for their own benefit.

**Distinguishing the nature of Australian and UK paternalistic workfare**

A broad definition of paternalism is supplied by VanDeVeer (2010, p. 2) who writes that it occurs when “A interferes with ...S, in order to promote S’s own good”. This is a provisional definition because he recognises that, depending on how one interprets the terms, it may not be able to accommodate some atypical cases. Within this wide definition, paternalism can take a variety of forms. This provisional definition will be developed so it can be used to understand the complexity of actual paternalistic policies. This will be done through the presentation of seven pairs of distinctions, each pair being two poles of a continuum. These distinctions do not give an exhaustive account of paternalism, but are relevant to UK and Australian paternalistic workfare, which will be situated in relation to the distinctions, enabling a richer comprehension of the phenomenon in the two cases.

**Narrow and wide**

Under narrow paternalism, the party affecting the options of the subject is the state (Dworkin 2005). This is also referred to as legal paternalism (Feinberg 1971). Wide paternalism encompasses paternalistic behaviour by any kind of party, such as schools, parents or an anonymous bystander.

Workfare in Australia and the UK is very narrow, with policies being developed and implemented by national governments. Mead argues that this feature distinguishes ‘new’ paternalism from old paternalism. Prior to the 1960s, but in particular during the
Poor Law era, welfare provision was largely administered by private charities which imposed their own standards of behaviour on their particular subjects.\textsuperscript{64}

**Universal and selective**

Narrow paternalism can be universally or selectively applied. Universal paternalism is when a law applies to all citizens. For example, in Australia and the UK all citizens are required to wear seat belts. Obviously, laws are universal in the sense that they apply to all citizens in a particular circumstance, such as driving a car. Selective paternalism encompasses laws targeted towards some citizens. Such laws are aimed at people not so much based on the external circumstance they find themselves in, but due to qualities associated with their identity. Law makers can target policies at categories of people by defining them according to particular characteristics, such as being a child, ‘disabled’, criminal or Indigenous. However, the extent to which particular qualities are understood as external circumstances or definitive characteristics is a matter of degree.

Paternalistic workfare in Australia and the UK has a considerable ‘selective’ character. It could be argued that the policies are universally designed for all people who find themselves in a particular circumstance, primarily not working. However, the extent to which certain categories are identified as targets of the policies reveals a greater level of selectivity. As discussed in Chapter 3 in the section on welfare dependency, many people receive government money, but only some are subject to workfare policies. It is not merely being in the circumstance of receiving welfare payments and not working that makes one a workfare subject. It is that one is deemed to be suffering from ‘dependence’, it is people identified as possessing this quality that defines them as a category. Then an additional judgement is made about one’s character, which is that one has no excuse for being dependent. It is these inexcusably dependent people who are selected as workfare subjects. Therefore, paternalistic workfare in both countries is highly selective.

\textsuperscript{64} Although the ‘wideness’ of paternalism during the Poor Laws should not be exaggerated because, as Piven and Cloward (1971) highlight, at times there were still considerable requirements imposed on welfare subjects by central governments.
**Pure and impure**

The pure/impure distinction refers to who is being intervened with and who benefits (Kleinig 1983, p. 12). Under pure paternalism, the people intervened with and the beneficiaries are identical. This is the archetypical form of paternalism. Impure paternalism is when the category of people who benefit from an intervention is a sub-category of those who are subject to it, as shown in Diagram 3.

**Diagram 3: Mixed/impure paternalism**

This diagram and its variation has been developed by the researcher for this thesis.

UK and Australian paternalistic workfare policies are impure. In rhetoric and actuality, it was evident that policies that presumed to benefit a minority of people in a defined category subjected all people in that category to compulsion.

To illustrate with the Australian case:

> Most income support recipients are likely to participate willingly … It is likely however that others … will not respond to approaches that rely entirely on voluntary participation. For this group, early intervention strategies will not succeed unless ways can be found to actively persuade them of the benefits of participation. (McClure & Reference Group on Welfare Reform 2000, p. 40)

Here it is plainly being admitted that the autonomy of some people is being interfered with, even though their well-being will not be consequently enhanced. In the following
chapter, further implications about the existence of such disparate impacts of paternalistic workfare will be considered.

The impurity of paternalistic workfare is also revealed from interviews with policymakers. The policy analyst from DEEWR acknowledged that:

The vast majority of people comply with their requirements … on a voluntary basis, and I can see why they may feel that having a compulsory requirement kind of mitigates [sic] against the fact that they are willing to do it … But there will always be a cohort of people who either lack the confidence, the skills or the motivation to actually do it. And I guess back to where activation that mandates actions come into play … That might sound tough, that might sound paternalistic. (AB)

This is reiterated by the former DEWR/FaCS policy advisor: “The laissez faire approach … is fine for some, but not others, so then they all get the authoritarian approach” (AC). There were similar comments by UK policymakers, with one saying: “It’s about helping everybody, even those people who don’t know they need help yet. So we’re not going to limit that” (UKA). That is, impure paternalism is necessary as it is difficult to differentiate who will and who will not benefit from compulsion. To help those who will benefit, everyone in that category must be subject to it.

Direct and Indirect

Direct and indirect paternalism (Kleinig 1983, p. 11) is often confused with the pure/impure distinction. Direct and pure paternalism are identical, it is when the interference and the benefit only accrues to the same agent. However, indirect paternalism is the inverse of impure paternalism; it is when an intervention is intended to benefit more people than are directly subject to it. The category of subjects is a sub-category of beneficiaries, as shown in Diagram 4.
Paternalistic workfare in Australia and the UK is primarily direct. The targets are also the intended beneficiaries, that is, the people who do not work will supposedly gain the most from being put into work. In both cases there is also a considerable indirect paternalistic element of workfare. The most commonly referenced indirect beneficiaries are the families of the subjects. For example, a UK report stated:

Conditionality is one way in which the Government tries to encourage active citizenship and support individuals to pursue actions which lead to positive outcomes for themselves and their families. (DWP 2008a, p. 16)

This makes clear that compulsion is applied to help both workfare subjects and their families.

A particular kind of family member was often specified as being indirectly helped through workfare – children. For instance, the Australian Minister for Employment and Workplace Relations commented: “The best way to help parents and their children is to help the parents find a job” (Bills Digest, Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Bill2005, p. 14). The UK government particularly emphasised the objective of helping children, stemming from its target to end childhood poverty, and thus had a greater degree of indirect paternalistic workfare than in Australia. Childhood poverty was largely addressed by attempting to increase the workforce participation of parents: “In order to eradicate
child poverty we need to provide opportunities for their parents to work” (DSS 1999, p. 7). In both countries, it is purported that children can share in the benefit that will accrue to workfare subjects.

Through indirect paternalism, workfare is able to promote simultaneously the two dominant kinds of objectives: benefiting workfare subjects and benefiting society generally. As demonstrated in Chapter 4, the Australian and UK governments clearly purported that people being ‘self-sufficient’ is inherently in their interests, as well as in the interests of society. It is in the interests of society because people will be contributing to economic production, paying more tax, with less revenue diverted from productive investment, thus increasing social prosperity. In practice, almost all social policies that target the individual will have an impact on society generally. This is because what is good for the individual is usually good for society and vice-versa. The most renowned critic of paternalism, John Stuart Mill, still recognised that “No person is an entirely isolated being; it is impossible for a person to do anything seriously or permanently hurtful to himself, without mischief reaching at least to his near connections, and often far beyond them” (1859, p. 64). For this reason, most policies that have paternalistic elements, including workfare, also have indirect objectives and outcomes.

Negative and positive, passive and active
Negative paternalism aims to prevent harm accruing, while positive paternalism aims to improve the agent’s well-being. In practice, negative and positive paternalism are often matched with passive and active paternalism, respectively. Passive paternalism pertains when agents are restricted from acting in certain ways. For instance, prohibiting agents from consuming harmful drugs is both negative and passive. Active paternalism occurs when agents are required to act. For example, requiring children to attend school is both positive and active.

Paternalistic workfare in Australia and the UK is mostly positive and always active. It is mostly positive because it is focused on improving people’s current circumstances, such as income levels. As shown in Chapter 3, it is claimed that people who have become ‘dependent’ will benefit psychologically from working, such as through improved self-
esteem. Negative paternalism applies to some extent, through early intervention with the intention to prevent the ill effects of long term unemployment. Workfare is always active because it is about getting people to do certain things: to work or to seek work. It is not a mere coincidence that workfare policies are also called employment activation policies. In both countries, paternalistic workfare compels agents to act, primarily to improve their well-being.

**Weak and strong**

Probably the most important distinction (because of its significant normative implications), and also the most complicated, is between strong and weak paternalism. Weak paternalism involves interfering “with the means that agents choose to achieve their ends, if those means are likely to defeat those ends” (Dworkin 2005). The agent ‘send-desires are not in question, but if the agent is acting in a way inconsistent with those end-desires, then a weak paternalist would be willing to intervene. The different reasons why agents fail to act consistently with their end-desires provide various grounds to permit intervening with their liberty. These reasons for failing to act consistently with their end-desires become factors that define kinds of weak paternalism. Three important kinds of reasons why agents fail to act according to their end-desires are ignorance, poor reasoning and character failings.

Justifying weak paternalism on the grounds of ignorance was most famously illustrated by Mill:

> If … any one … saw a person attempting to cross a bridge which had been ascertained to be unsafe, and there were no time to warn him of his danger, they might seize him and turn him back, without any real infringement of his liberty; for liberty consists in doing what one desires, and he does not desire to fall into the river. (1859, p. 77)

Weak paternalism on the grounds of ignorance encompasses interventions aimed at preventing consequences from actions that the agent is ignorant will likely result.

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65 A subtle distinction is sometimes made (for example, see Fitzpatrick 2011) between strong/weak paternalism on the one hand, and hard/soft paternalism on the other; however, in this thesis they are combined into one category.
Failing to act according to one’s end-desires due to poor reasoning is where an agent may know all the facts, but make false deductions. For example, this kind of weak paternalist would be prepared to overrule actions of a person who values safety, plus is aware of the unsoundness of a bridge and chooses to walk on it anyway. They are aware of the possible consequence of their action, and purposefully choose to act. Weak paternalism on grounds of poor reasoning requires a higher standard of justification than from ignorance, as the agent’s autonomy is interfered with to a greater extent.

An agent might even have both well informed and soundly reasoned beliefs, yet still fail to act on them due to character failings, such as being greedy, cowardly or lacking self-discipline or motivation. Arneson interprets Mill as condemning paternalism in such situations (1999, p. 251). For instance, an agent might value bodily health, know the health benefits of exercise and logically deduce that they need to exercise, yet due to laziness choose not to do so. This position on workfare is encapsulated by an Australian media commentator: “I have no doubt that getting these people into jobs is the best thing we could do to advance their wellbeing … even though some have slipped so deep into the Slough of Despond they aren’t thinking straight” (Gittins 2001). Intervening with an agent based on their making unsound decisions due to character failings impinges further on the individual than interventions based on the above two reasons, because who one is as an individual is closely tied to personal choices that emanate from character traits.

In contrast to all the varieties of weak paternalism, the strong paternalist is willing to disregard an agent’s end-desires. Particular kinds of end-desires might be judged invalid, justifying overrule. There are numerous reasons to judge someone else’s end-desires as invalid. What defines the different kinds of strong paternalism, though, are the different kinds of end-desires that are being overridden. Three kinds of end-desires are shallow desires, short-range desires and reflectively endorsed desires.

Shallow desires are those that have been adopted with little consideration and are not particularly important to the agent. For example, a person might enter a restaurant and

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66 A term coined by John Bunyan in *The Pilgrim’s Progress* (1678), referring to a bog which the protagonist sinks into under the weight of his sins and guilt about them.
proceed to take a seat at a particular table, but then be redirected by the waiter towards a supposedly better table. Although most shallow desires relate to immediate effects, an agent might adopt short-range ends with consideration rather than shallowness, having consciously chosen to place little weight on long term outcomes. An agent might adopt short-range ends because they place greater value on the present or because they are highly ‘risk tolerant’ (Feinberg 1971, p. 110). For example, they might choose to cook with a lot of salt, preferring to currently enjoy tasty food and knowingly risk future repercussions. A stronger form of paternalism is required to override such short term ends than shallow desires.

Finally, reflectively endorsed (or second-order) desires are those that have been reflected on and are consciously endorsed, that is, the agent desires to have that desire. For example, although a person might greatly enjoy salty food, they may also be unperturbed if over time their tastes changed so that they were inclined to add less salt, revealing the desire as merely first-order. However, if a person desires to live a life of idleness and considers this a good way to live, then they have reflectively endorsed this desire. It would involve one of the strongest forms of paternalism to override reflectively endorsed desires.

From the six factors that decisions are based on, which define the different kinds of paternalistic intervention, it is clear that the distinction between weak and strong paternalism (like all the above paternalistic distinctions) sits on a continuum, as shown in Diagram 5. When an agent’s decisions are overridden, their autonomy is infringed to varying extents, depending on what factor their decision was based on. As with all continua, there is a grey area, as it can be difficult to distinguish between people’s end-desires and the processes in which they come to act. Is enjoying the moment a desire that the agent endorses, or does it reflect the character flaw of short-sightedness? One’s opinion about this is largely a value judgement. Paternalistic interventions can be either very strong, very weak or somewhat in between.
Neither the Australian nor UK governments suggest that compulsive workfare is required merely because of the ignorance of subjects. This is because the states of affairs that workfare aims to rectify – unemployment, dependency, poverty etc. – although important, are not urgent. Unlike Mill’s example of walking over an unsafe bridge, there is time to provide information to the agent, removing the need for compulsion.

However, evidence indicates the presence of unspecified weak paternalism, which therefore must be of a more robust kind than that stemming from mere ignorance. In the Australian case, the former DEWR/FaCS policy advisor commented: “I think there is a danger … related to relying on voluntary programs, the danger is letting people be … It might not be what people really want anyway” (AC). A UK welfare review noted: “a framework of conditionality allows us to support people to act more consistently with their own aspirations” (Gregg 2008, p. 22). These statements disclose the governments of both countries justifying paternalism on the grounds of it being weak. But as the reasons workfare subjects supposedly fail to act according to their own desires were not specified, it is unclear what kind of weak paternalism is being applied.

More detail is provided about the specific grounds of the government intervention. The policy advisor for DEWR and FaCS explained: “Some people can get comfortable in the [welfare] system, but it doesn’t mean they like being there” (AC).
compulsive policies, a UK report makes a similar point in more depth, stating that people may “fail to get around to taking action on the things they know they should through inertia” (DWP 2008a, p. 15). Both these quotes justify paternalism by implying that workfare subjects fail to act as they ‘truly’ desire because of a character flaw – indolence, that is, lack of motivation to make effort and be active in changing their circumstances.

Strong paternalism is explicitly endorsed in the UK. The following excerpt forms part of a larger argument defending compulsion:

Behavioural economics shows us that rather than making decisions based on ‘rational’ factors, people are just as likely to make decisions based on what they have always done previously, what instinct or impulse tells them to do, or what they perceive their neighbours or friends generally do. (DWP 2008a, p. 15)

This suggests that people’s decisions are often made on ‘shallow’ grounds, identifying three ways that they are not based on deliberate consideration. It is being argued that it is not just ill-considered choices that can be overridden, but unconsidered choices. Strong paternalism appears to exist in the UK, albeit in this passage it manifests in a softer form.

In the same passage though, paternalism slides into a stronger form:

due to short-sightedness they may fail to see the value of things that are in their best interests over the long term … this means that in some instances, people make choices that are consciously opposed to their ‘objective’ self-interest. (DWP 2008a, p. 15)

This implies that paternalism can be justified if agents do not value certain things in the future. Support is being given to overriding agents’ short-term desires. This is a strong form of paternalism because such desires could indeed be the result of considered deliberation.

Unsurprisingly, in neither country was it advocated that governments should override an agent’s reflectively endorsed second-order desire; this would be a difficult form of strong paternalism to defend, due to its high degree of interference with autonomy. The Australian and UK governments instead characterise their interventions in as ‘weak’
terms as possible. Nonetheless, both undoubtedly do override agents’ reflectively endorsed second-order desires. For example, a workfare subject might place far less value on paid employment than other activities, such as caring for children; they may have reflected on and endorsed these desires, and simply want the necessary support to aid them in conducting their caring commitments. Despite the desires of these parents, in Australia and the UK when a child reaches a certain age, parents who receive certain welfare payments are subject to work requirements. Governments in both countries are willing to, and do, impose very strong forms of paternalistic workfare.

This very strong paternalism could even be characterised as qualitatively distinct from merely overriding a subject’s desires, but endeavouring to change their desires. Jackman remarks in regard to paternalism generally that “dominants are able to define the ideal personal traits of subordinates” (1994, p. 363). She argues that dominant groups, somewhat unwittingly, define ideal character traits that serve their own interests. Others have also suggested that paternalistic workfare, in particular, is concerned about developing certain character traits or desires, aimed at creating a particular kind of citizen: the good and compliant worker (Soss et al. 2009, p. 22). Workfare policies that inhibit the ability of people to be other than a worker-citizen, such as parents dedicated to caring, are instances of very strong paternalism.

Summary of distinguishing the nature of Australian and UK paternalistic workfare

VanDeVeer’s provisional definition of paternalism (see above) can provide a framework for organising the seven distinctions of paternalism, clarifying what role each plays in defining paternalism. It can then be applied to workfare policy, by substituting the facts from the Australian and UK cases with the variables. To recapitulate VanDeVeer’s definition: ‘A interferes with ...S, in order to promote S’s own good’. ‘A’ and ‘S’ can be understood narrowly or widely, as either individuals, groups or institutions, although the subject is usually an individual and the ‘interferer’ more likely to be an institution. The ‘interference’ could be interpreted actively or passively, in that it might oblige action or prohibit action; also, it might be implemented

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67 Research shows that many people receiving parenting payments do feel this way (Alexander et al. 2005; Ford 1996). Related research will also be explored in the next chapter.
directly or indirectly at the target of the proposed benefit, and the intended benefits might accrue purely to the targeted subject or not. Lastly, the phrase ‘promote S’s own good’ could be understood positively or negatively, depending whether the promotion of well-being or reduction of harm is being advocated. VanDeVeer’s definition is missing one essential element: the extent to which the agent’s autonomy is interfered with, that is, how strong or weak it is. A slightly more sophisticated, yet still broad, definition of paternalism is: A affecting the options available to S, based on the judgement it is for S’s own benefit, and possibly others, regardless of S’s own judgement. This definition, with the seven distinctions, will now be applied to the case studies.

Paternalistic workfare in Australia and the UK can be expressed as: the state enforcing active work requirements on a select group of welfare recipients; it is applied impurely by mixing those who are likely and unlikely to benefit. This intervention is primarily based on the judgement that it will directly and positively benefit the workfare subject, secondarily though, it will indirectly benefit their family and society; this intervention is made regardless of the factors leading to the workfare subject’s own decisions, although supposedly the interventions will usually be weak, by cohering with the subject’s end-desires. Paternalism in Australia and the UK is narrow, selective, active, impure, usually positive, mostly direct and leans towards the weak side. It may appear as though there is little distinction between UK and Australian paternalistic workfare. This is because although there are differences where each case sits on the various continua (for example, the UK is more explicitly indirect), both fall on the same side of all the distinctions. Although both contain the same elements, as will be further shown, discernible differences exist.

The varieties of compulsion to help workfare subjects
The varieties of paternalistic workfare can be further identified through comparing the specific objectives and means and how they are balanced. Workfare in Australia and the UK has been paternalistic to a similar extent, but their paternalisms have distinctive characteristics. A reason for this is because the two essential elements – benevolence and compulsion – are balanced differently in each case.
As demonstrated in the previous chapter, Australian policy exhibited a greater use than the UK of compulsive means, particularly under the conservative Coalition government. Although in both cases conditionality was the primary mode of compulsion, Australia attached more conditions to the receipt of particular welfare payments, such as with the Work for the Dole program. Although the extent to which compulsion is applied does not determine the extent to which other policy means are utilised, if compulsive means are applied less, other means may be needed to achieve policy objectives. In the UK, the relatively less use of compulsion correlated with the heightened use of HCD and enhancing the attraction of work.

UK policy under Labour focused more than in the Australian case on promoting the interests of workfare subjects, as established in Chapter 3. Based on the same logic as assessing the extent of policy means, the importance of any single objective of workfare does not necessarily diminish other objectives; but in practice, some objectives are often given less stress as a consequence of the heightened importance of others. This was the case with the reduced significance in Australia of the workfare objective to help workfare subjects, which correlated with an increased emphasis on reciprocity, especially under the conservative Coalition government.

As a consequence of these additional means of helping workfare subjects, the UK model of paternalistic workfare under Labour could be described as more supportive, whereas the Australian model under the conservative Coalition contained greater authoritarian qualities. This can be seen in Diagram 6.
The Australian and UK varieties of paternalistic workfare can also be distinguished by what is assumed to be in the interests of the workfare subjects. The considerable overlap between the two cases should first be recognised. They both emphasise a particular conception of self-sufficiency which seems equate to not being financially reliant on ‘unearned’ state payments as a primary source of income. Both cases also emphasise the value of work as an end in itself, that is, a good life does not consist in idleness, but productivity. They diverge in that the UK Labour government emphasised poverty and social exclusion more, notwithstanding Levitas’ insight (see Chapter 3) that the social exclusion discourse in the UK itself emphasised the importance of working. Accompanying this was also regard for improving the material conditions of workfare subjects and promoting their ability to participate in society. This was less present in Australia under the conservative Coalition government.

As detailed earlier, there has been convergence in the conceptions of well-being, as well as the means used to promote various objectives between Australia and the UK, as depicted in Diagram10. Accordingly, there has been a convergence in the nature of paternalistic workfare. With the election of the Australian Labor government in 2007
accompanied by the social inclusion agenda, improving material conditions and social participation increased in prominence. Some compulsive means were lessened, whilst HCD and the attractiveness of work were enhanced, creating a more supportive paternalism. In the UK, it appears that the role of HCD will be reduced; it can only be speculated how far it could continue to be reduced, but at the beginning of 2011 it remained comparable to the Australian levels. Additionally, there has been a narrowing of the conception of well-being, focusing on ‘independence’ and work, with poverty likely to increase, along with relatively less importance on helping workfare subjects in comparison to the fiscal objective. These changes to objectives and means are creating a more authoritarian paternalistic workfare, which is also less benevolent.

**Paternalistic policy transfer between Australia and the UK**

The policy convergence between Australia and UK is not purely coincidental, as there has been mutual policy transfer. First, Australia’s social inclusion agenda was influenced by the UK, as indicated by two research papers that detail UK policy and derive key lessons from it, which were written for the Australian government’s Social Inclusion Unit (Hayes et al. 2008) one of which was written by a member of the government’s Social Inclusion Board (Vinson 2008). Second, the continually increased conditionality in the UK often trailed Australia, such as applying more conditions to single parents, reducing the age of the children of single parents at which conditions apply and introducing Work for the Dole/ Your Benefits. Australia has been explicitly referred to as leading some reforms that the UK is applying. A senior policy advisor at DWP stated: “The Australian model is something we’ve always been interested in” (UKA). They went on to explain that a key “driver” of employment activation policies has been the evidence gathered from other countries; two countries are singled out, the Netherlands and “the Australian model that shows that active labour market policies actually do have a bigger impact than passive”. Whilst the Netherlands heavily stresses HCD, the same policy advisor noted: “The last [Labour] government were influenced more by the Netherlands, whereas the current [Coalition] government is more influenced by the Australian model”. Other researchers have also discussed Australia-UK workfare policy transfer (Finn 1999; Johnson & Tonkiss 2002; Peck & Theodore 2001, p. 449; Pierson 2003). The UK has been influenced by Australia’s compulsive means, whereas Australia’s Labor government has been influenced by the UK’s
benevolent objectives, thereby the paternalistic nature of their workfare policies somewhat converged.

**Conclusion: Paternalism is a significant characteristic of workfare**

Despite the policy convergence of paternalistic workfare in Australia and the UK, each case since 1997 has exhibited distinctive characteristics which can partially be captured on two scales: first, the emphasis placed on benefiting workfare subjects; second, the extent to which compulsion is used. According to this analysis, paternalistic workfare under UK Labour emphasised benevolent objectives most, whilst the Australian conservative Coalition stressed compulsion the greatest. Consequently, paternalistic workfare was more supportive and less authoritarian in the UK than in Australia. However, with the current governments in both countries, the objectives and means are converging, and if the current trajectories of policies continue, the nature of their paternalisms might even exchange places from the situation under the previous governments, with the UK become more authoritarian than Australia.

The varieties of paternalistic workfare were further illuminated by applying seven distinctions. Corresponding to emphasising benevolent objectives, the UK government more explicitly applied ‘stronger’ paternalism which overrode subjects’ end-desires, along with highlighting the ‘indirect’ benefits of such interventions. Comparing the two cases has enabled a more sophisticated understanding of the nature of paternalistic workfare. This revealed that there is not just one form of paternalistic workfare, but a variety of paternalistic characteristics that workfare policies can bear. Nonetheless, all forms of paternalism share the conjunction of attempting to advance the objective of promoting the interests of workfare subjects through compulsive means. The conjunction of these two elements in Australia and the UK was evident from government discourse and actual policies. Moreover, whilst workfare (like most policies) contains various objectives and mechanisms, the important roles of both the objective to help workfare subjects and the use of compulsion result in paternalism being a significant characteristic of workfare policies.

So much for describing, identifying and understanding paternalistic workfare –the next task is to morally interrogate it.
Part C: The legitimacy of paternalistic workfare

Chapter 7: Implications for well-being and fairness

Introduction

Paternalism engenders a moral dilemma (VanDeVeer 1986, p. 11). It is not prima facie bad or good, rather, it invokes competing benefits and harms that have to be weighed against each other. The benefit which paternalism generally aims towards is enhancing the subject’s well-being, with specific policies focusing on particular aspects of this. The primary harm it involves is disregarding (and usually overriding) the agent’s will, therefore restricting their autonomy. It is because of this violation of a basic moral tenet of liberal societies (that agents should have the freedom to act as they please so long as their actions do not harm others) that requires paternalism to be justified.

Paternalism per se is not in question; most western societies have long-standing and widely accepted paternalistic laws, such as health and safety regulations like mandating wearing motorbike helmets, fluoridating drinking water and prohibiting certain drugs. As TH Marshall wrote: “All but the most extreme and uncompromising champions of freedom agree that men should, in some measure, be protected against the consequences of their own folly, even at the cost of curtailing their freedom” (1981, p. 158). This might be so, but it leaves unanswered the nature and extent that paternalism ought to take, which a deeper understanding of the reasons behind paternalism and its implications can help resolve.

The strongest defences of paternalism are based on consequentialist arguments which justify policy interventions through the good consequences that eventuate, so long as these outweigh associated harms. This is opposed to deontological justifications which appeal to inherent qualities or principles of the intervention. A consequentialist justification can accept that a paternalistic intervention in itself is undesirable, as it overrides the agent’s autonomy, but the end of promoting their well-being justifies using such means. This justification is not explicitly used by Australian and UK governments, as paternalism is an implicit characteristic of their workfare policies.
However, advocates for paternalistic workfare do explicitly make this argument. For example, Mead writes: “The assumptions of paternalism no doubt are demeaning, but the problems the poor have … are far more damaging to them. If … paternalism can overcome those problems, it will be justified” (1997, p.27). While acknowledging that “the harm done could outweigh any benefits”, he believes that paternalism “most likely reduces overall suffering by improving lifestyles” (1997b, pp.25, 26). Mead’s position exemplifies a consequentialist argument, claiming that paternalistic interventions will reduce poverty, thereby improving the living standards, psychological health and general well-being of those subject to the policies. 68 This supposedly outweighs the associated harm of violating the individual’s autonomy and disrespecting their dignity as persons by presuming they are unable to pursue their own interests.

This chapter will examine how likely it is that paternalistic workfare will improve people’s well-being and whether it is fair. This will first be conducted by considering the empirical evidence, and the nature of that evidence, relating to the Australian conservative government’s Mutual Obligation policy and the UK Labour New Deals. It will be suggested that the available evidence is contested and inconclusive. Moreover, there are substantial normative issues relating to the likely impacts of paternalism which will be examined. In considering these issues, the conditions that are likely to be conducive to beneficial and fair paternalistic workfare will be investigated and principles of legitimate paternalism induced. Three specific issues are particularly relevant to the likely impacts of paternalism; these relate to autonomy, stigma and disparate impacts, although these do not exhaust issues of normative weight relating to the impacts of paternalistic workfare. In considering the implications on autonomy, it will be argued that the impacts will likely be largely negative. Secondly, by analysing the implications of the selective nature of paternalistic workfare, it will be shown that workfare subjects will likely be stigmatised. Finally, the disparate impacts of paternalism across the population will be scrutinised, demonstrating the unfair distribution of stigma and autonomy infringement. It will be shown that paternalistic

68 In defending compulsive workfare Mead sometimes confounds the paternalistic argument with reciprocity. Reciprocity is a deontological argument. However, as referred to earlier, this thesis is not concerned with critiquing the reciprocity justification, and will only focus on the paternalistic aspect of Mead’s justification (Mead 1986).
workfare in Australia and the UK largely fails to adhere to the principles of legitimate paternalism that were induced.

**Probing the empirical evidence about the efficacy of workfare**

For advocates of paternalistic workfare, like Mead, the justification of paternalism hinges on a very simple question: do the policies work? This question can be elaborated somewhat: are the policies effective at improving the well-being of the people subject to them? Even with this elaboration, the question still implies that there is a simple and certain answer, which is not the case.

Establishing the efficacy of workfare is problematic. The empirical evidence about whether it is actually effective in benefiting agents is highly politicised, contested and remains inconclusive. Three domains of this contestation are the scope of the evidence, the robustness of the body of evidence and the interpretation of the evidence. Empirical research on the early phase of the UK’s New Deal for Young People and Australia’s Mutual Obligation will be used as examples to demonstrate the problematic nature of empirical evidence about program effectiveness. These programs were chosen because they have been extensively empirically researched; much of the research has been directed by governments to justify the programs; which would increase the likelihood of consensus, but was still not forthcoming. A comprehensive meta-analysis was not conducted; rather, specific research has been selected that is sufficient to demonstrate issues relating to scope, robustness and interpretation.

**Scope of the evidence**

In assessing the efficacy of a program through reviewing evaluations it is essential to consider what evidence was sought, what evidence was not sought and what evidence was overlooked or even concealed, that is, *scope* matters. For example, the evidence gathered may relate to the impact the policy had on employment rates, but not whether the autonomy of people was enhanced. What evidence is sought is determined by pre-existing beliefs, values, ends and assumptions. It is politicised as researchers (and research funders) bring to the research various political presumptions and agendas, which are often contested. For example, Saunders (2011, p.183) suggests in regard to the social inclusion agenda in Europe and Australia that “policy priorities determined
politically what evidence was collected”, which he derides as ‘policy-based evidence’. In regard to New Labour’s social policies, Sullivan writes that “evaluation was one of a number of ways in which evidence was marshalled in support of a particular perspective or policy option” (2011, p. 508). The inverse to the adage “Knowledge is power” seems more accurate, that is, “Power is knowledge” (Weiss 1991, p. 311).

Although workfare as a broad policy approach aimed to improve well-being, with the supposition that work is good for people, specific workfare programs themselves often focused on the narrow objective of getting people into work. This was particularly so with the UK New Deals, although less the case with Australia’s Mutual Obligation which also emphasised ‘giving back to the community’. Nonetheless, with both programs, the research was dominated by evaluations that focused on employment related outcomes. This is partially influenced by the adoption of the New Public Management, an approach to public administration which, amongst other things, emphasises the importance of ‘outcomes driven policy’ (Ramia & Carney 2001, p. 62; Sandfort 2000). Consequently, public bodies become inclined to adopt achievable objectives which are easily measurable and therefore narrow in scope, such as welfare programs that focus on employment outcomes. Sullivan observes that New Labour applied this approach to evaluations, where technical expertise and performance statistics were privileged (2011, p. 508).

The three major studies of Australia’s Mutual Obligation (with a focus on the Work for the Dole element) all concentrated on outcomes related to changes in participants’ receipt of unemployment benefits (Borland & Tseng 2004; DEWRSB 2000; Richardson 2002). The New Deals were even more extensively evaluated, being the most “detailed and extensive government policy-related research programme carried out in the UK in recent years” with dozens of evaluations commissioned (Millar 2000, p. 11). The fact that this was a government led research program largely explains the narrow scope of the studies. The government commissioned many evaluations to answer specific questions that it had determined. However, the limited amount of independent research on the program also focused on employment outcomes (e.g.Blundell et al. 2004; Dorsett 2006; McVicar & Podivinsky 2010). This is unsurprising because the NDYP itself was narrowly designed to get people into work (Legard & Ritchie 1999, p. 1; O’Donnell
2001, p. 4), and program performance indicators concentrate on this. Even a study that evaluated ‘long term’ (four year) impacts concentrated on employment outcomes (Beale et al. 2008).

Although qualitative research on the experiences of participants was collected, particularly in the piloting phase of the program, these were aimed towards improving the effectiveness of the program to get people into work (Millar 2000, p. 13). It appears that some outcomes relating to people’s satisfaction (Bonjour et al. 2001) and personal development (Legard & Ritchie 1999, p. iii) were also considered, but these related to whether people were satisfied that the program helped them get work, and whether the program enhanced qualities (like self-esteem and confidence) that would assist in gaining employment. Even this narrow range of outcomes that has been focused on is not supported by a robust body of empirical evidence.

**Robustness of the evidence**

The *robustness* of the empirical evidence is concerned with how soundly and convincingly it indicates particular outcomes. The presence of contradictory findings about the very same programs during a similar period of time suggests that the body of evidence is lacking robustness. That is, it is unconvincing to appeal to an empirical study to support a claim when an alternative study can be appealed to that makes a contrary claim. Although it could be argued that one of the studies is invalid or has unreliable findings, as will be shown the validity and reliability of research is itself firmly contested.

This is evident in the three large-scale studies of Australia’s Mutual Obligation during the late 1990s. The first was conducted by the Department of Employment, Workplace Relations and Small Business (DEWRSB) which found that the program they were operating was effective, specifically that participants in Work for the Dole “are significantly more likely to leave income support than similar jobseekers who have not recently participated in the program: the prospects are some 76 per cent higher” (DEWRSB 2000, p. 1). Conversely, Borland and Tseng found that “there appear to be quite large significant adverse effects of participation in Fwd. [Work for the Dole]”, specifically, that people in the program spent longer on unemployment benefits than the
control group (2004, p. 22). They argued that the DEWRSB findings were unreliable because they contained selection biases. However, an independent secondary analysis of the DEWRSB study endorsed its findings, arguing that although there was a selection bias that would skew the findings towards positive results, there were countervailing selection biases (Nevile & Nevile 2003). To further complicate matters, the third of the large-scale studies had an alternative finding again, intermediate between the positive and negative findings of the other studies. It concluded that Mutual Obligation, including Work for the Dole, only had a “small positive impact of the individuals leaving unemployment benefits” (Richardson 2002, p. 420).

Although Australia’s Mutual Obligation has also been the subject of small-scale qualitative studies (e.g. Ziguras et al. 2003, p. 43), these are even less reliable at providing findings about the outcomes of national programs. For example, interviewing 45 participants (as in the above study) about their experiences with a program, although providing insight into how it operates, does not provide grounds to generalise about the effectiveness of a national program. Alas, the effectiveness of Australia’s Mutual Obligation remains contested and inconclusive.

Moreover, statistical evidence can be manipulated to support particular conclusions. This is not to claim that the data is fabricated, but rather that it is collected and emphasised to support a particular political agenda. For example, during the two decades following the election of the Thatcher government in the UK, there were at least 33 changes to how unemployment was measured, which largely had the result of making the unemployment rate appear lower (Ainley 1998, p. 566). A similar process has also taken place in Australia (Dwyer & Wyn 2001, p. 63). Workfare initiatives can be used to reclassify people as no longer unemployed simply by enrolling them in various programs. This precisely occurred with the New Deal, where people engaged in one of the four Options streams were no longer considered unemployed. Measurement of policy outcomes can be easily distorted.

Governments can choose to use certain measures that are more favourable to indicating whether they achieved a specified, yet broad, outcome. For example, in addition to a focus on employment outcomes demonstrating the narrow scope of research, such
outcomes can be measured in various ways to suit particular agendas. Macro (national or regional outcomes) or micro (program outcomes) can be used, and these can be based on various measures of employment outcomes, including unemployment rates, employment rates, labour force participation rates, case load numbers of people receiving various payments, numbers exiting an employment program immediately for employment, numbers gaining work who would not have done so without the employment program, and numbers who remain employed after a specified duration.

All of these outcomes can then be divided according to region, gender, age, ethnicity, duration of unemployment and other demographic characteristics. The difficulty that these different measures engender will now be illustrated with the NDYP. Hasluck says that by October 1999, “The stock of unemployment amongst young people is estimated to have fallen by around 30,000 compared with what it would have been in the absence of NDYP” (2000, p. 59); referring to a period only six months later and using what appears to be a slightly different measure, Riley and Young state that the program “reduced long term youth unemployment by around 45 thousand” (Riley & Young 2000, p. 3). Around the same period, the government chose to highlight that 250,000 people who went through the program gained employment, thus claiming success in reaching its target (DfEE 2000). Not only was there a 50% difference in the findings between two research projects, but the government chose to emphasise a very different outcome that portrayed their program most favourably. Therefore, there is reason to be sceptical about empirical evidence used to support the effectiveness of programs.

Interpretation of the evidence
The assumptions and agenda of the researchers do not just influence the collection, scope and use of empirical data, but also the interpretation. It is through an agenda and assumptions that empirical data is made meaningful and rendered useful. To translate empirical data into further policy advancement it “needs to be interpreted in relation to a context and an argument, rather than simply standing alone as an indicator of what works or doesn’t work” (Sanders 2009). For example, data indicating more people in the workforce could be interpreted either as desirable due to improving people’s well-being or as a threat to low inflation through producing wage pressures. One’s ends will determine the dominant interpretation –ends that are contested.
Deducing what caused particular outcomes is often subject to interpretation, as it is difficult to isolate the impacts of particular policy interventions. For example, even if employment or poverty rates can be measured accurately, it can remain obscure whether workfare policies in particular caused changes, or whether alternate policies or even mere happenstance played a significant role. For instance, it has been argued that the reduction in people receiving unemployment benefits in the UK was not the result of the New Deal, as the government claimed, but that a strong economy was a large factor, whereby the program is least effective when unemployment is high and needed most (McVicar & Podivinsky 2010). Even when empirical evidence is robust and outcomes uncontested, what the outcome demonstrates can remain contested, especially when using national statistical indicators to support claims about the effectiveness of specific programs. Outcomes can be interpreted as demonstrating various policy successes or failures, based on suppositions about the causes of those outcomes.

The notion of evidence-based policy has gained increasing prominence. It is associated with the rise of workfare programs in the US in the early 1970s, with the development of the Manpower Demonstration Research Corporation (Peck 2001). This narrowly evaluated programs largely in terms of their impacts on welfare caseloads and the employment of participants, with some consideration to whether people’s incomes changed. Although the findings of such evaluations are important, this approach crowded out other issues. The debate about welfare policy became increasingly focused on statistics and processes, with discussion about values and objectives being marginalised (Peck 2001, pp. 92-3).

This approach was then enthusiastically adopted in the UK in the assessment of the their own workfare schemes (Millar 2000, p. 11), as well as somewhat implemented by the Australian conservative Coalition government (Marston & Watts 2003, p. 34) later intensified by the succeeding Labor government (Leigh 2011, pp. 1534-5). Although evidence-based policy is superior to ‘no-evidence-based’ policy, the presence of empirical evidence in itself does not ‘good policy a-make’. Rather, the notion can be used as a rhetorical device to conceal the inherent presence of normative content embedded in the policy. As Jamrozik says: “A social policy will … always be
normative in both its ends and its means” (2005). Technical policy research is prone to professing objectivity, with normative assumptions of the research and the policies left unquestioned. The discussion above shows that empirical evidence relating to impacts of paternalistic workfare was limited in scope in that: it focused on employment related outcomes rather than other measures of well-being; the body of evidence was not robust, with some evidence also manipulated to serve an agenda; and the interpretation of data was influenced by this agenda and assumptions.

This is not to deny the importance of empirical evidence to policy development, but to reject its dominance. If ideal empirical evidence were available, then some issues about the legitimacy of paternalistic workfare would be resolved, such as whether programs actually got more people into sustained employment. Obtaining this evidence is problematic. Although a meta-analysis of all program evaluations can be of some assistance, it is limited by the quality of the available studies (Card 2012). If the body of literature is shaped by a research agenda, the meta-analysis will reflect this. Regardless, there are some outcomes that contain substantial normative content which, although they could benefit from further empirical research, preliminary philosophical investigation can reveal likely impacts and implications. These relate to autonomy and stigmatisation, as well as their disparate impacts, as will be discussed next.

**Impacts of workfare on autonomy**

Advocates of paternalistic workfare, like Mead, primarily argue that it will promote the well-being of the workfare class by reducing their impoverished material living standards, as their incomes will be increased through attaining employment (Mead 1997a). As suggested above, the empirical evidence for this is dubious, but even if it is accepted, there remains a serious moral concern. If increasing material living standards comes at the cost of reducing autonomy, the former kind of benefit may not be able to outweigh the latter kind of harm. Subsequent to considering the tension between material living standards and autonomy, it will be argued that paternalistic workfare will be likely to undermine autonomy because it undermines the conditions in which autonomy is likely to flourish.
According to one liberal precept, freely choosing how to live is an essential element of a good life, which is foundational for many other aspects of the good life. Many specific choices might be unimportant to identity and integrity, but it is the exercise of autonomy which is essential to personal integrity. Dworkin interprets Mill as arguing that regardless of what other goods are promoted, they amount to little if they are not the expression of individual autonomy (1971, p. 117). Undermining autonomy is inconsistent with overall human well-being. As described in Chapter 3, the value of autonomy is upheld as an important element of well-being by both the UK and Australian governments; this is probably because being largely liberal societies, the populations of these countries value (their own) autonomy. Good social policy should aim to respect and promote autonomy. The essence of this respect is eloquently expressed by Mackenzie: “to respect autonomy is to respect each person’s interests in living their lives in accordance with their own conception of what constitutes a good life, and to respect each person’s autonomy to make decisions of practical importance to their lives” (2010, p. 107). Paternalistic workfare risks failing to give this adequate respect, as Kleinig implies (1983, p. 38): “By … dismiss[ing] the capacity of another to … choose for [them] self … the paternalist undermines the other’s individuality.” By compelling people into work, paternalistic workfare reduces an agent’s liberty to choose certain activities. Empirical evidence indicates that at least some agents feel “stripped of their autonomy” in having to satisfy the rigmarole of a welfare system that aims to get them into work (Murphy 2011b, p. 170).

Only if there is a large increase in material living standards will it be plausible that a reduction in autonomy is justified, as only then could overall well-being be enhanced. To avoid harmful paternalistic interventions, Dworkin suggests that there should be a high burden of proof on governments to show that a particular intervention is highly likely to be effective (1971, p. 125). Increases in material living standards caused through gaining employment will need to be highly likely and large to merit harming people by reducing their autonomy. Strong empirical evidence, with near consensus amongst researchers, will be essential to establish the quantity and likelihood of benefits of paternalistic workfare. As shown above, this near consensus does not pertain. To protect harming people by infringing their autonomy, a general principle guiding the application of paternalism can be induced: The principle of large and highly likely
positive outcomes: paternalism should only be applied when there are strong reasons to believe that whatever aspects of well-being that a paternalistic workfare intervention is intended to promote are greatly promoted and with a high degree of likelihood.\textsuperscript{69}

In order to lessen the pertinence of the above principle, advocates of paternalism could play down the conflict between protecting autonomy and other aspects of well-being by affirming that paternalism can enhance autonomy. Scholars have identified that the paternalist can argue that workfare is consistent with autonomy by contending that it promotes autonomy in the long run (Dworkin 1971, p. 125; Linzer 1999, p. 138). That is, a temporary reduction in autonomy might be required to advance it in the future. Yeatman suggests that fostering an agent’s self-reliance is a distinguishing feature of modern paternalism, as in the past paternalism was characterised by perpetuating relationships of dependence (2000, p. 170). Even Mill was prepared to support this ‘autonomy enhancing’ position in limited cases, such as prohibiting selling oneself into slavery: “The principle of freedom cannot require that [individuals] should be free not to be free” (Mill 1859, p. 83). At times, Mead defends his paternalism on this basis: “Those who cannot manage their own affairs well enough to remain independent are necessarily unfree” (1986, p. 42). This is how paternalism towards children is often justified. For example, in deeming that they have limited capability to make prudent decisions about their long term interests, authority figures (such as parents and teachers) force children to receive an education, but with the aim of helping them mature and become autonomous. This argument accepts the liberal conception of the good life, but merely rejects the near inviolability of autonomy, replacing it with an ‘autonomy enhancing principle’. This appears to be an assumption of workfare in the Australian and UK cases. Specifically, the ‘welfare dependent’ are stuck in a malaise, having become accustomed to passivity, therefore by compelling agents to actively seek employment, and upon gaining employment, their vitality for shaping their life will be enhanced. The deduction from this is that workfare can enhance autonomy, both by improving people’s material living standards and by enhancing their motivation, self-esteem and self-efficacy.

\textsuperscript{69} Thomas and Buckmaster (2010) articulate a similar principle which they call the ‘principle of efficacy’. 188
There is reason to believe that the way in which paternalistic workfare operates, rather than healing psychological ills, is likely to intensify the causes behind them. Disempowering social structures, like being brought up with few opportunities and resources, can inhibit self-esteem, self-motivation and personal efficacy (Mackenzie 2010, p. 123). The responsible exercise of autonomy requires fair social conditions (Fitzpatrick 2011, p. 95). Not being treated with the dignity and respect owed to autonomous agents will likely reinforce the psychological features associated with the poor use of autonomy. In having specific behaviour mandated, the agent’s free choice is removed and their autonomy violated. The obligations do not appear to foster autonomy by guiding agents to live constructively, but largely manage their lives; therefore “paternalistic reform seems to be a lesson about power, not responsibility” (Wilson et al. 1999, p. 485). If the aim of paternalistic workfare is to enhance autonomy, forcing people to meet rigid requirements does not seem like an effective method of achieving this in either the long or short term.

It could be counter-argued that paternalistic workfare need not operate in such an authoritarian manner. Vaillant (1997) describes another way it could be operationalised, which one might conclude is compatible with autonomy: providing agents with a range of options to choose from within a compulsive framework, thereby giving them a sense of autonomy. Australia’s Mutual Obligation and the UK New Deal appear to implement this reasoning, providing ‘clients’ with numerous ways to fulfil their mandatory requirements, such as work experience, community work, training and intensive job search assistance.

However, autonomy is not exercised merely if agents exercise choice: they must be able to choose from “significant options” (Mackenzie 2010, p. 121). A significant option is one that the agent themselves find meaningful, and enables them to exercise (and ideally, to develop) their capabilities. This partly involves ensuring that they have a range of options that are qualitatively distinct. For example, compelling a spouse to wash the dishes, but allowing them to choose which detergent to use, does not provide them with significant options, rather autonomy would be served if the agent had the option of engaging or not engaging in the activity at all. Similarly, compelling employment related activities that have non-significant options is inconsistent with
autonomy. Providing non-significant options is most likely an attempt to delude agents into feeling autonomous and therefore accepting compulsion. Whether any particular scheme actually fosters autonomy depends not just on how it makes agents feel, but on whether it actually enables them to better direct and shape their own life. An example of significant options would be high quality training and education choices and rewarding employment. Having some liberty of choice within strict limitations should not be confused with autonomy.

With Britain’s New Deal, the options which workfare subjects have to choose between are focused on getting people into employment, hence how significant the options provided are and whether the program does foster autonomy cannot be separated from whether the labour market conditions are conducive towards fostering autonomy, that is, whether rewarding work is accessible. This largely applies to Australia’s Mutual Obligation too. However, to the extent that this does not concentrate on gaining employment but allows workfare subjects to meet their requirements by engaging with a “broad range of not-for-profit organisations” (Jobs Services Australia 2011) which the agent can seek out, it is slightly more respectful of autonomy. Nonetheless, empirical research found that participants reported that Mutual Obligation did infringe on their autonomy (Sawer 2005, p. 283). With the Labor government choosing to alter the program to emphasise training aimed at getting people into employment, the extent to which autonomy is fostered has become even more dependent on labour market conditions.

Workfare is designed to compel people into the labour market. Conversely, entitlements to welfare payments enable agents to persist independently of the labour market (Petit 1997, pp. 158-62). In doing this they decommodify labour (Esping-Andersen 1990). The notion of commodification is based on Marx’s insight that capitalism tends to reduce the value of objects (including human labour) to their ability to be exchanged under market conditions (Marx 1867). By partially decommodifying labour, welfare payments, far from inhibiting an agent’s autonomy, provide the agent with greater scope to direct their life. With their desperation diminished, agents have more security to better negotiate their entry into the labour market. Workfare undermines this, which leads some researchers to query whether it will increase people’s freedom to live fuller
lives or merely increase their labour commodification (Gilbert & Van Voorhis 2001). Peck has little uncertainty, saying that in the US it “systematically remove[s] alternative means of support in order to enforce (low) wage dependency” (2001, p. 12). Peck is referring to a work-first model of workfare which also pertains in Australia and the UK, albeit in a less extreme form. Hence, agents actually exercise less control over their lives. Even the HCD approach is not designed to support agents in choosing autonomously how to be and what to do; that is, their capabilities are not fostered, but rather they are compelled to acquire certain skills to increase their individual capital so that they become a somewhat valued commodity – skilled labour (Dean et al. 2005). Without even assessing empirical outcomes, but by simply being aware of the commodifying nature of the policies, it can be discerned that workfare in Australia and the UK likely undermines autonomy.

Commodification of persons might not be inherently antithetical to autonomy, as even commodified work may provide benefits (like income, self-esteem, self-motivation) which enhance autonomy. Furthermore, an objective of HCD is to enable people to gain more rewarding work. However, if the rewards from commodification are meagre, entitlements to welfare payments can better facilitate autonomy, as in addition to providing income it facilitates one’s ability to negotiate in the labour market. Consistent with this logic, Ben-Ishai argues that although workfare based “conditionality is [not] necessarily unjust, in the context of … current social and political conditions it fails to foster autonomy”. The conditions she is mostly referring to are the “low-wage, low-flexibility jobs that tend to be associated with low levels of personal fulfilment”. She concludes that paternalistic workfare “perpetuate[s] oppressive social relations” (2012, pp. 161, 163). In being pushed into an inhospitable labour market, workfare subjects have even less ability to shape their life than when relying on welfare payments. The dominant measure used by the Australian and UK governments to judge the success of workfare programs – whether people gained employment – does not necessarily reveal whether their autonomy was enhanced, but may indicate the opposite. Without even needing to deny that ‘welfare dependence’ can engender psychosocial problems as advocates of workfare claim (Mead 1986; Saunders 2004), if labour market conditions

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70 The extent to which these conditions pertain in Australia and the UK will be investigated in the next chapter.
are not favourable, there is little reason to believe that ending this ‘dependence’ through compulsive workfare will enhance autonomy.

Although more empirical research can assist in ascertaining whether workfare has enhanced autonomy (or even diminished it), the value of autonomy and the possible conflict of values (such as between autonomy and material living standards) first needed to be recognised. This section was partially concerned with articulating the nature of autonomy, in order to provide greater conceptual clarity, thereby assisting in developing and assessing further empirical research about the impacts of workfare on autonomy. Through explicating the nature of autonomy, crucial conditions that are likely to foster it were identified. If these conditions are not present it is unlikely that the ‘principle of large and highly likely positive outcomes’ will be satisfied. Three subsidiary principles to that can be induced from the above explication of crucial conditions. These principles are not absolute dictums, rather when all else is equal, their application to workfare is more likely to foster autonomy: first, when the rewards of commodification are low, less commodification of persons is prima facie better than more commodification; second, agents should have significant options to choose from; and third, one such significant option should be good quality work. It was shown that the workfare programs in Australia and the UK essentially increase the commodification of labour, as they mandate a narrow range of options based on gaining work. This tends towards violating the ‘principle of large and highly likely positive outcomes’, particularly in regard to respecting and promoting autonomy. It further depends on whether the labour market provides workfare subjects with access to good quality work which could make commodification worthwhile. This will be assessed in the next chapter.

Selective paternalism and stigma

Paternalistic workfare in Australia and the UK is highly selective. As established in the previous chapter, people subject to workfare are selected based on possessing certain qualities, with a category of people being defined on the basis of these qualities. The broadest quality is being ‘welfare dependent’; sub-qualities include being young unemployed, long term-unemployed, and receiving lone parenting payments or disability pensions. This selective aspect of paternalistic workfare requires additional justification than if it were a universal policy, defending the application of paternalism
to some people but not to others. Selective paternalism is not necessarily less defensible than universal paternalism. On the contrary, it is argued that selective paternalism is able to balance liberal ideals emphasising freedom from compulsion, conservative ideals stressing personal responsibility and socialist ideals related to welfare (Mead 1997b; Saunders et al. 2008; Wilson 1997). It does this by granting freedom for all, until compulsion is warranted for specific irresponsible agents whose welfare needs to be promoted.

Applied to paternalistic workfare, the argument would be that people have failed to promote their own interests by not gaining employment independently, therefore the state is justified in intervening to assist them. This justification is based on the assumption that they have shown incompetence in their exercise of autonomy, thereby justifying paternalism after the fact rather than pre-emptively. The state’s specific intervention to provide assistance differs based on what the assumed cause of failure is: under a work-first model, the assumption is that one needs to try harder to search and apply for jobs, whereas with HCD, the assumption is that one needs to be made more employable. But for both approaches, compulsion is applied after a designated period.

The New Deal in Britain and Australia’s Mutual Obligation operationalise paternalistic workfare in this post hoc manner. In the UK, people were obliged to engage in the New Deal after six months of receiving Jobseeker’s Allowance, and then after another six months they were obliged to engage in ‘intensive activities’. Under the UK Coalition’s Work Programme, jobseekers between the ages of 18 and 24 have less time to prove their competence, as the intensive activity requirement commences after nine months (HM government 2011). The inverse trend occurred in Australia, with the Labor government extending the period before people were required to engage in intensive employment activities from six to 12 months (Australian Government 2011c; Yeend 2000). It is clear that workfare in both countries operationalises the logic that paternalistic workfare is justified when one has shown oneself to be in need of it.

It will be argued that this selective application of paternalism to workfare subjects is unjustified, subsequently an explanation will be offered as to why it has been applied, and then the stigmatising impacts of paternalistic workfare will be elaborated.
Legitimacy of selective paternalistic workfare

Even when selective paternalism is limited to post hoc applications, serious moral considerations remain. These stem from the query: why do workfare subjects face compulsion when other people, whose well-being could also be promoted, do not? This is most obvious in the realm of health, including when people have exhibited incompetence in their autonomy by choosing to behave unhealthily. People are not compelled to exercise despite evidence that it not only prevents various illnesses, but actually enhances mental well-being and quality of life (Bize et al. 2007; Penedo & Dahn 2005). Research suggests that about half of Australians do “not undertake sufficient physical activity to obtain a health benefit” (AIHW 2000). This closely parallels the circumstances of workfare because the required paternalism would also be ‘active’ and ‘positive’: it would intervene in an agent’s autonomy in order to compel them to act and increase their well-being. The paternalistic intervention could operate similarly, conditionalising access to welfare benefits – healthcare –which has been referred to as ‘healthfare’ (Abramovitz 2006; Sogar et al. 2001, p. 3). Healthfare will be compared with workfare to demonstrate the inconsistent application of workfare, it will also be used as a point of reference to help explain the reasons for this inconsistency and lastly, to highlight the potential of alternative policy responses to paternalism.

The other objectives of workfare are also relevant in compelling healthy behaviour. The fiscal objective is particularly relevant, unhealthy behaviour costs the state more than welfare payments to workfare subjects. As early as 1993 over $5.6 billion of healthcare costs in Australia was attributable to physical inactivity alone (Mathers et al. 1998), which in real terms was about $2.8 billion more than was spent on social security for the unemployed and sick 14 years later in 2007-08 (Australian Government 2008). The economy is also impaired by preventable illnesses through costs to the state and reduced productivity due to lost work hours.

71 There is little reason to believe that the British are a great deal more physically active.
72 The term ‘healthfare’ associated with the above meaning remains obscure, probably because the policy it denotes is only marginally enacted, if ever.
73 Although a range of other comparisons could have been used (e.g. education-fare, pension-fare) healthfare is particularly evocative due to its potential application to a cross section of the community.
Even the objective of reciprocal fairness is pertinent to healthfare. The taxes of people who live healthily pay to treat those who choose to live unhealthily. Just as drawing on the social wealth whilst not adequately contributing to it through work could be a form of free-loading, so too is drawing on the social wealth disproportionately. Hence, all the same objectives apply to healthfare as workfare, and could even be better served by healthfare

Mandating exercise does not seem to involve more compulsion than workfare. First, it is not a greater infringement on an agent’s autonomy than compulsive workfare. It will almost always be a case of ‘weak paternalism’ as practically everyone wants to be healthy. Conversely, as stated in Chapter 6, the value of employment may reasonable be rejected, thereby such people would be subjected to ‘strong paternalism’. Second, workfare is more onerous than healthfare would be. Being compelled to assiduously search and apply for jobs, attend regular meetings and interviews, as well as engaging in employment programs, some of which are the equivalent of employment (like Work for the Dole), and then having to work, is more demanding than going for a brisk 30 minute walk five times a week.

Healthfare does not seem more difficult to administer than workfare. Just as the institutions designed to provide welfare payments have procedures in place to assign requirements and check that they have been satisfied, so too could healthcare providers apply such processes. Case managers could establish and monitor action plans to guide ‘clients’ towards more healthy lifestyles. It appears morally unjustified and therefore unfair that there is paternalistic workfare, but not paternalistic healthfare. However, it is not inexplicable.

**Explaining selective paternalistic workfare subjects**

An explanation for the absence of compulsive healthfare, whilst there is compulsive workfare, is that healthcare is often understood as a social right, whereas certain welfare payments are increasingly being conceptualised as akin to a gift. When gifts are offered, even if conditions are attached, it is not a restriction on one’s autonomy. For example, someone might be offered money from grandma, but on the condition that they clean her gutters. Although one’s options would not be as numerous as if the money was
given unconditionally, the agent’s liberty was still increased because the gift gives more options than one is actually entitled to. The reorientation of the welfare state towards workfare is premised on rejecting that certain welfare payments are entitlements.\textsuperscript{74} If welfare payments are conceived as conditional, it becomes coherent to compel certain behaviours through them. Conversely, healthcare is understood as an unconditional right, therefore it is illegitimate to compel healthy living by conditionalising it. However, the question remains: why are certain welfare payments not considered a right, when healthcare is?

A sociological/cultural explanation for this is related to the combination of the work ethic and consumerism. A strong work ethic and consumerism are prominent characteristics of contemporary modernity (Applebaum 1992, p. 547; Beder 2000, p. 239; Corrigan 1997, pp. 13-16). High consumption of the very goods that can contribute to illness (such as unhealthy foods) is also likely to lead to high consumption of healthcare resources. However, in consumerist societies, consumption is not only condoned, but exhorted, due to being a marker of high status, but this exhortation is qualified by the proviso that it is accompanied by work. Although in consumerist societies consumption practices shape identity (Giddens 1991, p. 197), work largely remains a prerequisite for social recognition (Beck 2000). This is because it is work that produces and finances the goods that are fervently consumed, with the ‘work and spend’ cycle forming a sacrosanct tenet of contemporary modernity (Ciulla 2000; Schor 1992, 2010). A person’s obligation to facilitate this high consumption is only exempt if they are deemed unable to work or have already sufficiently contributed, such as age pensioners.\textsuperscript{75} Other forms of social contribution and activity not related to producing consumer goods are lowly valued, such as volunteering, housework, caring for others and non-commercial creative activities (Blaxland 2008; Lister 2003; MacLeavy 2007, p. 736; Young 1995). Those who consume some social wealth without contributing in what is deemed the appropriate way are condemned, but those who consume more than they contribute are overlooked because high consumption is ubiquitous.

\textsuperscript{74} For instance, the attitudinal survey described in Chapter 4 indicated that in Australia welfare payments are widely not perceived as an unconditional right.

\textsuperscript{75} The idle rich who inherited fortunes also seem exempt, probably because they supposedly independently finance their high consumption; nonetheless, unless they somewhat offset this through philanthropy, they are not as esteemed as successful entrepreneurs and captains of industry.
A political explanation of why only certain welfare benefits are conditionalised is essentially that some people are marginalised. Workfare subjects have little power in society. They do not make selective paternalistic policies, nor do they have much influence over policy makers. The targets of workfare, such as the unemployed, are usually not highly politically organised and are disproportionately from disadvantaged backgrounds, which results in having less material and intellectual resources to influence policy making than the middle class, for instance. The shift towards workfare in the US, whilst other policy domains remained resistant from neoliberal intercessions, has been explained by identifying that “the poor provided a weak and isolated political target, unable to push back as others could. Stigmatised and lacking resources the poor are rarely able to defend themselves in the policy process” (Soss et al. 2009, p. 13). Imposing paternalistic workfare on marginalised populations can increase their marginalisation (such as by stigmatising them, as will be shown), creating a vicious cycle, with their ability to influence policy further diminished.

The people who make and influence policy themselves access healthcare. More people would be subject to healthfare than workfare, therefore potential healthfare subjects can influence policy in representative democracies through weight of numbers. Many such individuals have considerable influence in society. The fact that those who access healthcare could benefit from compulsion does not translate into policy because people do not want their own access to welfare benefits conditionalised.

Workfare policy makers are not making policy for themselves or for those who influence them, but on behalf of marginalised members of society. This political insight can then be combined with psychology, providing a psycho-political explanation. Policy makers probably do not have insidious motivations; they may not be aware of the double standard of imposing compulsion on workfare subjects, but not on themselves and others. They are likely unaware because making policy on behalf of others, who are not influencing that policy, requires a feat of imagination. The term ‘imagination’ does not suggest a disregard for empirical facts, but fully understanding another person’s situation and how their circumstances might influence behaviour. This is difficult because one’s own values, interests and partial ignorance cloud the apprehension of another person’s situation. Jackman argues that dominant groups in society who impose
paternalism on subordinate groups may do so with genuine affection, but they interpret the interests of the subordinate groups through their own interests:

Dominant attitudes that are paternalistic combine positive feelings toward subordinates with discriminatory policy dispositions. By taking over the definition of subordinates’ interests, dominant groups bring themselves to believe that the inequalities that they seek to perpetuate are actually to everyone’s benefit. (1994, p. 271)

Sincerely aiming to promote other people’s well-being should not be confused with actually doing so: paternalism does not require this actuality. A particular theory of policy making is not being propounded; for example, the above psycho-political insight is compatible with both ‘public interest’ and ‘public choice’ theories of policy making.76 Rather it is being highlighted that in cases of highly targeted policies, such as workfare, policy makers make policies for people in different circumstances to themselves, unlike with universal welfare benefits. In such cases, policy makers are liable to make assumptions that underpin paternalism. That is, they suppose that particular welfare payments should be conditional on certain conduct, that the inability of some people to act in their own interests is due to incompetence, and therefore that paternalism is appropriate for these people, whilst not appropriate for others (whose situations they did not have to imagine).

This failure of imagination and understanding particularly applies to the circumstances of certain categories of people receiving welfare benefits which, in combination with sociocultural factors and lack of political power, explains why they are chosen as workfare subjects. In Australia and the UK, specific targets for workfare (in addition to the unemployed in general) are the young unemployed, lone parents, long term unemployed and, increasingly, people with disabilities. To illuminate why certain categories of people are targeted, the examples of the young unemployed and lone parents will now be examined. These two cases illustrate how sociological, cultural, political and psychological factors influence why certain categories of people are selected for paternalistic workfare.

76 The former essentially affirms that public policy is designed to benefit society as a whole, whilst the latter claims that public policy reflects vested interests.
Explaining the selection of the young unemployed and lone parents for paternalism

The young (18-24) unemployed were the first targets of Australia’s Mutual Obligation requirements and the UK’s New Deals. Why were the young assumed to be in greater need of workfare than those in their later 20s or 30s, 40s and even 50s? The young are particularly marginalised in terms of access to resources (Wyn & White 1997, p. 43). Many people with more power consider young people ‘at risk’ of failing to transition into appropriate adult roles, with employment being a key element of what is expected from the adult citizen (Dwyer & Wyn 2001; France 2007; Wyn & White 1997). This perception stems from conceiving “The young … as being in a ‘stage of deficit’, where they lack morality, skills and responsibility” (France 2007, pp. 152, 76) as well as being “unmotivated”, “lazy” and “disrespectful” (Wyn & White 1997, p. 138). This ‘risk thesis’ in general is exemplified in the following remark by the former DEWR/FaCS policy advisor:

Young unemployed people are the group everyone agrees you should be toughest on. Well, young people need to be told what to do basically. There’s an idea that they don’t have fully formed capabilities, therefore they need more direction. They don’t have the strong social norms to guide their behaviour. (AC)

In this comment it is clear that paternalism is justified because young adults are perceived as a social category particularly in need of compulsive interventions due to their personal deficits.

Concern about young people tends to slide into moral panics (Dwyer & Wyn 2001, p. 57) “about standards of conduct and fears about the decline of morality amongst all young people” (France 2007, p. 48). These “demonise the young” by conceiving of them as “out of control” (France 2007, p. 48) and “anti-social” (Dwyer & Wyn 2001, p. 145), with a construction of “alarmist stereotypes and moralistic judgements about the threat that young people pose to social stability” (Dwyer & Wyn 2001, p. 150). Ultimately the young are seen as a “problem” requiring specific policy responses (France 2007, p. 76; Wyn & White 1997, p. 89). These policy responses involve “closer societal controls, … regulations” and “surveillance” (France 2007, pp. 48, 67), essentially “a strong arm (welfare and coercive divisions) by the state” (Wyn & White
However, young adults are also subjected to “rehabilitating” (France 2007, p. 48) and “remedial programmes” (Dwyer & Wyn 2001, p. 145). Paternalism is a central element of policy interventions specifically targeted at young adults, with getting them into employment used as an important avenue in attempting to benefit them, as well as maintaining social order.

In Australia and the UK, the requirements on lone parents did not develop as early, nor have been as onerous, as on the young unemployed, but as described in Chapter 5 they have intensified over time. They were introduced in the second wave of workfare policies aimed at increasing employment participation. As women constitute the vast majority of lone parent households (DWP 2006a, p. 52), the policies actually target single mothers. The application of conservative political attitudes partially explains this targeting. Conservatives highly value the nuclear family, with single mothers being implicated in its ‘breakdown’, therefore becoming targets of condemnation, but also of rehabilitation (Besharov & Gardiner 1996; Galston 1991; Mead 1992; Murray 1984). As Abramovitz observed: “Single mothers on welfare come under assault because their lives violate conservative … notions of mothering, womanhood and domesticity” (1992, p. 368). Although this discourse is stronger in the US, it is also present in Australia and the UK among both self-declared conservative parties, like the Australian Liberals (Meagher & Wilson 2006), and nominally progressive ones, like UK Labour (BBC 2001). Workfare is used as a policy tool to achieve this condemnation and rehabilitation (Abramovitz 2006). Workfare makes the choice of lone parents to concentrate on child-rearing difficult and even disallows it, despite that some would prefer to (Blaxland 2008; Duncan & Edwards 1997). This reinforces certain social norms (such as marriage) related to the traditional family.

The intention is not to reduce well-being, rather it is supposed that it is in the interests of single mothers to gain employment. For example, in the UK it was stated: “Helping lone parents return to the labour market is the most effective way to ensure their social inclusion and the best route out of poverty” (DWP 2006a, p. 52). A similar sentiment was expressed by the Australian policy analyst from DEEWR:

I think part of the rationale for introducing requirements … was that sole parents were being set up for this very difficult transition, not to sound
patronising, but there was a genuine sort of benevolence … I think people had a lot of good intentions about trying to activate parents earlier on. (AB)

Whilst it was supposed that it is in the interests of lone parents to work, policy settings, particularly in Australia, have been designed to encourage partnered mothers to concentrate on caring responsibilities\(^\text{77}\) (Brennan 2007; Cox & Priest 2008, p. 24; Shaver 2002, p. 340). Highlighting this double standard, Abramovitz noted that in the US: “The same welfare reformers who called upon middle class mothers to stay home with their children insisted that poor women on welfare work outside the home” (Abramovitz 2006, p. 344). This is despite evidence indicating that lone parents experience greater work-life conflict than partnered parents (Fallon & Anglicas 2004), suggesting they are worse positioned to benefit from entering the workforce.

The same moral values related to reinforcing the nuclear family can cloud one’s ability to recognise or even endorse the double standard. By morally condemning single mothers, one becomes less empathetic to their situation, making it easier to presume their interests. Their autonomy can be disregarded, enabling the affirmation that it is in their interests to be employed.

Sociocultural factors which draw on certain moral norms, along with the psycho-political insight about failing to understand the circumstances of marginalised people, largely explain why the young and single mothers are subject to workfare. This is combined with politically explaining how policy makers are able to impose workfare on marginalised groups. The young and single mothers are two particular prominent groups of people targeted, but a similar account is also relevant to other marginalised groups subject to workfare, like the long term unemployed. Such an account draws on political, social, cultural and psychological factors to explain why paternalism is imposed on workfare subjects in Australia and the UK, whilst unjustifiably not on other members of society.

\(^{77}\) For example, in Australia ‘Family Tax Benefit B’ provides a financial incentive to be a single income family rather than a dual income family.
Selective paternalism and stigmatisation

Selective paternalism is not a common characteristic of policy and is far less utilised than universal paternalism. The most significant area where it operates is regarding children. For example, the state mandates childhood education. Paternalism towards children is the archetypical case of paternalism. This highlights how paternalism presumes that agents, at least in certain respects, are infantile: like a child, they are unable to autonomously act according to their own interests. When this is applied universally across a population, individuals might feel personally violated, but they cannot reasonably deduce that they have been treated less fairly than anyone else. If it is only supposed that certain categories of people are unable to competently exercise their autonomy, and therefore are subject to compulsion, such people have been discriminated against. They might believe that the discrimination was unwarranted and that an injustice has been committed against them. Making segments of the population feel as though they have been unfairly treated is a detrimental impact of policy.

It could be counter-argued that the real injustice is committed against those who miss out on receiving paternalism, as their well-being has not been promoted. For example, if some children are compelled to attend school whilst others are not, it will be those not subject to paternalism who are disadvantaged. Accordingly, people selectively subject to paternalism are mistaken in feeling unfairly treated; rather, they should feel privileged.

Furthermore, Mead argues that workfare subjects benefit from paternalism by affirming their equal citizenship. He says that – "Equality is not so much an entitlement, a status, as an activity. To be equal, [one] must do things, not just claim them.” (1986, p.239) For Mead, activities such as working and paying taxes are "badges of belonging". (1986, p.239) It is in the interests of recipients of welfare payments to be known by the community to be contributing to the community in a widely approved fashion. Accordingly, in enforcing specific behaviour expected of all citizens the government is upholding individual’s equal citizenship.

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78 Albeit this is a form of indirect paternalism, as parents are compelled to enforce school attendance or provide similar educational opportunities.
It is unclear that paternalistic policies will have the aforementioned political consequences on citizenship. For instance, if it is widely known workfare subjects are only contributing because they are forced to, then many people might not perceive workfare subjects as equal citizens, only granting it on the basis of voluntary contribution. Moreover, coercive policies may actually have the opposite effect, stigmatising welfare recipients (Hammer 2004, p.216); “Stigma implies the possession of a low status in the eyes of society: to occupy, and to be seen to occupy, an inferior social rank” (Fitzpatrick 2007, p. 362). Policy can carry symbolic meaning; workfare affirms that a certain group of people can not be trusted to acted voluntarily – maybe because they are lazy or incompetent – thus must be forced to behave in prescribed ways. Regardless of the veracity of this affirmation, it is stigmatising.

Often the stigmatisation of workfare subjects is intentional, for example, Abramovitz claims that US policy makers “stigmatised single mothers for failing to comply with prescribed wife and mother roles” (2006, p. 337). In the case of Australia’s Work for the Dole, researchers found that participants considered the name of the program degrading and stigmatising, consequently they were embarrassed to tell people they were engaged in the scheme (Sawer 2005, pp. 208-10).

Even if the motivation is entirely benevolent, stigmatisation remains an expected consequence of selective paternalism. For example, Dwyer and Wyn’s remark is pertinent to the young unemployed: “the intention appears to be one of re-engagement of those categorised and targeted, but the tendency to identify the problems as youth problems ...has the effect of ...stigmatising them as outsiders” (2001, p. 145). Stigmatisation does not arise from the motivations of policy makers, but from the inherent practice of unjustifiably respecting some people’s autonomy less than others’. This is implied by Ben-Ishai’s (2012, p. 156) observation that welfare “conditionality isolates and stigmatizes service users by virtue of the regulations imposed on some, rather than all, citizens”. Selective paternalistic policies convey to the public that some adults are like children, that they are not as competently autonomous as other adults. Because autonomy is an element of dignity (as explicated in Chapter 3), agents subject to selective paternalism are treated with less dignity by the government than other citizens, and are likely to be considered to have less dignity by their fellow citizens.
Due to the stigmatising effect of selective paternalism, for it to promote an agent’s sum-total well-being, it must be highly likely to promote other aspects of their well-being. The ‘principle of large and highly likely positive outcomes’ is apposite to both protecting autonomy and reducing stigmatisation. A further principle to minimise stigma is: *The principle of consistent application: Paternalism should not be unjustifiably applied to selective categories of people.* This is not adhered to in Australia or the UK. It would be less stigmatising for workfare subjects to face paternalism if many other people in society also faced selective paternalism. Only where there are large and highly likely positive outcomes could it be legitimate for anyone to be subject to paternalism.

It has been shown that selectively applying paternalism to workfare subjects, whilst not to other members of the community who would benefit from it (like those who live unhealthily), is unjustified and therefore unfair. As Sawhill remarks: “If paternalism is good for the poor, it should be good for the rich and middle class as well” (1995, p. 135). Goodin (2001) goes further, highlighting that if work really is inherently good for the individual, then “paternalistically speaking, it would be equally important to make the rich work too.” Likely explanations as to why paternalism is applied to workfare subjects and not to others were provided, based on sociological, political and psycho-political insights. Applying paternalism to workfare subjects, whilst not to others where similar reasons pertain, intensifies stigmatisation, thereby undermining the positive effects of paternalistic workfare, as well as being fundamentally unfair.

**Disparate impacts**

Just as individual well-being is not monolithic, so that paternalism could benefit one aspect of well-being whilst harming another, neither are the populations subject to paternalism monolithic. As a consequence of selective paternalism being applied to *categories* of people, within a category some people might gain from paternalistic workfare, whilst others might not or could even be harmed, hence there could be ‘disparate impacts’. White articulates that the “net gains and losses may be very unevenly distributed amongst the class of disadvantaged and vulnerable people we are primarily concerned” (2000, p. 524). Since paternalism inherently infringes an agent’s
autonomy (at least in the short term), it will in sum be harmful to anyone who does not substantially benefit from it, and the stigma which it engenders can be distributed in various ways. The ‘principle of consistent application’ errs towards reducing the intensity of the stigma faced by a minority, but at the risk of subjecting more people to milder stigma because more categories could be subject to paternalism.

The presence of disparate impacts generates a moral dilemma: how legitimate is it to harm some people (or risk harming some people) to benefit others? This dilemma can be analysed into three subordinate questions. First, is reducing some people’s well-being justifiable to promote other people’s well-being? Second, how much benefit needs to accrue to some people to outweigh harms to others? Third, how many more people proportionally need to benefit to justify harming others? There is no value-neutral manner of weighing the harms and benefits accruing to different people. It ultimately requires a normative judgement which should be affirmed on the basis of public debate. In conducting this debate rigorously, relevant moral principles should be considered; in addition to the principles of ‘large and highly likely positive outcomes’ and ‘consistent application’, the above dilemma implies a third principle: The principle of minimal application: The application of paternalism to people that would likely not benefit from it, should be minimised. Therefore, although applying paternalism consistently across a population is important to reduce the intensity of the stigma suffered by some, it is equally important to minimise the overall number of people who suffer stigma, as well as impingement of their autonomy, by applying paternalism minimally, based on highly likely and large positive outcomes.

All people subject to the same paternalistic workfare intervention will have their autonomy similarly reduced; many could benefit from the intervention, but some will almost certainly be harmed. There are at least three reasons for this. First, for some subjects, the paternalistic intervention might simply be ineffective, that is, it might not help them gain employment, hence their autonomy has been reduced without any benefits. Second, the converse might apply: the subject may have gained employment without the paternalistic intervention, thereby having their autonomy impinged by being compelled to engage in particular time-consuming activities (as well as possibly suffering stigma), without being compensated by any corresponding benefit. Third,
some people might be moved into employment, but this might be unrewarding, thus reducing their well-being in comparison to not working. Those who are harmed overall (mostly through non-compensated infringements to their autonomy) could be considered ‘collateral damage’. However, just as killing civilians in war cannot be justified on the basis of collateral damage if the harms could have been minimised, neither can subjecting people to unnecessary paternalistic workfare. To investigate how this can be minimised, it is essential to distinguish the causes of unemployment.

Pendersen and Sondergaard identify four kinds of unemployment; an amended version is as follows: frictional: the agent wants to work, and sufficient jobs are available; voluntary: the agent does not want to work, but sufficient jobs are available; structural: the agent wants to work, but sufficient jobs are unavailable; and double-constrained: the agent does not want to work, and sufficient jobs are unavailable (2005, p. 69).

A fifth cause of unemployment could be added: the agent wants to work, and sufficient jobs are available, but potential employees are unsuitable for the available jobs. The agent might generally lack employable skills, or there might be a mismatch between the skills they have and those desired by employers in a particular labour market. These skills could be professional qualifications, generic abilities or even psychological qualities like diligence, self-motivation and self-esteem. If the former skills are lacking, HCD would be required; in the latter case, work-first could be enough to provide the sufficient attributes, so its advocates claim (Holcomb et al. 1998; Mead 1986). Although this cause of unemployment is often grouped within structural unemployment, in the context of workfare it is worth distinguishing this particularly pertinent structural barrier, which could be called ‘personal attribute deficit’ unemployment.

Those suffering from frictional unemployment are those who are harmed by the unnecessary paternalistic intervention. They will find a job without intervention and are likely to be moving between jobs. Those suffering from structural and double-constrained unemployment will suffer from the ineffective paternalistic intervention. The structures of the labour market causing insufficient jobs could be a total under-supply or a mismatch between where jobs and workers are located. It will mostly be people suffering from personal attribute deficit unemployment who can benefit from
paternalistic workfare, assuming that the intervention addresses the deficient attributes. Some of the voluntarily unemployed can benefit, that is, those who mistakenly choose unemployment out of ignorance of what is in their own interests. It is very difficult to distinguish the causes of each person’s unemployment. The individual agents themselves are often best placed to know whether they want to work and if they are able to gain employment. In this domain they are ‘epistemologically privileged’ about what kind of intervention will likely improve their well-being. However, if paternalistic workfare is applied across whole categories of jobless people, it will inevitably affect those who will in sum be harmed by it.

Some of the voluntarily unemployed who believe that working is not in their interests might be correct. Although well-being can usually be enhanced by gaining suitable employment, as ideally people would be paid to do work that they want to do, what is at issue is whether they want the kind of work that is available. They might find the work boring, denigrating, unpleasant and fiscally unrewarding. It may also conflict with responsibilities and commitments, such as caring for others. What is missing from the above kinds of unemployment is whether the available jobs are desirable. If the employment fails to correspond with the capacities, personal responsibilities and important desires of the agent, the work will likely be unrewarding – the ‘quality of work’ needs to be accounted for. Poor quality work largely explains why some people will be harmed by paternalistic workfare, even if it was effective in getting them into employment. This does not just apply to the voluntarily unemployed, as other agents may want to work, but not in the jobs that they were compelled into.

It could be argued that, in the short term, gaining undesired employment might be detrimental to workfare subjects, but in the longer-term it could lead to more desirable employment. The presence of employment mobility is a key tenet legitimising paternalistic workfare. This is why the UK government at least nominally applied the policy means of ‘progressing people in work’. The extent of employment mobility in Australia and the UK, along with the extent of structural unemployment and availability of quality work, will be investigated in the next chapter.
As shown in the previous chapter, both Australian and UK paternalistic workfare regimes are ‘impure’: policy makers and documents admit that more people within a category are subject to paternalistic interventions than will likely benefit. Hence, there are disparate impacts of paternalistic workfare. This is practically unavoidable because it is difficult to distinguish the exact cause of a person’s non-work. There is also empirical evidence indicating disparate outcomes of paternalistic workfare in both countries. For example, amongst positive responses about requirements emanating from the Australians Working Together package, “Some parents mentioned that being compelled to undertake compulsory activities had had a negative effect on their self-esteem” (Alexander et al. 2005, p. 55). With the New Deal and Mutual Obligation, the most vulnerable people (such as the homeless, mentally ill and young) who are subject to compulsory work requirements are more likely to suffer some of the adverse effects, such as being sanctioned for failure to comply (ACOSS & NWRN 2000; Finn 2001). Not only are the impacts disparate, but some of the most disadvantaged people suffer the greatest.

Addressing disparate impacts and implications on fairness
One way of minimising disparate impacts is to target individuals within a category who will likely benefit from an intervention, but this is liable to being unfairly executed and counter-productive. It would require officials having more discretion to make judgements about people’s character (such as whether they want to work), rather than their general circumstances – paternalism will clearly be less or more effective for certain people within the same circumstances, based on their character. Increased discretion would inevitably produce the inconsistent application of paternalism within categories of people. Consequently, the sense of unfairness that people from a category subject to paternalism might feel (stemming from paternalism not being consistently applied across the whole population) will be intensified. People in similar circumstances to themselves (such as long term unemployed) might be exempt from paternalism. This would likely lead to feeling that one has been unfairly discriminated against, which in combination with the offence of one’s personal character being impugned, amounts to a serious harm. Such feelings are conducive to demoralisation, therefore undermining the effectiveness on the agents it was initially predicted to help. Those who are singled out would form a sub-group amongst the most disadvantaged segments of the population.
who could be made even worse off than if the policy was applied more uniformly. As well as having their autonomy infringed, there is a high risk that they would feel a sense of unfairness and offence.

Evidently, minimising the number of persons whose autonomy is infringed is in tension with minimising the intensity of the sense of injustice that the agents who are subject to paternalism are likely to feel. Some might privilege minimising the number of people whose autonomy is infringed by merely applying the ‘principle of minimal application’. Since a premise of this research is to promote the well-being of the most disadvantaged people, it is suggested that welfare policy should err towards reducing the intensity of the sense of unfairness that such people face. Thus a fourth principle of legitimate workfare is: *The principle of non-discretionary application: paternalism should not be applied to people on the basis of individual characteristics, but on categorical circumstances.*

In the UK this principle has been applied increasingly less. The government is clearly aware of the above tension, with one review stating the need of “balancing clear expectations and fair treatment with greater flexibility and discretion” (Gregg 2008, p. 105). However, it has chosen to place more weight on the discretionary component of this balancing act: “the trend is unambiguously towards greater personalisation of services and more discretion for Personal Advisers” (Griggs & Bennett 2009, p. 43). This was evident with the introduction of the Flexible New Deal in 2009. This enabled personal advisors to decide to fast-track individuals into more advanced stages of the program, which included mandatory elements. A specific ground why some individuals “could face tougher responsibilities at the start of the claim” was if they have “a history of long term reliance on benefits” (DWP 2007a, p. 49). A judgement about a person’s future behaviour is being made not on their current circumstances, which might be similar to others, but on previous behaviour. With the introduction of the Work for Your Benefits scheme in 2010, people could be mandated to participate on the basis of the “discretionary power … [of] Personal Advisers” (DWP 2008c, p. 149) who can exercise this power according to criteria that include judging that individuals are “poorly motivated” (DWP 2010c, p. 4). Accompanying this is increased advisor discretion about when to apply sanctions for failure to satisfy requirements (DWP 2008c, p. 69; Griggs
& Bennett 2009, p. 29). Consequently, sanctions have indeed been applied differently to people exhibiting similar behaviour, such as if it was judged their behaviour was “out of character” (Goodwin 2008, p. 20). The extent to which compulsion is applied became more discretionary.

In Australia, changes to the administration of ‘employment services’ since 1997 increased the level of discretion used in compelling work activity (Considine 2001, pp. 125, 140; Ramia & Carney 2001), albeit with some oscillation over the years. The conservative Coalition government transformed the social security system in 1998 by separating the government administration of income support (Centrelink) from the outsourced employment services (Job Network). This less centralised system allowed for more discretion (Ramia & Carney 2001). For example, a government spokesperson said: “Centrelink officers make the decision about whether the person has to do the minimum amount of job searching or whether they have to do more” (O’Loughlin 2000, p. 2).

The privatisation of the employment services (which the UK has since emulated) facilitates more discretion (Ramia & Carney 2001). This is partially because staff from each Job Network provider have discretion to recommend a person’s breaching to Centrelink, then Centrelink officers have discretion to act on that recommendation. One study showed that even within a single Job Network provider, there was substantial variability in the exercise of discretion in recommending breaches. The decisions of employment officers reflected their own values and views about human nature (Bigby & Files 2003, p. 285), and what counted as a good reason for failing to meeting a requirement differed between staff, thus “some jobseekers are subject to unjust decision-making processes” (Bigby & Files 2003, pp. 283, 285, 287). Those with better negotiation skills were able to gain more “flexibility in their obligations”, with young people being breached more often due to lacking these skills (Eardley et al. 2004, pp.

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79 The Work Programme introduced in 2011 by the Coalition government appears to be continuing the trajectory of increased discretionary powers. For example, in intensifying work requirements for those receiving the Employing Support Allowance it was stated that “the nature, frequency and amount of work-related activity required could vary from customer to customer” (DWP 2011).

80 In 2009 the Job Network was slightly modified and its name was changed to Job Services Australia.

81 Following the recommendations of the Freud Review (Freud 2007), the privatisation of employment services was phased in.
This “unjust” treatment was indeed felt by ‘clients’: “Overall …there was a strong sense of unfairness in treatment” (Eardley et al. 2004, p. 143). The succeeding Labor government in 2008 softened the breaching penalty by giving even more discretion to officials (Peatling 2008). Although this had the effect of reducing the number of people subject to the penalty, it meant that those who continued to be breached were doubly burdened, firstly with the penalty, plus being treated unfairly, as they were punished when others in similar circumstances were not.

Although personalising support to the needs of individuals can be beneficial, the inconsistent application of compulsion should be avoided. It can be unclear when compulsion is applied based on a person’s categorical circumstances or judgements about their character, but in Australia and the UK, policy has been tending towards the ‘principle of minimal application’ rather than the ‘principle of non-discretionary application’. This has the effect of reducing the harm done to the workfare class, but at the cost of intensifying the harm for some of the very worst-off.

The tension can be mitigated between the ‘principle of minimal application’ which has the primary function of reducing the infringement of autonomy, and the ‘principle of non-discretionary application’ which has the primary function of reducing the intensity of the sense of unfairness. This is by avoiding the unnecessary use of compulsion. Dworkin argues that the legitimacy of paternalism depends on it being the least restrictive option: “If there is an alternative way of accomplishing the desired end without restricting liberty, although it may involve great expense, inconvenience etc. ...then society must adopt it” (1971, p. 126). There is a moral imperative to apply non-compulsive means of helping people into work, prior to the compulsive means. Hence, a final principle of legitimate paternalism is: The principle of prioritising non-compulsive means: Paternalism should only be applied if non-compulsive means to promote people’s well-being are practically unavailable.

This principle is already implicitly applied in policy domains besides workfare, like healthcare. To illustrate the different approaches to healthcare and workfare, the two will be further compared. A significant personal advantage of gaining employment can be increased income, the central personal advantage from healthy living is improved
health. In both cases, providing a kind of welfare benefit can emulate the personal advantage: increasing welfare payments can increase one’s income, and providing medical treatment can improve one’s health. However, only in the former case is the welfare benefit made conditional and thereby used to compel people to achieve the personal advantage through means other than welfare benefits. Not only will those who live the unhealthiest lives (likely leading to ‘healthcare dependency’) usually be provided with even greater medical treatment, but non-compulsive means are utilised to encourage healthy living, the primary means being education, specifically, preventative health strategies implemented through mass public education campaigns, as well as directly targeting individuals through advice from physicians. This comparison with healthcare is not being used to incite more paternalism – healthfare – but to highlight that in situations that are relevantly similar to workfare, non-compulsive means are conventionally used to promote people’s well-being.

Non-compulsive means can also be used with workfare, as will be investigated in the final chapter. As Fitzpatrick says, a kind of paternalism that prioritises autonomy “could mean improving the quality and quantity of the options on offer to people” (2011, p. 90). He calls the application of such an approach ‘social paternalism’, where individuals are encouraged and enabled to act prudently, but will ultimately not be prevented from self-harm. It will become evident that in this thesis the former tenet is upheld, but if such non-compulsive interventions fail, then the possible legitimacy of stronger forms of paternalism is left open. Non-compulsive means might require greater resources, both in the case of workfare and healthcare, but only in the latter are resources made available non-conditionally. The political explanation about why certain people are targeted for paternalistic workfare also applies to explaining why more powerful people can marshal greater resources to promote their well-being in non-compulsive ways. Supposing non-compulsive alternatives to workfare exist, if others’ well-being in various spheres is promoted in non-compulsive ways, then the sense of unfairness that workfare subjects are likely to feel reflects actual unfairness.

To direct the application of the ‘principle of prioritising non-compulsive means’, four subsidiary principles have been identified. First, to prevent paternalistic harm to those who would gain employment without intervention, people should not face compulsion
in the early period of their unemployment. Second, to prevent paternalistic harm to those suffering from personal attribute deficit, resources (such as training, education and work experience) should be available that enable people to develop their personal attributes. Third, to prevent paternalistic harm to those who suffer from structural unemployment, structural unemployment itself should be minimised. Fourth, to prevent paternalistic harm to those whose well-being is not enhanced from the kinds of jobs available to them, policy should endeavour to ensure that there are sufficient quality jobs. The first of these principles has been largely adhered to in Australia and the UK, as discussed earlier. The remaining three principles, the surrounding issues and to what extent Australia and the UK satisfy them will be examined in the following and final chapter.

Conclusion: Effects of compulsion on well-being of workfare subjects

After suggesting that the empirical evidence about the efficacy of paternalistic workfare is highly contested, its likely impacts on people's well-being were considered; specifically, the conditions that would be conducive to fostering autonomy and reducing stigma were investigated. An inherent moral dilemma was identified which primarily related to the disparate impacts of autonomy and stigma which paternalistic workfare produces across categories of people. The dilemma essentially was: how legitimate is it to harm some people to benefit others? This moral dilemma cannot be resolved solely with better empirical evidence, as normative judgements require to be made about the fair distribution of benefits and harms. In addition to weighing up benefits and harms between people, different aspects of each person’s well-being (such as autonomy, being stigmatised, feeling unfairly treated and material standards) have to be normatively weighed against each other.

Sound policy cannot be achieved by attempting to expunge normativity, as normative content of policy is inescapable. Therefore social policy should be made in awareness of this normative content, the broader moral implications of policies as well as on the basis of reasoned normative principles. To serve this purpose, five principles of legitimate paternalistic workfare were induced from considering the conditions conducive to promoting autonomy, reducing stigma and enhancing a fair distribution of impacts, which are restated below. First, the principle of large and highly likely positive
outcomes: paternalism should only be applied when there are strong reasons to believe that whatever aspects of well-being that a paternalistic workfare intervention is intended to promote are greatly promoted and with a high degree of likelihood. Second, the principle of consistent application: paternalism should not be unjustifiably applied to selective categories of people. Third, the principle of minimal application: the application of paternalism to people who would likely not benefit from it should be minimised. Fourth, the principle of non-discretionary application: paternalism should not be applied to people on the basis of individual characteristics, but on categorical circumstances. Fifth, the principle of prioritising non-compulsive means: paternalism should only be applied if non-compulsive means are practically unavailable. For paternalism to be legitimate, there would at least need to be a high degree of likelihood that people will greatly benefit from it, that it is being applied consistency across the whole society, but exclusively to those categories of people that will likely benefit, and only when non-compulsive means are impractical.

In Australia and the UK paternalism has not been applied on a consistent basis across the population, and paternalistic workfare has been discretionarily applied, although this is partially because in this respect policy has erred towards minimising its application. It was suggested that mainly due to the commodifying effects of workfare, the principle of large and highly likely positive outcomes is undermined. However, along with further identifying whether paternalistic workfare has been minimally applied, this depends on labour market conditions, that is, whether the labour markets facilitate the promotion of people’s well-being, relating to autonomy and in general. This will be examined in the next chapter. Then in the final chapter, the ‘principle of prioritising non-compulsive means’ will be considered through investigating policy alternatives.
Chapter 8: The quantity and quality of work

Introduction

In the last chapter it was established that the legitimacy of compelling people into
employment for their own benefit is premised on there being a sufficient quantity and
quality of jobs – put simply, whether enough good jobs are available. This chapter will
first assess whether there are sufficient employment opportunities for workfare subjects,
that is, whether there is structural unemployment. Subsequently, the phenomenon of
‘voluntary unemployment’ will be explored by scrutinising the quality of the work
available for workfare subjects. The consideration of these labour market conditions in
Australia and the UK will enable an assessment of the legitimacy of paternalistic
workfare, specifically, whether it is likely to enhance people’s well-being and whether it
is fair. This consideration will be conducted principally through analysis of academic
and policy literature. It will be shown that due to the significant presence of structural
unemployment, along with the available jobs being of poor quality, that paternalistic
workfare violates both principles of ‘large and highly likely positive outcomes’ and
‘minimal application’.

Labour market deregulation

The UK and Australian labour markets have undergone considerable deregulation since
the 1980s and 1990s respectively, essentially equating to an increased commodification
of labour (Esping-Andersen 1999, p. 165; Hutton 1995). In much of the developed
world, industrial regulations were gradually implemented throughout the 20th century,
prescribing basic treatment of workers. These regulations were underpinned by various
rights, such as the right to breaks, leave, adequate pay and collective organising. This
contributed to transforming labour from a mere resource into an activity compatible
with, and even conducive to, the development of people’s capabilities, thereby partially
decommodifying labour. Labour market deregulation has retracted some of this
decommodification.

The labour market has been deregulated largely through changes to industrial relations
laws. The British Conservative government during the 1980s drastically altered
industrial relations. Union power was severely reduced, such as curtailing the right to
strike, and collective bargaining declined (Gregory 1998). New laws made it easier to
dismiss employees, and various forms of wage protection were removed (Gregory
1998). As a consequence of such changes, the UK became one of the most deregulated
labour markets in the developed world (Gregory 1998; OECD 2004).

During the same period, the Australian Labor government negotiated an Accord with
the trade unions, thus restraining radical labour market deregulation (Bessant et al.
2005). It commenced the process of integrating industrial and social policy, where the
latter was subordinated to the former (Ramia & Wailes 2006). When the conservative
Coalition came to power, they largely emulated the industrial relations policies of their
UK counterparts, endeavouring to reduce collective bargaining and increase individual
contracts. This culminated in 2006 with amendments to the Workplace Relations Act,
known as WorkChoices. Key elements included weakening unfair dismissal laws,
making it harder to lawfully strike and permitting workers entering individual contracts
to be worse off than under an established award by removing the ‘no disadvantage’ test
(Woodward 2010). The ensuing Labor government partially repealed the industrial
relations changes of their predecessor; nonetheless, due to legislative changes over two
decades, Australia’s ‘wage earners welfare state’ has been undermined (Carney 2007),
with its labour market now amongst the most deregulated (along with the UK) of
developed countries (Lee 2004b).

A consequence of this labour market deregulation for many workers has been a
reduction in the: reliability of employment tenure, amount and consistency of hours,
rate of pay and availability of paid leave. People whose labour market experiences are
particularly coloured by such aspects have been identified as a sub-category of workers.
Different labels have been applied, with the UK Office of National Statistics using the
term ‘temporary’ to encapsulate those who describe themselves as either having a fixed-
term contract, an agency placement, casual status or seasonal work. The ABS gathers
data on ‘non-standard’ employment, referring to those on similar employment contracts
as UK temporary workers, particularly casual workers. This type of work is pervasive

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82 Castles (1985) coined this term, referring to the high extent to which industrial policy was used in
Australia and New Zealand to promote and protect people’s welfare.
with about 40% of the workforce (the second highest in the OECD), indicating that non-standard work has become increasingly the norm in Australia (ACTU 2011b).\footnote{The rise of non-standard work appears correlated with more people being in the workforce.}

A term that has been applied which is more descriptive about the quality of work is ‘precarious’ (Burgess & Campbell 1998), with those who are subject to such work called the ‘precariat’. In addition to the security of employment tenure, the term ‘precarious work’ usually refers to factors such as employment opportunities and income adequacy. Standing (2011, p. 15) explains that “one way of looking at the precariat is … doing insecure forms of labour that are unlikely to assist them to build a desirable identity or a desirable career.” ‘Contingent’ is another term used (Owens 2002) to describe this group, implying that they are not part of the mainstream labour force, but on the periphery with inferior status. Goulden estimates a fifth of UK workers are on this periphery (2010, p. 8), whereas Standing suggests up to a quarter of the population in developed countries constitute the precariat (2011, p. 24). Most workfare subjects comprise a significant part of this precarious labour force. The terms ‘precarious’ and ‘contingent’ approximately denote the same phenomenon as the term adopted in this thesis, ‘workfare class’, which further implies the subordination of those in precarious or contingent positions. The plight of the workfare class will now be examined, by investigating the quantity and then the quality of work.

The quantity of work

The extent of structural unemployment can be identified \textit{somewhat} through official unemployment rates. However, as will be shown, these are only a partial indication because of the uneven demographic distribution of unemployment and hidden unemployment. In considering various measures of unemployment, it will become evident that there is substantial structural unemployment in Australia and the UK.

\textit{Official unemployment}

The official unemployment rate in Australia and the UK for most of the first decade of the 21st century was comparably lower than in the two preceding decades, as seen in Graph 1. Nonetheless, during this period there has consistently been a higher supply of labour than demand for workers, suggesting that there was structural unemployment and

\footnote{The rise of non-standard work appears correlated with more people being in the workforce.}
not mere frictional unemployment. If the unemployment was frictional, then although there would still be unemployed people, the number would be similar to job vacancies. If there are more unemployed people than job vacancies, unemployment cannot be explained away by the ‘personal deficits’ of the unemployed. Even if the unemployed all had desirable skills, there are simply not enough jobs.

Graph 1: Official unemployment in Australia and the UK


In Australia, when unemployment was around its lowest levels during the period of the case, at just over 4% in early 2008, there were still about 60% more officially unemployed people than job vacancies (ABS 2008a, 2008b, p. 33). An ABS survey also found that by far the main difficulty unemployed people found in gaining employment was that there were too many applicants for available jobs (ABS 2010b, p. 4). In the UK, unemployment was around its lowest levels in mid-2004, at approximately 4.7%, when there were about 53% more officially unemployed people than job vacancies (Madouros 2004).

Post-GFC there are far fewer employment opportunities in both countries: in Australia unemployment rose to about 6% before declining to about 5% in 2010 (ABS 2011a) and in the UK it rose continuously to almost 8% in 2010, a rate which still persists (European Commission 2010). Although as a consequence of the GFC, unemployment
increased in both countries, workfare subjects continued to face similar compulsion. The presence and level of structural unemployment does not seem to be a dominant factor in designing workfare policies.

There are also much higher rates of unemployment amongst certain ethnic groups. For example, Australian Indigenous people suffer from about three times the level of unemployment as non-Indigenous people (ABS 2010a); in the UK, the black African jobless household rate is more than double the national average (HM Government 2010, p. 32). These groups often face additional barriers to gaining employment, such as discrimination or inadequate language abilities. In considering official unemployment more precisely, the lack of employment opportunities for many people in Australia and the UK becomes evident.

Hidden unemployment

There is a substantial level of ‘hidden unemployment’ in Australia and the UK, that is, people who would like to work or would like more work but are not counted in the official unemployment figures. The official unemployment figures only include people who have not worked for one hour in the past week, sought employment in the last four weeks and are able to commence work immediately.\(^\text{84}\) A more comprehensive measure of structural unemployment is the ‘under-utilisation rate’ which combines the official unemployed, the under-employed and many people marginally attached to the labour force. The marginally attached include those who would like to work and are available to work, but have not actively sought work in the past four weeks, possibly because they are discouraged, face barriers due to a disability or have caring responsibilities.

Whilst Australia’s official unemployment rate is lower than the UK’s, the under-utilisation rate is much higher, at about 18% in 2009, compared to about 13% for the UK, with the OECD average at about 16% (OECD 2010, p. 1).\(^\text{85}\) Australia’s under-utilisation rate significantly rose following the GFC, largely due to working hours being reduced. According to one measure, there was about a 40% increase in the under-utilisation rate (van Wanrooy et al. 2009, p. 38). However, even prior to the GFC when

\(^{84}\) This is based on ILO standards.

\(^{85}\) The ABS applies a narrower measure of under-utilisation, only combining the unemployed and under-employed, estimating Australia’s rate at 12% in 2010 (ABS 2011b).
the unemployment rate was declining, the under-employment rate (a key component of under-utilisation) was increasing (Mitchell & Welters 2008, p. 3). It is due to extensive hidden unemployment that more people receive unemployment benefits than are officially deemed unemployed (ACOSS 2003, p. 11). There is substantial structural unemployment in both the UK and Australia, with unemployment evidently rising in the UK in the past few years, and Australia’s relatively low official unemployment rate belying high labour under-utilisation. The rhetorical emphasis by governments on the official unemployment rate cloaks hidden unemployment.

The abandonment of full employment
Although evidently the private sector has been unable to create sufficient employment opportunities for all (Mitchell 1998, p. 5), structural unemployment is not an unavoidable scourge; rather, its presence and extent is greatly influenced by government policy. Both Australia and the UK adopted full employment policies from the mid-1940s. For example, a White Paper states: “Full employment is a fundamental aim of the Commonwealth Government of Australia” (Parliament of Australia 1945, p. 3). In the preceding year the UK White Paper similarly affirmed that one of the government’s “primary aims and responsibilities” is to “maintain the highest possible level of employment” (HM Government 1944, pp. 3, 4). These full employment policies were largely effective in addressing structural unemployment until the period around the oil crisis in the early 1970s, which precipitated their abandonment by the 1980s (Langmore & Quiggin 1994; Tomlinson 1985, p. 126). This is despite the strong rhetorical emphasis that continued to be placed on developing economic policies to promote employment.

Since at least the 1980s policy to prevent structural unemployment has been replaced by the aim of increasing employment participation. A key driver of this change is the need to replace the aging workforce (HM Government 2007, p. 22; McClure & Reference Group on Welfare Reform 2000, p. 67), as affirmed in interviews with policy makers in Chapter 3. Employment policy in much of the developed world shifted towards ensuring international economic competitiveness in increasingly open economies, arguably

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86 Mitchell deduced this from an examination of the labour market in Australia during the two decades up to the late 1990s, and from the evidence presented above about the extent of structural employment it appears to still apply.
subordinating social outcomes, like advancing the well-being of workers and potential workers (Jessop 1993, p. 19). The promotion of economic competitiveness (Jessop 1993), along with other economic goals like limiting inflation, increasing growth, and restraining government expenditure (Esping-Andersen & Regini 2000), are key drivers of labour market deregulation.

Workfare and labour market deregulation operate symbiotically (Peck & Theodore 2001, p. 427), jointly raising employment participation, as well as endeavouring to achieve various economic goals. Workfare compels more people into employment participation, and labour market deregulation fosters flexibility where “it is easy and inexpensive for firms to vary the amount of labour they use” (Bishop 2004) which, according to neo-classical economics, can enable them to hire more workers. Labour market deregulation promotes economic ‘efficiency’, whilst workfare ensures a plentiful supply of labour, and together they increase employment participation (although neither reduces structural unemployment). Such an approach was advocated by the OECD (1996) whose jobs strategy recommended that governments make wage and labour costs more flexible and strengthen the emphasis on ‘active labour market policies’.

Australia and the UK both enthusiastically adopted this strategy. The application of workfare to more categories of people is itself evidence of the focus on increasing economic participation. In the UK, the Thatcher Conservative government changed the goals of employment policy in the 1980s, but in opposition the Labour Party maintained its traditional commitment to full employment. However, by 1995 the Labour Party, whilst still in opposition, accepted the Conservative government’s rejection of direct government job creation (Finn 2000; Peck & Theodore 2001). Even with the onset of the GFC, the Labour government’s dominant employment policy remained “to drive sustainable economic growth, which in turn can foster the investment and business success that will create jobs” (Economic Impact Unit 2009, p. 43). The Coalition government has intensified this approach (Cameron 2011).

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87 The UK and Australian governments also claim that rates of employment participation need to be increased so that the aging workforce can be replaced on retirement (HM Government 2007, p. 22; McClure & Reference Group on Welfare Reform 2000, p. 67). This was reiterated in interviews with policy makers, as in Chapter 3.
The UK Labour government maintained a nominal commitment to full employment, but redefined this to correspond to the new objective of increasing participation, rather than preventing structural unemployment. Full employment became “high and stable levels of employment with employment opportunity for all”; more specifically, they aimed to get 80% of the working-age population into employment (DWP 2007b, p. 26). They failed to achieve this, with the employment rate rising to 74% prior to the GFC (DWP 2008b, p. 26). Even if the government had achieved full employment by its own measure, the employment rate avoids addressing structural unemployment, as significant numbers of people who are willing and able to work could still not be working, despite a high rate of employment participation. Rather than ensuring a job for all those willing and able to work, the government promoted people’s ability to take up employment opportunities that hopefully would arise from flexible labour markets (Finn 2000, p. 386).

The Australian conservative Coalition pursued a similar employment policy, probably even more zealously, evident in the deregulation of the labour market, the absence of direct government job creation and the application of a work-first approach to workfare. The employment policy approach of facilitating the conditions for economic growth and thereby enabling private enterprise to create sufficient jobs is made explicit here:

> The best national jobs strategy is the implementation of government policies which ensure strong economic growth, including low inflation, low interest rates, budget surpluses, a flexible workplace relations system and a tax system which does not penalise entrepreneurial activity. (Community Affairs References Committee 2004, p. 446)

This was reinforced by the Minister for Employment and Workplace Relations: “it is employers who create jobs, not governments” (Andrews 2005a, p. 12). The Labor government continued this approach of focusing on the economy and using workfare to increase employment participation. In Australia and the UK, the emphasis on employment participation was somewhat effective in reducing (although not eliminating) structural unemployment during the period of strong economic growth after 1997, but the rapidly increased rate of unemployment or labour under-utilisation since the GFC reveals the inadequacy of such an approach to deal with structural unemployment.
Summary: The quantity of work

Structural unemployment inevitably resulted from government policy to abandon full employment. As history shows, structural unemployment can be greatly reduced, if not eliminated, when this is government policy. However, the Australian and UK governments have changed their employment policy to increasing labour market participation, largely to promote economic goals, such as competitiveness, efficiency and growth, rather than to improve the well-being of what has become the workfare class. The workfare class can be considered the ‘collateral damage’ of changed policy goals and, rather than being compensated, they are more likely to be condemned. As welfare policy is increasingly subordinated to the economic objectives of employment policy, it is less able to also promote people’s well-being. This undermines the legitimacy of applying compulsion to help people. If structural unemployment pertains, many of those subject to compulsion will not gain work. Their autonomy is therefore reduced without compensation. The principles of ‘large and highly likely positive outcomes’ and ‘minimal application’ have been violated, because the presence of structural unemployment greatly reduces the likelihood that someone subjected to paternalistic workfare will benefit. Structural unemployment necessarily produces disparate impacts. In subjecting a whole group of people to compulsion, those who do not benefit from it have been unfairly treated. Those who gain employment may not be better off either; this crucially depends on the quality of the work they gain, as will be discussed next.

The quality of work

Whereas the issue of the quantity of work relates to structural unemployment, the quality of work relates to voluntary unemployment. The quality of work available to people greatly explains why they might ‘choose’ not to work. It will be argued that in Australia and the UK the kind of jobs that workfare subjects are likely to gain are often poor quality and do not increase their well-being. Consequently, the legitimacy of paternalistic workfare is undermined.
Conceptual framework of work quality

There are many aspects of the quality of work, with different conceptual frameworks being applied to organise them. Although it is somewhat simplistic, Herzberg et al. (1959) developed a seminal theory which remains instructive and is still widely used (Bassett-Jones & Lloyd 2005; Denemark 2007; Osterloh & Frey 2001; Tietjen & Myers 1998). They distinguished between two kinds of factors that determine the quality of work: those that are intrinsic to the work, which they called motivating factors; and those extrinsic to the work, named hygiene factors. Intrinsic factors include learning skills, expressing creativity, task variety and working collaboratively with others. Extrinsic factors include pay, security, breaks, the working environment and relations with colleagues, as illustrated in Table 4.

88 The terms ‘intrinsic’ and ‘extrinsic’ will be used in this thesis, rather than the somewhat misleading terms ‘hygiene’ and ‘motivating’.
Table 4: Selective list of intrinsic and extrinsic quality of work factors

<table>
<thead>
<tr>
<th>Predominately extrinsic factors</th>
<th>Predominately intrinsic factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment mobility/promotion</td>
<td>Degree of responsibility</td>
</tr>
<tr>
<td>Relations with colleagues</td>
<td>Collaboration with others</td>
</tr>
<tr>
<td>Worker collective organising/bargaining</td>
<td>Involvement in decision making</td>
</tr>
<tr>
<td>Employment tenure/security</td>
<td>Degree of autonomy</td>
</tr>
<tr>
<td>Pay</td>
<td>Opportunities for using initiative</td>
</tr>
<tr>
<td>Justice (e.g. treatment compared to others, individual treatment</td>
<td>Skills and abilities (e.g. applying skills, task variety, learning new things,</td>
</tr>
<tr>
<td>according to fairness ideals)</td>
<td>developing capabilities)</td>
</tr>
<tr>
<td>Recognition</td>
<td>Work load/intensity</td>
</tr>
<tr>
<td>Material comfort (e.g. temperature, noise, lighting, air quality)</td>
<td>Purpose of work (e.g. achievement, usefulness, contribution)</td>
</tr>
<tr>
<td>Aesthetic environment</td>
<td>Interesting work</td>
</tr>
<tr>
<td>Safety and cleanliness</td>
<td>Meaningful work</td>
</tr>
<tr>
<td>Working time quantity (e.g. hours per day/week/year)</td>
<td></td>
</tr>
<tr>
<td>Flexibility (arranging when one works)</td>
<td></td>
</tr>
<tr>
<td>Leave entitlements (e.g. holiday, sick, parental, carers, long</td>
<td></td>
</tr>
<tr>
<td>service)</td>
<td></td>
</tr>
<tr>
<td>Breaks</td>
<td></td>
</tr>
<tr>
<td>Status (e.g. within organisation and general society)</td>
<td></td>
</tr>
<tr>
<td>Amenities (e.g. health, childcare, transport, travel, toilets)</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td></td>
</tr>
</tbody>
</table>

This collection of factors has been distilled from the literature, mostly from al. (1959).

Like many dual distinctions, there are factors which may not clearly fit into either category. For example, Herzberg et al. posited that the possibility to advance in one’s career is intrinsic to the work. However, it could be argued that whether a job can lead to better work does not necessarily reflect its nature, but the workplace and economic conditions that provide further opportunities. This factor of work quality, along with others, may have both intrinsic and extrinsic characteristics; this does not undermine the dual distinction, but shows it is not dichotomous. Many factors are closely linked; for example, pay provides recognition, status and influences whether the worker believes
they are being treated fairly (Herzberg 1966, p. 78). Nonetheless, it remains useful to distinguish between different kinds of factors that influence the quality of work.

Herzberg et al. (1959) also distinguish between first- and second-level aspects of work. First-level aspects are the objective presence or absence of work features, while second-level aspects are the subjective impact these features have on the agent’s psyche. For example, the objective fact of high task variety might be interesting for some workers and stressful to others. Other examples are: if the work intensity is too high, one may feel stressed; if one is given positive recognition, one might feel appreciated; and if one’s work is benefiting others, one might feel useful. Although certain objective features will tend to produce subjective experiences, there remains some indeterminacy. Each person’s character influences the subjective impact of objective features; for instance, what some people find boring others could find interesting. The first-level aspects of work can be identified and measured from observation; the second-level aspects require subjects’ reporting (Drobnič et al. 2010, p. 207). As people will report diverse psychological impacts and give different weight to different elements of work quality, any measurement of the quality of work cannot be entirely objective (Edwards & Burkitt 2001, p. 5). Nonetheless, there is likely to be much overlap between subjects about what factors of work they find important to its quality, as will be shown.

A controversial part of Herzberg’s theory was that if positive extrinsic factors are not present, then job dissatisfaction ensues, but extrinsic factors cannot lead to job satisfaction; only positive intrinsic factors can provide this. The extrinsic factors relate more to avoiding pain, whereas the intrinsic factors relate to “personal growth” (Herzberg 1966). Drawing on Maslow’s (1943) hierarchy of needs, it is affirmed that: “The [intrinsic] factors … lead to positive job attitudes … because they satisfy the individual’s need for self-actualisation in his work” (Herzberg et al. 1959, p. 114). This has been criticised by Locke (1976) and Warr and Wall (1975). Firstly, intrinsic qualities can also be painful, such as dull work being boring, also extrinsic factors can enable growth, such as through good relationships with colleagues. Secondly, empirical research asking workers about what factors they find satisfying and dissatisfying contradicts their findings (Warr & Wall 1975, p. 37). Satisfaction and dissatisfaction are personal judgements one makes about something. Although factors that lead to self-
actualisation (such as being challenged and developing new skills) might be an important contributor to job satisfaction, it appears plausible that one can be satisfied or dissatisfied about either intrinsic and extrinsic factors.

Nonetheless, distinguishing between the causes of satisfaction and dissatisfaction remains insightful. Rather than extrinsic factors being unable to provide satisfaction, it is more likely that they tend not to, if the worker expects them to pertain. For example, as workers in Australia and the UK do not expect to be abused at work, the absence of abuse will not provide satisfaction, although its presence will certainly provide dissatisfaction. Extrinsic factors that the worker is more appreciative of because they are more difficult to attain might contribute to job satisfaction. For example, as stratified labour markets means that most workers cannot expect a high status job, those who have such jobs might find them satisfying. Conversely, Herzberg was probably right about factors that contribute to self-actualisation being inherently conducive to satisfaction. However, if someone expects a job to contribute to personal growth and it fails to do so, dissatisfaction likely ensues. This framework of the quality of work, with a number of examples of specific factors, is depicted in Diagram 7.
Distinguishing between intrinsic and extrinsic aspects of work remains a useful conceptual framework to examine the quality of work, which does not require accepting Herzberg’s theory of job satisfaction and motivation. This distinction will now be applied in examining the quality of work in the Australian and UK labour markets, especially regarding the jobs that workfare subjects are likely to do.

**Extrinsic aspects of the quality of work**

Four extrinsic quality of work factors that have become increasingly conspicuous in the Australian and UK Labour market are employment security, leave entitlements and
working time, wages and employment mobility. Each will now be investigated in regard to the Australian and UK labour markets.

Employment security

The level of employment security is determined by the extent to which employment is likely to persist, discounting the workers’ employment decisions. Employment security is shaped by the nature of the employment contract, principally whether the employment is permanent or non-permanent. Non-permanent work could be fixed-term or the job tenure could be undefined. Non-permanent work with undefined tenure offers far less security than permanent work; Employers are less restricted in being able to dismiss workers, such as the length of notice, reasons for dismissal and not having to pay redundancy. Regardless of whether the non-permanent work is fixed-term or not, there is similar relevance for employment security.

Non-permanent employment in Australia and the UK is much higher now than two decades ago. The biggest growth in the Australian labour market in the past 15 years has been in casual jobs (van Wanrooy et al. 2009). About a quarter of the workforce is employed casually, and the rate has been increasing (ABS 2009a). Temporary employment in the UK doubled between the early 1980s and late 1990s, but has since stabilised (McGovern et al. 2004, p. 230). Full-time permanent employment continually declined since 1997, which mostly corresponds to the rise of part-time permanent and self-employed workers (Slater 2011, p. 46). Many self-employed workers may have good quality work, but a particular sub-category that does not has been growing in the UK (Böheim & Muehlberger 2006) as well as Australia (Campbell 2010). A significant category of self-employed are ‘dependent’, being integrated into a single firm as a regular worker but without the rights of an employee. This has been described as “bogus self-employment” (Harvey & Behling 2010), “sham contracting” (ACTU 2011a) and “forced self-employment” (Down et al. 2010). UK Office of Statistics Labour Force Survey data indicates that most people in various kinds of temporary arrangements (including the dependent self-employed) are not actively choosing this form of work (Slater 2011, p. 57). This is consistent with the Australian survey of social attitudes showing that security is the second most valued job characteristic (Fox 2010, p. 285),
which is not being offered to a large portion of the labour market who are in non-permanent employment.\textsuperscript{89}

The rise in non-permanent work has contributed to increasing employment insecurity in Australia and the UK (Butterworth et al. 2011, p. 4; de Ruyter & Burgess 2003, p. 6). This insecurity can produce negative psychological impacts, with Australian evidence indicating it has reduced mental health (Adam & Flatau 2005, p. 5; Butterworth et al. 2011, p. 4).

Insecure employment causes labour market ‘churning’, with the same people frequently cycling between unemployment and employment. The cycle might begin with an individual suffering from a period of unemployment, then becoming long term unemployed or leaving the labour force altogether, then being compelled into workfare programs, which shifts them into what eventuates as only temporary employment. This is depicted in Diagram 8.

\textbf{Diagram 8: Employment/unemployment churning}

![Diagram 8: Employment/unemployment churning](image)

This diagram has been developed by the researcher for this thesis.

\textsuperscript{89}The most valued characteristic is an interesting job, which will be considered shortly.
There are significant levels of employment churning in Australia and the UK. Australian research showed that prior stints of unemployment are correlated with future unemployment, despite one’s current employment status (Perkins & Scutella 2008). A review of the evidence in the UK also found that “after re-employment, there is a persisting risk of subsequent poor employment patterns and further spells of unemployment” because workfare subjects enter insecure employment (Waddell & Burton 2006, p. 19). In the UK two-thirds of all new Jobseeker’s Allowance claimants were repeats (Toynbee & Walker 2010, pp. 203, 216). It is a wicked irony that the workfare class have less work but more jobs. This shift in the labour market has not gone unnoticed by policy makers, with a senior policy advisor from DWP commenting in 2010: “The labour market has evolved over the past 10 years and what we have is that people are going into multiple short term jobs” (UKA).

Australian researchers found that the low paid and low skilled are particularly vulnerable to labour market churning (Perkins & Scutella 2008; Watson 2008a), with a mismatch between one’s attributes (including skills) and one’s job being a substantial reason why people leave their jobs (Le & Miller 1999, p. xiv). This highlights the importance of obtaining suitable work. The same applies in the UK where job characteristics appear to be a “key determinant” of the extent to which a person cycles between low-pay and no-pay, with part-time, contract and casual employment being “very important” (Goulden 2010, p. 8; Riccio et al. 2008, p. 21). The experiences of those on the periphery of the labour market, who are mostly from disadvantaged backgrounds (Lee 2004b, p. 50), are characterised by churning.

This churning is partially explained by privatised employment service providers having incentives to get clients into a job quickly, largely disregarding its quality and suitability (Grover 2009). Evidence from Australia shows that employment service organisations ‘play the system’, gaining payments without necessarily serving their clients’ interests (Saunders 2008). Workfare subjects reported a strong emphasis on short term and casual work, contrary to their preferences, with over half of all employment placements in the lowest occupational category (Perkins & Scutella 2008, p. 9). The Australian Labor government made adjustments to employment services, providing more funds to provide services for those with higher needs (Ramia & Carney 2010), but retention and
advancement strategies remain largely absent. The UK Labour government followed Australia’s privatisation of employment services, which the Coalition has intensified with their Work Programme.\(^{90}\)

The quality of work in Australia and the UK—at least for the workfare class—is diminished by the high level of employment insecurity.

**Leave entitlements and working time**

In addition to reducing employment security, casualisation undermines work quality in other ways. The length and time of work can be variable, for instance, the amount of hours in a week can fluctuate. Another characteristic of casual work is variations in shifts which makes it harder for people to plan their life (Saunders 2002a, p. 87), particularly those with caring responsibilities. There has also been an increase in the requirement to work on week-ends and evenings, particularly in the low status services sector that many workfare subjects enter (Fagan 2004, p. 123). Having a non-standard work schedule can impede people’s social inclusion by preventing participation in social activities.

Access to leave is also important to help people plan their life over an extended period. Pocock (2006) suggests that one of the characteristics of a fair labour market is that workers are capable of combining work with care over their life cycle. This includes caring for oneself (such as through sufficient leave to rest, recover and recuperate), caring for others (such as through child-rearing and tending to the sick and frail) and for society (such as through engaging in community activities and civic duties). Combining work with care requires adequate leave, including sick, holiday, parental, carers and long service leave. In Australia, casual employees do not have access to leave entitlements; this is similar in the UK, although the entitlements of non-standard workers more closely resemble those of standard workers than in Australia.\(^{91}\) The

\(^{90}\) In 2012 an investigation by the House of Common Public Accounts Committee found the presence of widespread fraud amongst employment service contractors. DWP was condemned for lacking systems to ensure cost-effective and high quality service provision from its contractors (Public Accounts Committee, 2012).

\(^{91}\) Pulled by European Union regulations, the UK has made some improvements to the rights of contingent workers since 1997, but insufficiently to substantially reduce the precarious nature of work for many people. In 2000 the government implemented (after some delay) the EU Directive on part-time work. This
absence of sick leave in Australia is particularly pernicious for those entering employment from disability or sickness benefits (who might be in more need of such support), creating a disincentive to enter the labour market.

Some people may prefer the benefits of casual employment, choosing to forgo entitlements to dependable hours and leave, but many have little choice, a key reason being because it is the only form of part-time employment they are able to obtain (McCann 2004; Pocock et al. 2009). Australia and the UK have some of the highest rates of part-time employment in the OECD, at about a quarter of the workforce, compared to an average of about 16% (OECD 2011). Australian research suggested that about two-thirds of the part-time work was casual (Burgess 2005, p. 29, 33). Part-time work is dominated by women, as they are less able to commit to full-time employment due to providing more unpaid care (Burgess 2005, p. 33; Fagan 2004). Despite the increase in availability of childcare in the UK over the past decade, its insufficiency remains a key barrier to taking up more employment (Goulden 2010, p. 8; Toynbee & Walker 2010, p. 206). It is women subject to workfare programs who are most likely to accept inferior quality work associated with casual jobs. The second wave of workfare that aimed at increasing employment participation, particularly targeting single mothers, is a corollary of the rise in precarious work that largely resulted from labour market deregulation. Women have been ‘activated’ to do the newly created poor quality work. This ‘engenders’ a second wicked irony that those who are most in need of leave entitlements, such as parental and carers leave, are likely to have least access to it.

Employers unwilling to accommodate the changing personal needs of their employees, such as increased family responsibilities, is one factor why many people leave

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aimed to equalise the rights of part-time workers with full-time workers, but in the UK it has been interpreted and applied so that only 10% of part-time workers will benefit (McGovern et al. 2004). This is because those on casual and agency contracts are able to be excluded, and also it only equalises rights when there are full-time employees in the same workplace, which is often not the case. A second EU directive aimed at improving the quality of precarious workers was the Temporary Agency Work Directive which sought to equalise entitlements with permanent workers in regard to paid leave, working time and breaks. After impeding its development, in 2008 the UK government eventually adopted a diluted version. It has been concluded that the final version fails to provide “a sufficiently protective, equitable and fair regulatory framework …far from reducing labour market segmentation, the Directive actually reinforces it” (Countouris & Horton 2009, p. 338).

92The cost and quality of childcare in the UK and Australia lag behind other OECD countries, which partially explains why the rates of lone parent employment are also relatively low (Stewart 2009, p. 273).
employment (Riccio et al. 2008, p. 23). ‘Labour market flexibility’ is euphemistic for workers adjusting to the desires of employers. Although workers in Australia and the UK have the right to request flexible leave, there is no duty that such flexibility be provided; in Australia over 31% of requests for flexible working hours are rejected, and about 25% in the UK (Pocock et al. 2009, p. 5). For many people, especially those on the periphery of the labour market, the only flexible employment options are of inferior quality, such as having no leave, variable hours and little security.

Wages
Working time impacts wages. It is true that in comparison to other OECD countries, Australia and the UK have high minimum earnings once minimum wages, in-work benefits and gradual benefit phase-out rates are combined. Full-time minimum wages along with various welfare benefits can provide a higher income than the poverty line, with the qualification relating to family size (Immervoll 2010, p. 19). Regardless, most working poor are not employed full-time. Making matters worse is that part-time workers are likely to receive a lower rate of pay (Burgess 2005, p. 34; Lee 2004b). This largely reflects the inferior quality of much part-time work (related to its high rates of casualisation)(Burgess 2005; Fagan 2004; Lee 2004b), with research indicating that casual workers experience an earnings penalty, independent of casual work being concentrated in low skilled and low status occupations (Booth et al. 2002; McGovern et al. 2004; Watson 2005).

Women in particular receive lower rates of pay as they are over-represented in casual employment. In regard to workfare subjects specifically, earlier Australian research suggests that about 20% of the explanation for the lower wages they are likely to receive is unjustified, such as by reference to factors relating to skills and productivity (Le & Miller 1999, p. xi). There is little reason to think the situation has changed since then, as workfare has been intensified, thus it is unsurprising that many workfare subjects end up in low paid work (Waddell & Burton 2006). Low pay is also a major factor why people leave employment (Le & Miller 1999, p. 106).

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93 Using the 60% of individual median income measure. The Australian government does not apply an official poverty line.
94 Women especially suffer from unfair pay differentials, as even when they have similar skill levels to men they still earn about 30% less (Cassells et al. 2009).
Although working poverty is concentrated amongst those who do not work full-time, almost a quarter of working poor households in Australia have one full-time worker (Payne 2009, p. 18). In Australia and the UK, an individual working full-time on minimum wages combined with income support entitlements who has two children is only earning about 70% and 65% (respectively) of the poverty line, and is even worse off if they have no children (Immervoll & Pearson 2009, p. 10). Although access to permanent work will be of benefit to some, for most, whether they work full-time or part-time, wages are insufficient.

There are high numbers of working poor in Australia and the UK. Even before the effects of the GFC were felt, about 6.4% of Australians in poverty lived in households where someone worked (Robson & Rodgers 2008, p. 29). It was estimated that nearly 390,000 Australians had incomes below the poverty line despite living in a household where someone worked. In the UK about 5% of adults in households where someone works are in poverty (2008). As Masterman-Smith and Pocock state: “Many low waged workers’ incomes are not sufficient to provide a decent standard of living and well-being” (2008, p. 132). The disposable incomes of working poor households in Australia are not on average much higher than those of non-working poor households (Payne 2009, p. 24). Similarly in the UK, of which Goulden states: “Employment does remain the best defence against poverty – but primarily for those with permanent contracts, a chance of a promotion or a pay rise and for those working in higher status occupations” (2010, p. 11). For this reason, the following remark about the US welfare system also applies to Australia and the UK: “Welfare reform that offers the welfare-poor an opportunity to become working-poor is not reform at all” (Stoesz 2002, p. 141).

In-work poverty cannot be addressed by working more hours; many people are unable to do so, not least because many working poor already work full-time. Other reasons include having caring responsibilities, disabilities or that they are unable to gain more hours. Part-time work is often the only work suitable and available. Such factors lead Athanasou (2010, p. 42) to conclude that Australia (and the same can be said for the

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95 Although this estimate is lower than the Australian figure, it excludes children, despite applying the more demanding 60% of median income measure. Regardless, both countries show significant levels of working poverty.
UK) violates the Universal Declaration of Human Rights, Article 23(3): “Everyone who works has the right to just and favourable remuneration, ensuring for himself and his family an existence worthy of human dignity” (UN 1948). Whilst workfare policies can remove the unemployment trap, ensuring people prefer to work due to non-work being even more onerous, if wages are not adequate, people can be snared in poverty traps.

Arguably as important as wage adequacy is wage equality. Both countries have adopted a social inclusion agenda, but full participation in society is difficult if one’s wages are much lower than the median; accessing the services and goods which others take for granted becomes financially prohibitive. In recent years wage inequality in both countries has worsened. In the UK the incomes at the tenth highest percentile of male wage earners have grown from 3.4 times the incomes at the tenth lowest percentile in 2000, to 3.7 times in 2008, and from 3.1 to 3.5 in Australia. This is compared to a ratio of 2.7 and 2.4 for the UK and Australia in 1970 (Machin 2011, p. 163) (see Graph 2).

**Graph 2: 90/10 wage ratios: Australia and the UK**

![Graph 2: 90/10 wage ratios: Australia and the UK](source: Machin (2011, p. 163))

Although this growing inequality partially reflects that incomes of high wage earners have grown faster than low wage earners, low income earners have also lost ground more generally. For instance, in Australia, the minimum wage has declined as a
proportion of median wages (Masterman-Smith & Pocock 2008, p. 54); consequently, Australia’s historically high minimum wages are being eroded. In the UK, the ratio of minimum to median wages is even lower (Immervoll 2010, p. 18); the inequality of earnings of the bottom decile compared to the median income reached its peak under the Blair government and has remained at those levels (Machin & Gregg 2011).

This wage inequality is compounded by wage inequity. That is, people doing similar work, especially those not covered by collective agreements such as casual workers (especially women), often receive disproportionately lower wages (Athanasou 2010, p. 41). Feeling that one is being underpaid, especially in comparison to others, arouses a sense of injustice and is a strong contributor to job dissatisfaction (Lundberg & Cooper 2010, p. 45). Masterman-Smith and Pocock affirm that “We are building prosperity on working poverty” (2008, p. 190). It could be concluded that the prosperous lifestyles of high and medium income earners are being subsidised through the cheap labour of the workfare class. If the governments of the UK and Australia are serious about social inclusion, then wage inequality as well as wage inadequacy needs to be addressed.

Employment mobility

Not only are the workfare class subject to poorly paid and low quality work, but they are mostly condemned to it. There is little upward employment mobility. Many casual workers in Australia and the UK become trapped in such employment arrangements (Mitchell & Welters 2008; Slater 2011; van Wanrooy et al. 2009). This is particularly the case in highly casualised industries. Australian research by Mitchell and Welters (2008) indicates that, once non-individual factors are controlled for (such as local labour market conditions), individual characteristics have little impact on a person’s transition from casual to non-casual employment. This suggests that there is a ‘dual labour market’ where those in the secondary labour market, which contains poor quality work, cannot access the better quality employment opportunities in the primary labour market. In the UK it was also found that, within casual employment, many people are unable to negotiate better working arrangements and are stuck in junior roles, performing menial tasks (Stewart 2007). Some do not have an opportunity to advance

96 Dual labour market theory was initially developed by Piore (1975).

For much of the workfare class there is little if any wage progression. Upward earnings mobility in the UK has declined since the 1980s (Stewart 2007), particularly throughout the 1990s (Dickens & McKnight 2008). In both Australia and the UK there was no real wage progress for low income earners until the mid-2000s (de Ruyter & Burgess 2003). Upward income mobility that has transpired since then (at least up until the GFC) for those on the lowest incomes in the UK largely came about through a decreased unemployment rate, rather than an improvement in low paid work (Dickens & McKnight 2008). However, research in Australia suggests that once gaining work “only a minority of low paid workers transition to higher pay jobs, and many of those churn back to lower pay and unemployment” (Masterman-Smith & Pocock 2008, p. 106).

Contrary to the ‘stepping-stone’ thesis, research suggests that an individual is no more likely to transition into permanent employment from casual work than from unemployment, and the longer they remain in casual work, the more likely they are to become locked into it (Riccardo & William 2009). Those who gain low wage work are actually more likely to return to welfare benefits than improve their earnings, indicating a lack of upward mobility (Stewart 2007, p. 23). Australian and British researchers suggest one reason for this lack of upward employment and wage mobility is that low quality work often does not provide opportunities to develop skills and gain qualifications (Burgess 2005; Stewart 2007).

The scarcity of upward employment mobility invalidates justifications of poor quality work based on the notion that it leads to something better. Upward employment mobility is a vital element to legitimise paternalistic workfare that gets people into the lowest quality jobs:

Any government concerned with social justice, quality of life and long term prosperity cannot be content to see large numbers of its citizens trapped permanently in precarious, low paid, low skill jobs with no opportunity for advancement. (Burkitt 2001, p. 162)
Upward employment mobility, however, is lacking in the Australian and UK labour markets.

**Intrinsic aspects of work quality**

In the developed world, factors intrinsic to work have come to be valued more than the extrinsic (Drobnič et al. 2010; Edwards & Burkitt 2001). Three reasons for this can be identified. Although labour market deregulation has harmed many workers, other workers have benefited (Ross 2009). People with high human capital can move to almost any firm offering the most attractive employment package. Such attractive jobs are often in new and changing industries which employ high numbers of knowledge and creative workers, such as information technology, media, finance and design. With the decline of manufacturing industries in much of the developed world, certain extrinsic quality of work factors are no longer so pertinent, such as exposure to noise, toxins, heavy lifting and other health hazards. Many of the ensuing jobs were not of the high quality type just mentioned, but work that suffers from the precarious characteristics described in the previous section. Many of these new precarious jobs are concentrated in the service sector, involving ‘emotional labour’, and carrying their own risk factors, mostly of the psychological kind, such as stress (Lundberg & Cooper 2010, p. 14). Nonetheless, the basic needs were at least vicariously satisfied of the generations nurtured in households where parents had security, steady hours, reasonable pay and leave entitlements, enabling such generations to aspire to high quality work, with characteristics that are intrinsically valued. The following four particularly prominent intrinsic factors in the Australian and UK labour markets will now be analysed: work autonomy, interesting work, skills and abilities and workload.

*Work autonomy*

Work autonomy relates to the control that people can exercise over their work (Charlesworth et al. 2011; Eurofound 2002). There are different aspects of work autonomy. *How* the work is done refers to the extent to which the worker is free to use their own judgement, creativity and initiative to achieve the specified goals. *When* the work is done, hence high autonomy, can improve extrinsic qualities of work by enabling the worker the flexibility to cohere their working time around other commitments (Grönlund 2007). This may also involve choosing to alter the pace of work throughout
the day, corresponding to the workers’ oscillating energy and concentration levels. A final aspect of autonomy is the degree of control over what work is performed. A high degree of autonomy in this respect might involve playing a role in organisational decision making, thereby helping shape the nature of the organisation and its production (Grönlund 2007). The freedom to collectively organise could also assist in being able to shape one’s work.

The extent of autonomy substantially influences intrinsic work quality. Drobnič and colleagues found that autonomy is one of the two most important factors contributing to high quality work (2010). An adequate level of autonomy is also important to maintaining health amongst workers (Lundberg & Cooper 2010, p. 4). In Australia, low levels of autonomy were found to reduce job quality and mental health (Butterworth et al. 2011), while high levels were associated with lower psychological distress (Dorrian et al. 2011, p. 4). Autonomy at work has positive flow-on effects, improving life quality generally (Drobnič et al. 2010). For example, higher levels of autonomy have been found in Australia to increase work-family balance and lower parenting distress (Dorrian et al. 2011, p. 4). Autonomy is a desirable feature of work in itself, as well as instrumental to enabling workers to improve the quality of other aspects of work.

Despite the importance of autonomy in determining work quality, many workers (especially in low status employment) are given little opportunity to exercise it. In general, voice and representation have been declining in Australia and the UK (de Ruyter & Burgess 2003). The European Working Conditions Survey found that almost half of low skilled manual workers in the UK are not consulted before targets are set, and over three-quarters cannot influence decisions important to their work (Eurofound 2010). It is such low skilled jobs that workfare subjects will commonly obtain, yet the same survey found that workers in higher skilled jobs have far greater influence over decisions, revealing the deprived job status of workfare subjects relative to the broader population. The most recently available UK Workplace Employment Relations Survey found that 23% of workers were either dissatisfied or very dissatisfied with their

97 The other most important factor being pay. They performed a cross-country comparison, utilising the European Quality of Life Survey, with a sample of 3,354 people across nine countries, including the UK.

98 This research was based on the 2006 and 2007 waves of the Household Income and Labour Dynamics in Australia (HILDA) survey, with a representative sample of the Australia population consisting of 2,370 people.
involvement in decision making (Kersley et al. 2004, p. 33). This is a substantial minority, and many people employed in the low status jobs that workfare subjects often obtain are likely to constitute part of this contingent of dissatisfied workers.

Even a decade ago when the Australian labour market was less deregulated, the poor quality of work led Yeatman to question “whether being compelled to enter employment on the terms of today’s labour market necessarily advances individual freedom”. She concludes in the negative, particularly highlighting how “employees are subjected to a patrimonial type of employer authority at work” (Yeatman 2000, p. 175). Patrimonialism in work (or a lack of autonomy) is more pronounced for some workers than for others, and is concentrated in low status jobs that workfare subjects are most likely to attain. This further undermines claims (as explored in the previous chapter) that paternalistic workfare is likely to enhance people’s future autonomy. Since autonomy is such an important element of well-being, it is ironic that paternalistic workfare attempts to improve people’s well-being whilst undermining their autonomy, doubly: first by compelling them into work, and second through not being able to exercise much autonomy in work. Workfare compels people to work, where they are compelled in work.

Interesting work

It is unsurprising that people want to do interesting work. In Australia, surveys have shown that this is the most valued job characteristic, even amongst low status workers, supporting the notion that intrinsic factors of work quality have become highly valued (Considine & Callus 2002; Denemark 2007). Interesting work is a major contributor to job satisfaction (Drobnić et al. 2010, p. 222).

Interesting work is obviously whatever workers subjectively find interesting, so although any work could hypothetically be interesting, there are some common broad attributes that tend to produce interest. Interesting work is linked to autonomy, because being free to use one’s initiative, creativity and judgement is more stimulating than when the tasks are predetermined. Lack of autonomy will also make work less

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99 This survey is based on the responses of at least 21,024 employees, representative of those in workplaces of more than 10 people.
interesting. Workfare likely undermines this, as being compelled to work degrades the sense of meaning which a worker attaches to self-directed autonomous activities.

Individuals tend to be more interested in their work if they find it meaningful, which is aided by being enabled to appreciate their contribution to a finished product (Levi 1992). This could be a material object or a service, such as an aged-carer who can see how their work benefits clients. Therefore recognition of one’s contribution assists in meaning making. Doing tasks one finds meaningful is conducive to good health in the workplace; if the worker feels that their tasks are unnecessary and generally meaningless, workplace stress is more likely to ensue (Lundberg & Cooper 2010, p. 131).

Another element influencing the quality of work is the extent of task variety. Repetitive, monotonous and overly simple work is contrary to healthy workplaces and specifically has been found to lead to stress at work (Lundberg & Cooper 2010, p. 131). Such work is likely to be experienced as boring and dull, which research suggests is one of two most significant work related factors reducing quality of life in general\(^{100}\) (Drobnič et al. 2010, p. 221). Amongst the nine European countries surveyed, the UK had the second highest proportion of respondents who reported their work as being boring or dull (Drobnič et al. 2010, p.213).

The empirical research, however, indicates that being paid to do interesting work is not an unrealistic expectation, as most people have such work. Nonetheless, a significant minority do not have access to this highly important aspect of work, for example, 11% of Australians surveyed either disagree or strongly disagree that their work is interesting (Denemark 2007, p. 128). It is no coincidence that people in jobs that by other measures are of poor quality (such as low status, low skilled, and casual jobs) also find their work less interesting than those in higher quality jobs (Denemark 2007, p. 135). Policy should endeavour to provide the minority of the population in poor quality jobs – which workfare subjects are likely to be compelled into – with access to the attributes that make work interesting, just as most of the population already enjoy.

\(^{100}\) The other factor being employment insecurity.
Skills and abilities

One important element contributing to interesting work, along with being valued as an end in itself, is the use and development of skills and abilities. Conducting a variety of tasks can make work more interesting because it allows one to apply and develop different skills. Impacting the world through the application of one’s abilities is also often inherently fulfilling. The more one develops one’s skills, enhancing one’s abilities, the more fulfilling their application can be. This element of work has been noted by past and present seminal thinkers as vital to transforming work from drudgery into an expression of one’s humanity (Marx 1867, ch. 7, sec. 1; Sennett 2008).

Aside from promoting self-realisation, having opportunities to learn promotes basic health (Lundberg & Cooper 2010, p. 113). The International Labour Organization (ILO) recognises skills development as a component of decent work (Ghai 2006). Others also identify the opportunity to exercise and accumulate skills as essential to a fair labour market (Pocock 2006) as it is one of the things people like most about their jobs, including lower status jobs (Pocock 2009). Moreover, if they do not have the chance to exercise their skills due to a work-ability mismatch, job satisfaction typically declines (Edwards & Burkitt 2001, p. 75; Mavromaras et al. 2011).

Despite the importance of developing and exercising skills, many workers in Australia and the UK lack such opportunities. Those in low skill jobs receive far less training than those who are already exercising advanced skills (Gallie 2002, p. 113). For example, in the UK, 63% of low skilled manual workers surveyed had no on-the-job training in the last year, far fewer than those in high skilled jobs (Eurofound 2010). The Workplace Employment Relations Survey indicated that 23% of employees were either dissatisfied or very dissatisfied with training opportunities (Kersley et al. 2004, p. 33). Although the government gave some consideration to helping people advance in the workplace through skill acquisition, 42% of low skilled manual workers did not feel their future prospects had been improved because of training and almost 70% were not able to exercise different skills through being rotated to a variety of tasks (Eurofound 2010).

In Australia, 40% of workers appear over-skilled and unable to exercise their abilities; over-skilling is associated with casual employment (Watson 2008b, pp. 2, 47). Earlier
research showed that almost half of jobseekers enter jobs where they are over-skilled (Le & Miller 1999, p. 43). There is little reason to believe that the situation in Australia would have improved since that research; those who work in fixed-term and agency contracts have less access to training than those who work in indefinite contracts (Booth et al. 2002; Eurofound 2002, p. 10). The relatively high and growing proportion of people working in such precarious jobs in Australia and the UK, combined with this being the kind of jobs which workfare subjects are likely to obtain, means that an important factor of good work quality, developing skills, is liable to be absent for workfare subjects.

*Workload*

Complex work can often be more interesting, challenging workers to learn new things, but overly challenging work where there is a work overload is detrimental to health (Levi 1992). Workload can be measured by the intensity with which one is required to work, which is shaped by deadlines and targets. Increased work intensity is associated with psychological ill health, particularly stress (Butterworth et al. 2011; Lundberg & Cooper 2010).

Work intensity has increased in Australia and the UK in recent years (Anxo et al. 2004, p. 197; Fagan 2004, p. 141). This is partially explained by the rise of precarious and service sector employment. Insecure work generates competition amongst workers to keep their employment. Productivity increases in the service sector are required to come more from amplified work intensity than from automation (Lundberg & Cooper 2010, p. 14-15); although some people might benefit from increased productivity, it can reduce work quality for others. The increase in part-time employment is also associated with requiring workers to achieve a similar level of production in less time (Anxo et al. 2004, p. 196). Considering the high levels of part-time and casual employment in Australia and the UK, a significant presence of stress related to work intensity is to be expected. Research in Australia particularly found an association between high work demands with psychological distress, work-family strains as well as parenting distress (Dorrian et al. 2011, p. 3). Amongst nine European countries, the UK was found to have the greatest sense of time pressure to work under tight deadlines (Drobnic et al. 2010, p.
High workload is likely a pernicious feature of the Australian and UK labour markets, whereby precarious work contains aspects increasing one’s vulnerability to it.

Summary: The quality of work (fare)

It has not been argued that every aspect of work in Australia and the UK has deteriorated, or even that overall the quality of work has worsened. Moreover, the quality of work for some people has likely improved in the aftermath of labour market deregulation, whilst many others remain unaffected. A judgement about the labour market as a whole would require a more comprehensive investigation of work quality. The proviso recognised in Chapter 6 about the problematic nature of empirical evidence (relating to it being inherently value laden) also applies to identifying the quality of work. Nonetheless, there is evidence suggesting that key aspects of work are deficient in a significant minority of jobs, which workfare subjects are most likely to attain, as shown in Table 5.

Table 5: Work quality factors shown to be deficient in Australia and the UK

<table>
<thead>
<tr>
<th>Extrinsic factors of work quality</th>
<th>Intrinsic factors of work</th>
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<tr>
<td>Employment security</td>
<td>Work autonomy</td>
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<tr>
<td>Working time and leave entitlements</td>
<td>Interesting work</td>
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<tr>
<td>Wages</td>
<td>Skills and abilities</td>
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<tr>
<td>Employment mobility</td>
<td>Workload</td>
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Workers might judge their satisfaction and dissatisfaction with their work overall, in addition to its particular elements. Various factors will have different weight on overall job satisfaction and dissatisfaction, most of the main ones having been described above. If workers are dissatisfied with the main elements related to the quality of work, then it is likely that they will be dissatisfied with their overall work. Various surveys show (even before the GFC) that significant numbers of Australian and UK workers – about 10% – are either dissatisfied or very dissatisfied (Eurofound 2007, 2010; Gardner & Oswald 2001; Long 2005). Unsurprisingly, those in jobs with features of objective poor quality (such as low pay, insecurity, restricted autonomy and little training) are most likely to be dissatisfied. Overall job dissatisfaction is also associated with poor health (Faragher et al. 2005). This logically follows from specific negative factors of work
being associated with poor health, as was shown above with both intrinsic and extrinsic factors.

Paternalistic workfare is premised on the proposition that getting people into work improves their well-being. Research indicates that working can promote one’s well-being, but the very same research finds that the quality of the work performed matters, with poor quality work likely to be deleterious (Butterworth et al. 2011; Waddell & Burton 2006). Much of the research demonstrating the benefits of employment neglects the quality of employment (for a review, see Waddell & Burton 2006). However, when the quality of work is considered, “Whatever the methodology used, virtually all the studies demonstrate a negative correlation between precarious employment and health” (Eurofound 2002, p. 19). As has been shown, workfare subjects are most likely to enter the poor quality jobs in Australia and the UK, both relating to the intrinsic and extrinsic aspects of work. If key factors related to good quality work are lacking, possible benefits (such as improvements in self-esteem) are likely to be absent or outweighed by detrimental effects.

Unemployment can even be better for one’s well-being than poor quality work (Broom et al. 2006; Butterworth et al. 2011; Leach et al. 2010). As Butterworth et al. note: “Moving from unemployment … to a poor quality job was more detrimental to mental health than remaining unemployed” (2011, p. 1). This is particularly pertinent to lone parents, where working in paid employment on top of child-rearing and maintaining a home has been associated with additional stress (Cox & Priest 2008, p. 2). Poor quality work is also negatively associated with well-being in the non-working sphere (Gallie 2002, p. 110) and reduces overall life satisfaction (Drobnič et al. 2010, p. 221). Occupation is a strong factor determining well-being and social participation (Le & Miller 1999). JK Galbraith (1992, p. 33) captured this well:

There is no greater modern illusion ...than the use of the single term work to cover what for some is ...dreary, painful or socially demeaning and what for others is enjoyable, socially reputable and economically rewarding.

There are many other things work can be that Galbraith did not mention, but he successfully articulates that work can be both positive and negative. The problem with
paternalistic workfare is that for many of its subjects (at least in the Australian and UK labour markets) the work is likely to have negative impacts.

Many workfare subjects are aware that the work opportunities available to them are inferior, with qualitative research revealing that they perceive it as insecure, exploitative, low status and with few opportunities for advancement (Smith 2001, p. 319). Therefore, workfare subjects who choose not to work may do so for good reason (White 2000, p. 526). Rather than voluntary unemployment being caused by individual vices or incompetence, as Mead claims (1997b), the problem substantially seems to lie with the quality of work available. This is not necessarily to deny the sincerity of helping people through compulsion, but merely to highlight that there at least appears to be a misdiagnosis. There are better ways to help people than by compelling them into poor quality work, beginning with making good quality work available. Although people currently working in poor quality jobs might resent recipients of welfare payments, feeling that the burden should be shared (Mead, 1987), the interests of people in poor quality jobs are better advanced by lifting the quality of work, than merely enlarging the number of people subjected to it. Socially just policies should continually reduce the need for anyone to do poor quality work, by improving the quality of work, rather than slightly broadening the number of people required to do the work.

Compulsive workfare has the opposite effect: through assisting employers to gain workers for poor quality jobs, it removes an incentive to improve the quality of work (Attas & De-Shalit 2004, p. 319). As well as reinforcing poor quality work, workfare is a corollary of it, as its utility is premised on the need to compel people into undesirable work: “Workfare seeks to counteract the weak pull of contingent work by inducing a strong push from welfare” (Peck 2001, p. 185). In doing this, “workfare sustains the division between those doing decent, prestigious, and enjoyable jobs and those having to make do with the unwanted jobs” (Attas & De-Shalit 2004, p. 319). The legitimacy of workfare is not merely contingent on whether people receiving welfare payments have an obligation to attain work, but whether it is fair to compel them to do poor quality jobs. This is especially so if the quality of work can be improved, which it can be, as will be shown in the next chapter.
Conclusion: The quantity and quality of work

In Chapter 7, it was proposed that there might be a good reason why the voluntarily unemployed choose not to work – the jobs available to them are of poor quality. This chapter has now found that many people subject to workfare in Australia and the UK, when able to gain employment, can only access poor quality work, both in regard to extrinsic and intrinsic aspects. Although workfare subjects might be able to find work, they are condemned to churning around the periphery of the labour market, largely as a result of deregulation which has commodified labour. This is inconsistent with the deduction from the last chapter that paternalistic workfare is only likely to be beneficial when there is less labour commodification; and this chapter has shown that for many workfare subjects, commodification is likely to be unrewarding. Many people compelled into employment do not have the ‘significant option’ of good quality work, which a further deduction from the last chapter showed was required to legitimate workfare. These deductions came from the ‘principle of large and highly likely positive outcomes ‘which in accordance with the above findings has been violated. So too has the ‘principle of minimal application’, since the application of paternalistic workfare to people who are not likely to benefit has not been minimised. The likelihood that people will benefit from paternalistic workfare is further diminished by the significant presence of structural unemployment, as they might not be able to gain any work and are thus subject to compulsion without any benefit. These principles were induced in order to guide policy to promote well-being and fairness. In compelling workfare subjects when jobs are either unavailable or of poor quality, harm is inflicted, rendering paternalistic workfare illegitimate. It will be argued in the next chapter that this infliction of harm is unfair, because paternalistic workfare has been applied prematurely, as there are non-compulsive policy alternatives.
Chapter 9: Enabling access to quality employment

Introduction

If there are insufficient quality jobs and little prospect of upward employment mobility, it is illegitimate to compel people into employment on the grounds of promoting their well-being, as it is unlikely to be enhanced. Enabling access to quality work is imperative to legitimising paternalistic workfare. The Universal Declaration of Human Rights (which Australia and the UK endorsed), Article 23(1), states: “Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment” (UN 1948). Without this right being realised, paternalistic workfare restricts people’s autonomy unfairly. The right to work can be supported not merely on the grounds of legitimising workfare, but based on affirming all people’s access to the benefits work provides as a matter of fairness. Solow argues that because for many people work is important to gaining public respect, and therefore self-respect, like other elements important to one’s status as a citizen, such as the right to vote, one also ought to have a right to work (1998, p. vii). Axiomatically, work that provides self-respect has to meet the agent’s qualitative standards of respectable work.

In the UK, and especially Australia, improving the quality of work has been practically absent from the policy agenda since the 1970s. Attention has been concentrated on the quantity of work, albeit without a commitment to minimising structural unemployment. With regard to workfare, the focus has been on getting people into work quickly, implying that any job is a good job. The emphasis on employment participation neglects the conditions of some people’s participation. However, work quality is amenable to policy intervention, as shown in previous eras, such as during the post-war period (Butterworth 2011, p. 6).

There was a strong quality of working life research and policy movement across developed countries in the 1970s (Addabbo & Solinas 2012; Lowe 2000). The movement then languished until re-emerging in the late 1990s and has strengthened in the new millennium. The ILO has adopted the promotion of decent work as its primary

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101 Australian research suggests strong community support for governments addressing unemployment (Saunders 2002a, p. 110).
objective. This includes both intrinsic and extrinsic factors, such as skills development and worker representation, on top of access to employment. The quality of work has also become an important issue in the European Union and, along with the quantity of work, formed an element of the 2001 European Employment Strategy (Drobnič et al. 2010). This partially explains why the UK has taken more steps recently to improve work quality than Australia, despite remaining a laggard within Europe.

Drawing on European Commission and ILO employment research, along with many other sources, policies will be considered and certain proposals advocated that enable access to quality work. It will be shown that there are non-compulsive means to get people into work which as a matter of fairness ought to be prioritised.

Strategies to address the quantity and quality of work will be considered under three categories: helping people get good jobs, improving the quality of jobs and creating new jobs.

Helping people get good jobs
Strategies that help people get good jobs are achieved through changing the worker, so that they can gain available employment; three such strategies are work-first, HCD and wage subsidies. It will firstly be argued that work-first should be abandoned. Secondly, that HCD has a role to play only in addressing the fractional portion of unemployment caused by personal deficit. Lastly, that wage subsidies may have limited positive effects. It will be shown that strategies that merely help people get existing good jobs are inadequate to address the quantity and quality of work.

Abandon work-first
It was shown in Chapter 5 that, although by the end of the last decade neither the Australian nor UK governments were applying a pure work-first approach, it remained at the core of their workfare policies. Work-first is designed to get people into any job quickly, regardless of quality.

102 This builds on earlier employment directives, such as temporary agency work and working time mentioned above. Although intrinsic as well as extrinsic factors of work quality are monitored by the European Commission, specific targets to improve intrinsic quality are not established.
As was shown in the previous chapter, people entering poor quality jobs are more likely to suffer from employment churning and job dissatisfaction. Therefore, the first policy response to help people attain and maintain quality employment is to abandon work-first. Many have argued that employment services should be reorientated to support people gain employment appropriate to their often complex social and psychological needs (Booth et al. 2007; Kerr & Carson 2002; Lindsay et al. 2007; Perkins & Nelms 2004). This would entail giving the workfare subject sufficient time to find employment that matches their personal attributes, as well as harmonises with their non-working life, such as family commitments; workfare programs should prioritise finding suitable work for people. Dean calls this a ‘life-first’ approach (2003), suggesting programs should help people become truly ‘job ready’, by providing them with the necessary case workers, counselling and training. This then leads to the next strategy to help people access quality employment: human capital development.

**Human capital development**

By providing people with the training, education and personal support they require (i.e. enhancing human capital); the aim is to improve their employability. This addresses a particular variant of structural unemployment: ‘personal attribute deficit unemployment.’ Those with higher human capital can then become suited to the available higher skilled jobs which are associated with better quality work generally. Strategies to develop the human capital of workfare subjects can also be continued upon employment, that is, ‘in-work benefits’ can be provided to help people retain employment, upgrade skills and advance in the workplace (Hirsch & Joseph Rowntree Foundation 1999). In applying the ‘principle of prioritising non-compulsive means’, preventing paternalistic harm to those suffering from personal attribute deficit, HCD should be implemented prior to compulsive means. However, although HCD can be a useful means to help people access quality employment, it is not sufficient.

The UK and Australian governments have implemented HCD policies to get people into work, yet unemployment persists. Two conclusions can be drawn: either the level of investment in HCD has been insufficient, or much unemployment is not caused by deficits of the personal attributes of those not working. Both conclusions are correct.
As was shown in Chapter 5, the training and education opportunities provided to the workfare class is inadequate. One indicator that suggested this was the lack of spending by both Australian and UK governments on active labour market programs in comparison to other OECD countries. This suggests that when training is utilised, it is short term. Yet research indicates that long term training programs (over two years) are substantially more effective in getting people into sustained employment (Lechner et al. 2011). Also, the UK and Australia are amongst the bottom third of developed nations in terms of public spending on vocational education (Iverson & Stephens 2008, p. 616). A more general indicator (see Chapter 5) is the relative lack of people from low socioeconomic backgrounds entering higher education and gaining qualifications. This follows from both countries having a higher percentage than the OECD average of the population that lack 12 years of schooling (ACOSS 2008, p. 4). Correspondingly, they have amongst the highest levels of low skilled workers in OECD countries (ACOSS 2008, p. 4). The principle of ‘prioritising non-compulsive means’ which required the provision of resources to enable people to address their personal deficiencies has been violated.

Despite the relatively low skill levels in Australia and the UK, they still had lower unemployment than most OECD countries. There appears no or little correlation between high skill societies and unemployment levels as, historically, high skill countries (such as Germany) often have higher rates of unemployment than lower skill developed countries (Jordan 1998, p. 48). This can be partially explained by modern economies using many more low skilled workers than high skilled ones (Katz 2001), with much employment growth being in low skilled jobs (Lowe 2000). It is for this reason that countries with deregulated labour markets and high wage inequality (such as Australia and the UK) often invest relatively little in vocational education, as many jobs created from the process of deregulation are low skilled. Consequently, people from the bottom socioeconomic deciles have low skills levels relative to other developed countries (Iverson & Stephens 2008). Even if investment in HCD in Australia and the UK were increased, it would not suffice to solve unemployment. Unemployment is not merely caused by unemployability. Moreover, improving abilities without the presence of suitable jobs is likely to worsen skill mismatches and job dissatisfaction, aggravating
churning. Therefore, although HCD is an important policy strategy, applied in isolation it will not sufficiently help people access good quality work.

**Wage subsidies**
The final strategy considered to help people get good jobs is wage subsidies. These are a key means by which governments can attempt to reduce the costs for employers of hiring workers. They can also be exclusively applied to workfare subjects, thereby giving a special incentive for employers to hire them. Wage subsidies help people get jobs by making it cheaper for employers to hire. In this sense, the worker has been changed, they have become a cheaper and therefore more attractive resource, which should help them become ‘utilised’. Reducing wage costs might then have the effect of increasing the demand for labour and thereby reducing structural unemployment. Wage subsidies are not designed to improve the quality of employment as they do not increase wages, but merely reduce costs to the employer.

A considerable problem with wage subsidies is the substantial ‘displacement’, ‘substitution’ and ‘deadweight’ effects (Dahlberg & Forslund 2005; Marx 2001). Displacement is when hiring workfare subjects reduces jobs filled by non-workfare subjects. Immervoll and Pearson indicate that up to 70% of jobs generated by wage subsidies displace other jobs (2009, p. 43). Similarly, wage subsidies may cause substitution, with workfare subjects being employed directly in place of non-workfare subjects, including existing employees. In addition, wage subsidies may often not be an efficient use of state resources, as many of the individuals who wages are subsidised may have gained employment without the subsidy, this is known as deadweight (Immervoll & Pearson, 2009, p44). When displacement and substitution are high, structural unemployment will not be substantially reduced.

It could be counter-argued that displacement and substitution also have positive effects (Immervoll & Pearson 2009, p. 43). The burden of unemployment is shared; even when unemployment rates are not reduced, it is not the same people who are suffering from unemployment. Wage subsidies, along with all workfare policies that get specified people into work, are beneficial even when structural unemployment persists.
Any such benefits of displacement and substitution are undermined in labour markets with high levels of churning which, as demonstrated in the last chapter, is substantial in Australia and the UK. The burden of unemployment is not being shared across the population, but merely being reshuffled across a narrow segment— the workfare class. Wage subsidies might be of some assistance in getting people into work but, without addressing the quality of employment, in particular job security, workfare subjects are unlikely to greatly benefit from them. Wage subsidies can only be one strategy within a broader suite of policies.

**Summary: Helping people get good jobs**

It has been argued that strategies which help people get jobs can increase employment opportunities (Layard 1996). They can generate a more productive workforce, boosting economic growth, thereby creating more jobs. This productivity is achieved either by increasing the labour-force and thereby restraining wages or by increasing the productive capacities of workers through HCD. However, this is contested; for instance, empirical evidence does not show that workfare programs reduce net unemployment (OECD 2000). Reducing unemployment by restraining wages (as with a deregulated labour market model that work-first accompanies) equates to making the approximate bottom third of the population suffer so that the very bottom group can be moved into work. Since wages are an important element of quality work, such a strategy clearly does not enable access to quality work. Some such strategies (HCD and wage subsidies) can have limited positive impacts on enabling access to quality employment. However, persistent structural unemployment, along with significant numbers of poor quality jobs in the UK and Australia, suggests the inadequacy of strategies that purely focus on getting people into jobs.

**Improving the quality of existing jobs**

Although for some people it is self-evident that poor quality work should “of course, as far as possible be eliminated or improved” (Lundberg & Cooper 2010, p. 112), policy settings in Australia and the UK are certainly not aimed at achieving this. However, there are strategies utilising existent policy instruments which can improve the quality of work: in-work benefits, regulation and voluntary codes. These aim to change the work, not the worker. It will be argued that in-work benefits can play a marginal role in
improving work quality, whereas regulation and voluntary codes can have a more substantial positive impact.

**In-work benefits**

In-work benefits are welfare benefits people receive whilst in work, usually used to refer specifically to those targeted at a particular segment of the population, such as workfare subjects. Some in-work benefits have positive effects in increasing the quality of work, whereas others have limited value.

Subsidising the cost of services for low income earners (which workfare subjects are likely to become) is used in Australia and the UK. This includes some healthcare and childcare costs. However, as shown earlier, childcare remains near prohibitive for many low income families, and such in-work benefits need to be enhanced. Employment retention and advancement schemes are also a kind of in-work benefit. This has only been applied to a limited extent in Australia and the UK, as referred to in Chapter 5. Evaluations of ERA trials in the US and the UK have shown mixed results (Hendra et al. 2011; Kellard et al. 2002; Perkins & Scutella 2008), but the specific nature of any particular ERA scheme, combined with the labour market context, obviously influences its efficacy.

A common form of in-work benefits are wage supplements. Unlike wage subsidies, they are designed to increase the pay of workfare subjects, upon gaining low wage employment. This may entice people to join the labour market. Wage supplements often take the form of tax credits, whereby if the recipient is given more money from the government than is actually taxed, it is described as ‘refundable’. As explained in Chapter 5, there are substantial tax credits for low wage earners in the UK, but not in Australia.

Wage supplements can have some positive effects in improving one aspect of work quality (earnings), in certain labour market contexts. They are most effective where there is high wage inequality. This is so that bottom income earnings can be targeted without comparatively disadvantaging lower to middle income earners (Immervoll & Pearson 2009). They rapidly increase in cost in labour markets with flatter wage
distributions, as more people require access to them so that they can maintain relative income status. Because of this, an assessment of developed countries that use wage supplements found that they are not a cost effective method of addressing unemployment and “should not be expected to create higher employment” (Immervoll & Pearson 2009, p. 44). They tend to be implemented where there are low minimum wages, as in the UK and the US (Nevile 2000). In supporting such labour market structures, they perpetuate wage inequality (Masterman-Smith & Pocock 2008). Whilst wage supplements improve the quality of work for some people in the short term (at least in regard to pay), they reinforce unfavourable labour markets for the workfare class. There are often superior means to addressing poor quality work which will now be explored.

**Regulation**

Labour market regulation has a vital role to play in increasing low pay, improving other aspects of the quality of work and reducing structural unemployment.

Setting minimum wages is a core form of labour market regulation. Minimum wages are routinely increased in both Australia and the UK; there is no formula that reveals their optimum level, but it is nonetheless important to recognise how minimum wages relate to other economic and social outcomes. Firstly, earlier economic assumptions that increasing minimum wages will negatively affect the level of low skilled employment remains non-validated (ACOSS 2008, p. 4). The UK Low Pay Commission found that significant increases in minimum wages had “negligible adverse effects on unemployment”, likewise with inflation (2003, p. 173). A review for the Australian Fair Pay Commission found that the effect of minimum wages on total employment was small (Lewis 2006). This is reiterated in research suggesting that various forms of labour market regulation, including wages, do not explain unemployment levels (Esping-Andersen & Regini 2000). Even the usually conservative OECD (2006, p. 13) found that a moderate minimum wage does not undermine employment. Low regulated labour markets are associated with high inequality, whereas increased minimum wages have greatly benefited the low paid (Masterman-Smith & Pocock 2008, pp. 200-1). It appears that increasing minimum wages is a very good way to address working poverty and earnings inequality.
Despite that adequate minimum wages have substantial positive effects and can avoid negative consequences like unemployment, it could be argued that governments do not have the choice to increase them and regulate the labour market in other such ways. Such claims are based on the assumption that globalisation forces governments to deregulate or risk capital flight. However, this claim is not supported by the empirical evidence. Comparative research in OECD countries found that globalisation did not influence overall labour market protection and that “domestic aspects, such as … government ideology are more important determinants of labour market institutions and their deregulation processes in OECD countries than globalization” (Potrafke 2010, p. 20). One reason for globalisation’s lack of influence on labour market protection is that many of the jobs most in need of regulative protection, such as minimum wage jobs, are not in trade exposed industries that can be transferred internationally, as with service work; such jobs account for a substantial majority of jobs in Australia and the UK (D’Agostino et al. 2006; McLachlan et al. 2006). In reviewing the literature, Potrafke (2010) found that globalisation does not have systematic effects on labour market deregulation. The mantra that ‘Governments have no choice’ seems to function more as an ideological justification for policies, like keeping wages low, that are being implemented for reasons besides globalisation.

A decent minimum wage does not equate to a living wage, as Masterman-Smith and Pocock (2008, p. 208) point out. This is because minimum wages are based on hourly rates, but a living wage requires that an individual consistently has access to adequate income. This requires a predicable income, involving job security, paid leave and steady hours. Regulations can be applied that reduce precarious working conditions. This largely requires raising protections of those with inferior employment status (such as temporary and casual workers) to that which many others already enjoy. For example, the EU has implemented a directive to equalise the entitlements of part-time workers, providing them with paid leave and access to unfair dismissal laws. The problem with the directive is the lax interpretation and application amongst some EU members, particularly the UK as described earlier.

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A living wage also involves an adequate welfare system. Reducing structural employment does not mean that everyone should be guaranteed the same job for life, rather the aim should be to prevent people from permanent peripheral labour market status. In this post-Fordist era, the welfare state can no longer function merely as a safety net which protects the most disadvantaged, as with the residualised liberal model. It should function as a ‘transitional labour market’ (Schmid 1995). This is premised on how people’s ability to engage in the labour market changes throughout their life, such as during periods of child bearing and rearing. People are exposed to risks through their life course (Beck 1992), some of which have intensified alongside modernity (like family breakdown and redundancy), whilst others are perpetual (like sickness). The welfare state should help people transition in and out of the labour market, as well as across it. This involves entitlements to income support, training and social services. A ‘transitional labour market’ requires welfare systems based on social insurance to be redesigned to accommodate the diversity of life courses, rather than only those who have a protracted period of employment. Importantly, a ‘transitional labour market’ model depends on changes not just to welfare, but to work (Schmid 1995). Work itself has to be more flexible to enable workers to combine it with other activities, such as enabling them to adjust how much and when they work. Regulations that improve the quality of deficient work can complement welfare benefits to promote well-being.

**Voluntary codes**

Regulation can be too blunt an instrument to improve all aspects of the quality of work; changes to workplace norms can also be complemented through voluntary codes. An aspect of work quality particularly suitable to voluntary codes relates to flexible work arrangements. This involves enabling workers to balance their working and non-working lives. A pre-requisite of this is more worker autonomy and participation in decision making. This enables workers to influence their start and finish times, what days they work, when they take breaks and how long for, as well as the length of the working day. For example, some workers may choose to work ‘compressed hours’, which means a longer working day, but fewer of them, although it must be acknowledged that some occupations are more amenable to this kind of flexibility than others.
Another device is ‘working-time accounts’ which enable workers to adjust the hours they work over an extended period by ‘depositing’ additional hours at one time and ‘withdrawing’ them in the form of leave at other times. These are already widely practised in a number of European countries (Eurofound 2009, p. 2). Flexible working arrangements may also require workers co-operating to optimise each of their preferences, whilst also meeting the needs of the employer. Evidence suggests that if labour market flexibility involves workplaces becoming more flexible to the needs of workers, and not just vice-versa, employees and employers can benefit from the enhanced collaboration (Anxo et al. 2004, pp. 205-7).

Increased worker autonomy and participation in decision making are also important in improving the quality of other aspects of work. One proposal is that workers engage in developing personal workplace plans. These detail how the work can be continually adjusted to better satisfy their preferences, such as designing more stimulating work, and should be annually reviewed (Lundberg & Cooper 2010). Although employers cannot provide workers with complete autonomy, in many jobs significant leeway is possible. Even those in typically low quality work (and maybe especially so) can often be given autonomy over what tasks they do first and how tasks are distributed amongst colleagues, as well as invited to suggest ways of improving the efficiency and quality of their work.

Although changing workplace practices largely requires voluntary participation by employers, public policy can be instrumental in instigating the needed cultural changes by combining regulation with voluntary codes. An example of this is the right to request flexible hours, introduced recently in Australia and the UK. It was reported earlier that many requests have so far been refused but, as Masterman-Smith and Pocock (2008, p. 207) recognise, they “send important signals to employers and employees about the exercise of employee voice and say over working time”, hopefully changing workplace culture. This device could be extended, such as including a right for casual employees to request permanent status after six months (Masterman-Smith & Pocock 2008, p. 206) and a right to a personal workplace plan.
A final proposal is for governments to use their considerable influence through procurement and investment to shape the quality of work of contracted companies, requiring them to meet high employment standards (Howe 2006, p. 306). Since labour market deregulation commenced, the quality of work has been neglected by governments and businesses alike, but governments can choose to restore and enhance its prominence within the workplace context.

**Summary: Improving the quality of existing jobs**

In-work benefits have some immediate positive effects for workfare subjects. A longer-term strategy is to change the labour market so that workers are not reliant on government supplements for employment to be rewarding. This requires altering industrial relations through government regulation, as well as facilitating cultural changes in the workplace. Many such changes do not necessarily cost employers, but rather stem from allowing some of the lowest status workers autonomy and voice in structuring their working conditions, which many others already enjoy. There is not a dilemma between a poor quality job or no job at all, but a clear choice to improve the quality of work for the worst-off workers. However, changes to regulations that will cost employers, such as increases to minimum wages, might inhibit the employment of the most exploited workers. The loss of poor quality jobs should be welcomed, but governments need to create good quality ones to fill the void.

**Creating new good quality jobs**

In Chapter 5 it was explained that the dominant approach to job creation in Australia and the UK has been highly indirect, specifically, to promote economic growth and implement labour market deregulation with some HCD in the hope that sufficient jobs will be generated by the private sector. With the evident failure of such an approach, two strategies focused on the creation of good quality jobs will now be considered: direct government job creation and work sharing. It will be shown that both can play substantial roles in providing sufficient access to quality work.

**Direct government job creation**

Since the 1980s, direct government job creation has been near absent in Australia and the UK, despite the recommendation of the ILO to implement direct public employment
guarantee schemes (ILO 2009, p. 3). In Chapter 5 it was recognised that the Australian and UK governments initiated minor temporary job creation schemes in the aftermath of the GFC. These provided funds for third parties to employ people in non-profit community projects. As well as providing such funds, governments can also directly employ people.

The Job Guarantee

A detailed proposal for direct government job creation has been developed by Mitchell and colleagues at the Centre of Full Employment and Equity (CofFEE), University of Newcastle (Mitchell 1998, 2000, 2007; Quirk et al. 2006), called the Job Guarantee. Similar proposals have been called the ‘Employer of Last Resort’ (Wray 2002; Wray 2000). The scheme proposes a stream of public employment that is continually adjusted, increasing and decreasing, in order to absorb excess labour, thereby providing a buffer against unemployment (Mitchell 2007). If workers choose to leave the Job Guarantee stream for private employment, they would not be replaced. The Job Guarantee does not compete with the private sector by maintaining an established demand for labour, but only employs those who are not employed in the private sector.

The proposal is not an ‘active labour market program’ such as Work for the Dole where workfare subjects are placed in temporary programs detached from the general labour market with the hope of getting them into the ‘real’ labour market. Evidence suggests that such schemes are ineffective in getting people into continued employment “post-program” (Kluve 2006). Employment in Job Guarantee positions would persist indefinitely, plus employees are not working for meagre welfare payments, but earning minimum wages.

If the proposal is to increase the quality of jobs, as well as the quantity, then decent jobs need to be created. In regard to extrinsic features, the jobs are obviously secure and should give workers all the standard rights, such as paid leave and breaks. In regard to intrinsic features of work, there is no shortage of socially beneficial work to be done, which is therefore likely to be meaningful work. This could include assistance in the

104 This has been developed within the ‘post-Keynesian’ school of thought which extends particular ideas of John Maynard Keynes, especially those relating to long term demand management.
healthcare, aged care, childcare and education sectors, as well as working in
neighbourhood rejuvenation and environmental regeneration projects. Such work can
easily incorporate task variety, developing skills and autonomy, therefore being of high
intrinsic as well as extrinsic quality.

Although the work would be important, it is not urgent (for example, it is not so
important if fewer trees are planted this year than the previous one, also a school could
manage with fewer teacher assistants), therefore it would not matter if people resigned
to enter the private sector. Much of this work is not profitable, hence the private sector
is not ‘crowded out’ of making money. Instead, hopefully, poor quality jobs will be
crowded out. The creation of good quality jobs pressures employers to lift the quality of
jobs they offer in order to retain staff. Therefore a Job Guarantee is an additional non-
regulatory policy tool to improve the quality of work. It can be put into practice in a
variety of ways, for example, it will differ based on how some of the following issues
are addressed: accommodating the needs of those with disabilities, providing work in
non-urban areas, disciplining poor behaviour, specifying the nature of training offered
and facilitating easy transitions into the private sector. Specific content is provided to
such issues by Quirk et al. (2006) and Wray (2000).

_Preventing inflation_
A common argument against full employment policies is that they are inflationary. As
monetarism came to dominate economics, policy prioritised restraining inflation. A
particular theory underpinning this was articulated by Modigliani and Papademos,
called the Non-Accelerating Inflation Rate of Unemployment (NAIRU). This
basically affirmed that unemployment below a certain rate would cause upward pressure
on prices, thus a level of unemployment is required to restrain inflation. Explanations
for this posited relationship between unemployment and inflation can be based on
versions of supply side or demand side economic theories. In relation to the supply side,
it is commonly argued that full employment contributes to inflation essentially by
increasing the cost of production. In stark Marxist terms this is because, without a
reserve labour army, workers are able to command higher wages, and businesses pass

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\(^{105}\) In their paper the term originally used was the ‘Non-Inflation Rate of Unemployment’ (NIRU). Milton
Friedman in numerous articles used the term ‘natural rate of unemployment’ to describe a similar posited
phenomenon.
on the costs to consumers. Relating to the demand side, it is commonly argued that full employment contributes to inflation because more people have more money to spend, thereby increasing consumer demand, which enables businesses to increase prices.

However, Mitchell and Wray explain that a Job Guarantee can avoid producing high inflation. Relating to the supply side, it would merely provide a floor that wages cannot fall beneath – the minimum wage. It must be admitted that some workers may prefer the kind of work made available by the government over the private sector, therefore forcing some employers to pay their lowest paid employees more to retain them. However, the Job Guarantee stream of public sector jobs would not “chase wages upward” (Mitchell & Wray 2005, p. 5). The lowest paid private sector workers may be in a position to command better wages, which would cause a one-off increase in prices when a Job Guarantee is introduced, but this effect would quickly recede further up the income scale (Wray 2002, p. 20). For instance, workers already earning 5% above the minimum wage would have little bargaining power in threatening to take a 5% wage reduction by shifting to the Job Guarantee. The impact on wages in the private sector is likely to function in the same way as any current increase in minimum wages, some employers having to pay a little more to the lowest paid workers. Australia and the UK have increased their minimum wage many times since 1997, and high inflation has not resulted.

There are also two counter-inflationary forces of a Job Guarantee. Firstly, people attracted from Job Guarantee employment into the private sector will likely have higher human capital than if they were languishing in unemployment, especially if training is provided, thus they will be “a better reserve army than are the unemployed” (Wray 2000, p. 8). Consequently, productivity will increase, thereby reducing production costs. When unemployment is high, many people discontinue seeking employment and leave the labour force altogether, such as mothers who give up on finding work that accommodates their caring responsibilities or people with mild disabilities. These people do not provide reserve labour, whereas those employed in the Job Guarantee “represent a more credible threat to the current private sector employees” (Mitchell 2000, p. 18). The increased pool of human capital produced through the Job Guarantee will have a counter-inflationary effect.
The second counter-inflationary force produced by the Job Guarantee is that, by employing people to be productive who would otherwise be idle, the supply of goods and services is increased. Furthermore, some of these goods and services may facilitate the productivity of the broader economy (Wray 2002, p. 22). For example, people’s work could contribute to a more educated and healthier workforce, improve infrastructure and enhance the use of natural resources, such as through improving energy and water efficiency. Through increasing productivity, the supply of goods and services will better satisfy demand, thereby countering inflationary tendencies.

The Job Guarantee is also unlikely to increase consumer demand-driven inflation. Wray points out that aggregate demand is only raised ‘a bit’ by increasing incomes of people at the bottom (2000, p. 7). Inflation is not substantially caused by the lowest income earners who spend far less than middle and high income earners. Therefore, enabling people at the very bottom to increase their income will have a minimal impact on overall consumer demand. Governments can also continue to use monetary policy (increasing interest rates) and fiscal policy (increasing taxes) to restrain consumer demand.

The final reason why the Job Guarantee is unlikely to produce demand-driven inflation is related to how the scheme is funded, an important issue in itself. Funding the Job Guarantee does not require an aggregate increase in demand, rather it may involve a reallocation of current government expenditure. It could be funded through redistributing national incomes, specifically, by increasing taxes on higher income earners. It is no coincidence that, during the era of full employment, high income earners in Australia and the UK were taxed more than presently (Atkinson 2004; Langmore & Quiggin 1994; Megalogenis 2011). Both countries can currently make policy choices to promote social equality by funding a Job Guarantee through such redistribution. Full employment was able to be funded at a time when Australia and the UK were substantially less affluent than today. What is lacking is the political will, not the funding options.
Wray (2002, p. 24) and Mitchell (2000, p. 27) explain that achieving full employment through a policy like the Job Guarantee will not exert any additional inflationary pressure than current policy settings. Even if there was some increased inflation, the burden would be shared across the whole population, unlike unemployment which severely affects the workfare class. Forcing a segment of the population to suffer unemployment for possible minor price benefits to others constitutes exploitation. Paternalistic workfare can only be fair if something like a Job Guarantee is implemented, giving all people access to quality work.

**Sharing work**

Direct government job creation requires some redistribution of national income towards the unemployed to fund the jobs, but there is another possible object of redistribution that could complement this or mitigate the need for it: working hours. Just as income is redistributed to ensure everyone has enough (through social security), so too should work. Time is an element of social justice (Fitzpatrick 2004). In accepting the premise of paternalistic workfare that working is beneficial to the individual, rather than conceiving work as a burden that citizens have a responsibility to carry (as with the reciprocity rationale), it should be conceived as a good to be shared. However, because only good quality work is likely to be beneficial, if there is a scarce supply of this it ought to be shared fairly (Attas & De-Shalit 2004, p. 318). It will be shown that working hours can be redistributed from the work-rich to the work-poor or, at the furthest poles, from the work-bloated to the work-starved. This can be done without increasing aggregate working hours, thereby creating more workers, but not more work. It may also mean that those who are under-employed have access to more working hours.

**The polarisation of work**

The inequitable distribution of quality work is evident in Australia and the UK. Additionally, the polarisation of working hours is growing (Charlesworth et al. 2011; Kodz et al. 2003), associated with the deregulation of the labour market (Lee 2004b, p. 38).
At the bloated end of the pole, there is ample evidence suggesting that many people from both countries work long hours. Australian full-time employees have amongst the longest working hours in the OECD (Denniss 2004; Lee 2004a; van Wanrooy et al. 2008, p. 4). This is ironic, since Australia led the world in reducing working hours at the beginning of the 20th century. A large-scale survey indicated that about 23% of workers in Australia worked over 48 hours, with a massive 96.8% of these hours preferring to work less (Skinner & Pocock 2010, pp. 143-4). Further research supports this: amongst those surveyed working any amount over 40 hours, 80% would like to work less (Fear et al. 2010, p. 3); 38% of Australians worked overtime and 27% of those who did so were not compensated for it (ABS 2009b, pp. 3, 4). The presence of unpaid overtime and a desire to work less suggests that long working hours reduce the quality of work.

There are a similar level of people working over 48 hours in the UK (Lee et al. 2007). Earlier research suggested that the UK was just behind Australia in working the fifth longest excessive hours amongst 10 developed countries (Lee 2004a). The latest available Workplace Employee Relations Survey in 2004 showed that 11% of employees worked over 48 hours a week, with more than a fifth of men in majority male workplaces doing so (Kersley et al. 2004, p. 28). Unpaid overtime has increased in the UK (as well as Australia) which is related to the increase in individual contracts (Lee 2004b, p. 43). Also similar to Australia, many people would like to work fewer hours, even with lower income (Fagan 2004). The term ‘work-rich’ can be misleading as, unlike one’s income, time is a zero-sum good – the more time devoted to one activity, the less there is for others–and many people are evidently over-worked.

Although some people might want to work long hours, reasons for working undesired long hours include that there is a culture of doing so in their workplace, the boss expects long hours, it is important to gaining a promotion and it is needed to earn a sufficient income. There are negative impacts of working long hours. In Australia, in the context of the gendered nature of work polarisation, it was found that “long hours erode fathers’ job quality”. It has also been associated with increased workload intensity, thereby diminishing the quality of work (Charlesworth et al. 2011, pp. 49, 53). This high workload intensity further indicates the presence of work apposite for redistribution.
Redistributing work would benefit those who have too much work, as well as those with not enough.

In contrast, many others are truly work-poor. Substantial unemployment in Australia and the UK were identified in the last chapter, as well as under-employment, with some of the highest rates of part-time work amongst developed countries. Of the 27% of UK workers in part-time employment, 15% were seeking but could not find full-time employment (Office for National Statistics 2010, p. 2). Even prior to the GFC, Australia had the second highest rate of involuntary part-time employment amongst OECD countries (OECD 2010, p. 2). Almost three-quarters of Australian part-time workers would like additional hours (Skinner & Pocock 2010, p. 144). Many more might prefer to work more hours if social conditions were conducive, such as if there was affordable childcare or their work was more fulfilling. This indicates that although part-time work might suit the lifestyles of some people, many others are forced to settle for it.

The polarisation of Australian and UK labour markets is coloured by demographic characteristics, particularly gender. There are much higher concentrations of women working part-time and men working long hours (Fagan 2004; Gregory & Connolly 2008; Lee 2004b, p. 43). For example, it was said of Australia that “mothers [are] clustered in short to moderate part-time hour jobs and fathers in long and very long hour full-time jobs” (Charlesworth et al. 2011, p. 46). As mentioned earlier, one reason is that women have less time for employment due to doing more unpaid work. A second reason relates to gendered divisions of the workplace where many industries with high concentrations of female workers (such as the service sector) are characterised by part-time positions. Therefore the only employment opportunities available to women who are not highly skilled are often in part-time work (Fagan 2004, p. 109).

Whilst many people work more than they would like, others do not have enough work or no work at all, with specific groups such as women likely to suffer.

*Policies to redistribute quality work*

Many researchers have argued for the reduction of working hours in order to provide more work opportunities for others (Anxo et al. 2004; Gregg 1994; Howe 2006;
Langmore & Quiggin 1994; Lee 2004b; NEF 2010; Schmid 1995; Schor 2010; van Wanrooy et al. 2009). In response to the GFC, the ILO (2009) recommended work sharing to prevent unemployment. Economic modelling has suggested that a reduction of work hours could significantly reduce unemployment (Gregg 1994). Empirical evidence has shown that reductions in long working hours has increased the working hours of those with insufficient work (Lee 2004b, p. 32).

Proposals to redistribute working hours to address unemployment have earlier origins, in particular, socialists advocated for this in the 19th century (Lafargue 2000 (1883)). Historically throughout the industrial era (where productivity increases), unemployment has been countered by both economic growth and a reduction in personal working hours (Schor 2010, p. 165). Schor goes on to highlight (with the US case) that unemployment began to increase in the 1970s as the reduction in working hours stalled, concluding that policies to reduce working hours need to be reintroduced to prevent increasing unemployment (2010, pp. 165-7). Such proposals become more prominent during periods of high unemployment. For example, during the Great Depression a bill to reduce the standard working week to 30 hours passed the US Congress, but due to lobbying from business groups was vetoed by President Roosevelt (Beder 2000, p. 231). There were also proposals to reduce the working week across EU countries in response to the 1970s recession (Hardy 2006, p. 64). As a consequence of factors such as technological innovation and changing consumption practices, the need for labour alters, and so too do hours worked; it is policy neglect that more attention is not given to how working hours are distributed across the population.

There are various policy interventions that would facilitate a fairer distribution of work. These draw on the policy tools described in the above sections: regulation, voluntary codes, wage subsidies, wage supplements and government employment practices.

There is one country that has implemented work sharing on a large scale with great success: Germany (Baker 2011; Crimmann et al. 2010). Germany has a formal work-sharing program, implemented in collaboration between governments, employers and
workers. Employers or works councils\textsuperscript{106} can request to participate in the program. Once it has been shown that overtime has been reduced, owed holidays consumed and other flexible arrangements utilised (such as working-time accounts), the government subsidises a reduction in workers’ hours. The purpose is to supplement workers’ reduced pay and to mitigate business costs, but the subsidy only lasts up to 18 months. A subsidy can also be accessed for workers to take leave to engage in training (Crimmann et al. 2010). This is an instance where wage subsidies have been deployed which avoid substitution or displacement effects. However, much of the reduction of hours in Germany does not occur through this formal arrangement, but is voluntarily negotiated between unions, works councils and employers. Voluntary codes as well as wage subsidies together facilitate work sharing.

It could be argued that Australia has successfully implemented work sharing in the aftermath of the GFC because the unemployment rate did not substantially increase, even whilst the total number of hours worked decreased. However, this is misleading. Australia technically avoided a recession post-GFC and unemployment still rose by a far greater magnitude than in Germany which suffered a sharp economic decline.\textsuperscript{107} German unemployment went on to fall below pre-GFC levels, whereas Australia’s has remained above those levels (European Commission 2011b). Much of the increase in part-time hours in Australia was imposed involuntarily (van Wanrooy et al. 2009, p. 38). It was not government policy to facilitate work sharing, and the reduced pay was not mitigated. If Australia were to suffer a recession its current employment policies would likely be deficient.

Although the German model demonstrates the success of preventing a serious increase in unemployment during economic crisis, it does not actually greatly reduce existing structural unemployment. To achieve this, more interventionist policies are required. One such policy is legislating maximum working hours. The UK did this in 1998, reluctantly, adhering to the 1993 European Council Working Time Directive (Smillie et al. 2006) which mandated a maximum working week of 48 hours. The UK government tried to minimise its efficacy (Lee 2004b, p. 39) by applying it in the most diluted form

\textsuperscript{106}The organisation that represents workers from that particular firm.
\textsuperscript{107}In Germany unemployment rose from about 7.5\% to 7.8\% (European Commission 2011), whereas in Australia it went from just above 4\% to about 6\%, as noted in Chapter 8.
of all EU members (Smillie et al. 2006). It was the only EU country allowing workers to voluntarily opt out of the ceiling placed on working hours, as well as exempting various workers, such as domestic servants (Hardy 2006, p. 589-91). The government has opposed the European Council’s intention to remove the opt-out clause. This clause (along with its gradual implementation of the directive) largely explains why there was not a reduction in the percentage of people working over 48 hours between the 1998 and 2004 Workplace Employee Relations Surveys (Kersley et al. 2004, p. 28; Kodz et al. 2003). Unlike in many other European countries, the percentage of long hours worked increased (Fagan 2004, p. 114). However, evidence from the same period about other countries in the EU which have implemented the directive more rapidly and rigorously shows that it has been effective in reducing long working hours and has helped create jobs (Temperton & Jolivet 2001; van Wanrooy et al. 2008). The directive provides a sound basis for reducing long working hours, thereby providing employment opportunities for those with inadequate work.

Australia is one of only four OECD countries that have no limits on weekly working hours (van Wanrooy et al. 2008, p. 9). Its national employment standards merely affirm that employees should work “reasonable additional hours” to the standard full-time working week (Fair Work Ombudsman 2010), but what constitutes ‘reasonable’ is left undefined. Weak regulation of working hours, as in Australia and the UK, is associated with long working hours (Anxo et al. 2004). Australia and the UK should at least conform to best practice regulations by implementing something similar to a fully fledged Working Time Directive. Working limits do not prevent those who are passionate about their jobs – such as academics – from working in their spare time, but they prevent long hours being demanded as a matter of an organisation’s policy and give legal recourse when this occurs.

The redistribution of work can also be facilitated through governments leading by example. They should reduce the hours of their most overworked employees, thereby hiring more people, and can also prescribe maximum hours in their procurement contracts. Apart from the direct impacts of such policies on millions of workers, this could influence wider workplace culture.
An additional mechanism for redistributing work is by adjusting industrial relations settings to incentivise employers to hire more workers rather than increasing the hours of existing ones. This might involve changing payroll taxes, raising levies on hours worked rather than individuals employed (NEF 2010, p. 29). Overtime rates of pay could be increased. These also need to be enforced and unpaid overtime minimised. For instance, in the UK there is “no legal right to pay for working extra hours, and there are no minimum statutory levels of overtime pay” (UK Government 2011). To avoid encouraging employees to work more overtime, tax rates could be adjusted so that pay from overtime is taxed at a higher rate once the worker earns over a certain income.

It is also important that people are not compelled to work long hours to gain sufficient income, therefore the wages and taxation (and under some circumstances, in-work benefits) of the lowest paid workers need to be addressed. An alternative means to achieve the same goal is to improve the social wage, that is, the level of access to publicly funded amenities, such as healthcare, housing, childcare, education and public transport, which can mitigate the need for more income.

If work is to be made available for those who do not have any or enough, then policy interventions addressing not just the sum total of work, but how it is distributed, are necessary. Interventions such as regulations, subsidies, taxes and public employment practices can require and encourage a redistribution of working hours. These will need to be combined with HCD, so that those without work are able to do the work that would be redistributed. Such policy interventions are particularly needed in this post-GFC context because, as van Wanrooy says about Australia, “given that we are confronting jobless growth, there is a need to actively promote work-sharing” (2009, p. iv). This is even more pertinent in the UK where economic growth, let alone ‘job-full’ growth, is precarious. Economic growth alone has failed to provide sufficient employment for all, and many of the jobs created are of poor quality. The quality work that is available needs to be distributed fairly.

108 These are employer national insurance contributions in the UK.
109 This of course requires increases in taxes on some groups which, as described above, the reduction thereof has precipitated the rise of inequality.
Summary: Creating new good quality jobs

It is likely that both sharing work and direct government job creation will be required to enable access to quality employment for all. These two policies can be highly complementary. During periods of higher economic growth, sharing work cannot only improve access to quality jobs for those with inadequate hours of work, but improve the quality of jobs for the work-bloated by preventing over-work. It is during such times that direct government job creation is least needed. During episodes of economic recession they are both needed. However, sharing work is more limited, as there is only so far that hours of some workers can be reduced before diminishing their quality of life. Hence, a larger role for direct government job creation is required. Together they provide a viable policy solution throughout the business cycle to the serious social problem of an inadequate amount of quality employment.

Conclusion: Enabling access to quality employment

A premise of this thesis is the rejection of the famous statement by Chinese communist leader Deng Xiaoping that “It doesn’t matter if a cat is black or white, so long as it catches mice”.\(^{110}\) The means do matter. Even if paternalistic workfare has some success in getting some people into work, how this is done is of moral significance. The use of compulsion as a means is prima facie harmful as autonomy is infringed, and because of inadequate quality jobs in Australia and the UK, for many people this harm will not be outweighed by benefits. It is also unfair to impose compulsion on some people – workfare subjects – whilst in other domains (like healthcare) well-being is promoted in non-compulsive ways.

There are alternative means to compulsion in helping people into work, thus in Australia and the UK the ‘principle of prioritising non-compulsive means’ has been violated. The non-compulsive means relating to workfare essentially consist in enabling access to good quality work. Strategies such as HCD and wage subsidies that help people to get good jobs have a minor role to play in this. The quality of existing jobs can be improved, specifically through regulation, voluntary codes and, to a limited extent, wage supplements. Most importantly, quality jobs need to be created for people

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\(^{110}\) He said this in 1961 in justifying a departure from Maoist economics.
who have inadequate work. Direct government job creation and work sharing were shown to be practical ways to achieve this. All these strategies are presented in Table 6.

**Table 6: Strategies addressing work quantity and quality**

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<thead>
<tr>
<th>Helping people get good jobs</th>
<th>Improving the quality of existing jobs</th>
<th>Creating new good quality jobs</th>
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<td>Abandon work-first</td>
<td>In-work benefits</td>
<td>Direct government job creation</td>
</tr>
<tr>
<td>Human capital development</td>
<td>Regulation</td>
<td>Sharing work</td>
</tr>
<tr>
<td>Wage subsidies</td>
<td>Voluntary codes</td>
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</table>

If such policies that enable access to quality employment are not implemented, paternalistic workfare is illegitimate because it is not likely to promote people’s well-being, plus it is unfair to use compulsion to attempt to do so. Furthermore, those excluded from quality work ought to be compensated, at least by *entitlements* to welfare payments. However, if it is accepted that quality work promotes well-being in ways additional to the benefits of receiving an income, then such compensation is inadequate. Not only is access to quality employment a precondition for the legitimacy of paternalistic workfare, but it is a policy that ought to be pursued to promote the well-being of disadvantaged people as an end in itself. Everyone should have a chance to develop their capabilities through work.

**Conclusion: Paternalistic workfare**

Workfare places conditions on the receipt of welfare payments with the aim of getting people into work. It has transformed the welfare state from being based on entitlement to being based on conditionality. This policy trend emerged in the US during the late 1960s, but was not realised there until the 1980s and then further developed in the 1990s. Workfare was partially a response to changed social and economic conditions, such as higher unemployment and family breakdown. Although some coercive aspects of the Poor Laws resonate into workfare policy, it uniquely reflects the contemporary context.

From the US, workfare was transferred to other developed nations, especially the UK and Australia where it was substantially justified through the objective to help workfare subjects. This justification spanned all four governments of the two countries between
1996 and 2011, albeit to different extents. It was specifically based on reducing welfare dependency, attacking social exclusion and, in the UK, tackling poverty and promoting social justice. It was shown that this justification was sincere, that is, there was an actual objective to help people. The policies generally reflect the rhetorical claims. The objective to promote reciprocity does not dominate the objective to help people; plus, the somewhat prominent justifications related to reducing government spending and promoting economic growth do not significantly understate the actual objectives. This further substantiates the importance of the objective to help workfare subjects.

The primary means used to achieve the objective to help workfare subjects was compulsion. This has taken the form of making receipt of welfare payments conditional on meeting various requirements, such as looking for work or engaging in employment programs as well as working itself. This mechanism was far more prominent throughout the period studied in both countries than other means, such as HCD and enhancing the attraction of work.

The conjunction of helping people being a substantial objective of workfare and compulsion the primary means to achieve this entails that paternalism is a significant characteristic of workfare. Hence, the first research question - Is paternalism a substantial characteristic of Australian and UK workfare policy? – was answered affirmatively. The specific nature of paternalistic workfare differs between Australia and the UK; the variations were identified and complexities clarified, nonetheless, workfare in the two countries shares a paternalistic essence.

Having established the paternalistic nature of workfare, its moral implications were interrogated, determining its legitimacy. In doing this the second research question was answered: How legitimate is paternalistic workfare? This was divided into two sub-questions: Is paternalistic workfare likely to promote the well-being of the people subject to it? and Is paternalistic workfare fair?

In answering these questions it was suggested that the empirical evidence related to the efficacy of workfare programs is inconclusive and problematic due to its narrow scope, lack of robustness as a body of literature and controversy about interpretation.
Furthermore, normative implications that cannot be resolved by empirical evidence alone were identified. Consequently, philosophical interrogation was useful in investigating the likely impacts and normative implications of paternalistic workfare.

This interrogation was conducted by first considering three important broad implications of workfare which related to autonomy, stigmatisation and disparate impacts. It was found that paternalistic workfare is likely to inhibit autonomy and increase stigmatisation. These impacts are disparately distributed, with some of the targeted population (workfare subjects) suffering in various ways, whilst others could gain. This was found by identifying conditions conducive to promoting autonomy, reducing stigma and enhancing a fair distribution of impacts, as well as applying principles of legitimate paternalistic workfare which were induced from considering these conditions. These principles were then further applied in examining likely implications of paternalistic workfare on people’s well-being and whether it is fair. The findings from the application of the five principles of legitimate paternalistic workfare are as follows.

The ‘principle of consistent application’ was clearly violated. In the case of workfare, paternalism is unjustifiably applied inconsistently across the whole population, because in other policy domains where relevant facts pertain (such as health care), it is not applied. The ‘principle of non-discretionary application’ was also infringed. Paternalistic workfare was applied to people on the basis of individual characteristics rather than their categorical circumstances, which likely intensifies its unfair application.

By investigating the Australian and UK labour markets, it was found that that the principles of ‘large and highly likely positive outcomes’ and ‘minimal application’ were seriously breached. The quantity and quality of work is lacking. Consequently, workfare subjects are often condemned to cycling in and out of poor quality work. Therefore, paternalism is being applied when it is unlikely that the well-being of workfare subjects will be promoted, nor is it minimally applied to those who would likely benefit.
Finally, by expounding the practicality of alternative policy options, it was shown that the ‘principle of prioritising non-compulsive means’ was contravened. The proposed alternative policy means would help people get to good quality jobs, improve the quality of existing jobs and create new good quality jobs. Failure to implement such policies further delegitimised paternalistic workfare, as fairness demands that to an equal extent people across society are not unnecessarily subject to compulsion.

These findings were deduced from examining the Australian and UK cases but, where similar policies and conditions apply (which is likely to be the case in many developed countries), the inferences regarding the characteristics and implications of workfare can be transferred. The principles that have been induced can be applied to other jurisdictions, with paternalistic workfare likely to be more legitimate in those with benign labour market conditions. The principles can also be applied to others instances of paternalism beside workfare.

It is not being argued that paternalistic workfare is inherently illegitimate or cannot practically be legitimised, rather that its legitimacy is contingent on particular circumstances. Personal causes of ‘worklessness’ that workfare aims to address (such as relating to the culture of poverty, incompetence and dependency) have not been dismissed as irrelevant. However, prior to concentrating on these factors, fairness demands that labour market conditions are improved so that it is likely that people’s well-being will be promoted through gaining employment. Although some commentators might claim, as Mead (1997b) does, that this ‘structural’ approach has been tried and failed, existent labour market conditions relating to the quantity and quality of work show that whatever endeavours may have been applied have been insufficient, at least in Australia and the UK. It is no coincidence that in the era of full employment in Australia and the UK there was little concern about welfare dependency. The quantity and quality of work needs to be addressed prior to assuming that the reason why people are not working is due to personal failings. This is not to claim that every person who is in a position to work, and does not, is blameless, but rather, applying workfare to whole categories of people (as it must be) would inevitably be unfair to the many who are not blameworthy.
There are good reasons why the welfare state has changed since the 1970s; as social and economic circumstances changed, the welfare state should reflect this. There are also good reasons for trying to get people into work, as many who suffer from long term non-work are worse off than the general population, by various measures. However, rather than condemning and compelling individuals, good policy should, at the very least, first address the deeper causes of disengagement from the labour force, which primarily relate to labour market conditions.

This has not been a comprehensive study of all the conditions required to legitimate paternalistic workfare. For example, although the insufficiency of childcare was recognised, it was not thoroughly investigated; similarly with disability support services. By concentrating on labour market conditions, this thesis focused on conditions that are relevant to all categories of workfare subjects, such as officially unemployed people, parents, and people with disabilities, youth and older people. Further research is required into conditions that specifically apply to particular categories. This research found that, at the very least, labour market conditions need to be improved prior to paternalistic workfare becoming legitimate. Not all moral implications of workfare were considered; there are additional implications beyond the conceptualisations of well-being and fairness adopted for this thesis, and more attention could be given to other factors affecting well-being and fairness besides autonomy, stigmatisation and disparate impacts.

This thesis conceptually clarified the objectives of workfare, the means used to implement it, and its paternalistic characteristics. Methods were developed to assess the sincerity of policy justifications, specifically relating to using a comparative case study to identify the extent of the match between rhetoric and actuality. The paternalistic characteristics of workfare in Australia and the UK were scrutinised with a rigour not available in the current literature. Particular moral implications of workfare were examined, with systematic principles induced. Existing empirical evidence relating to labour market conditions was reorganised for a new purpose: the assessment of paternalistic workfare. Finally, various policies were organised under a new conceptual framework based on non-compulsive ways of getting people into work.
All these contributions to knowledge were threaded together to deepen knowledge about paternalistic workfare. It was found that workfare in Australia and the UK between 1996 and 2011 had significant paternalistic characteristics, and that this paternalistic workfare is illegitimate. There are various reasons to conclude that it is unlikely to promote well-being, with a central reason stemming from the insufficiency of good quality jobs. For this reason along with others, it is unfair to subject people to compulsive workfare, as many will not benefit from it and there are superior policy alternatives.
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Appendix 1: Select chronology of US workfare (1967-96)

1967 Work Incentive Program (WIN)
This was a federal program targeted at recipients of AFDC, requiring targets to participate in various work, training and job search programs.

1969 Family Assistance Plan (FAP)
This bill proposed to replace AFDC with work subsidies and make benefits conditional on accepting employment or training places. It was never enacted.

1971 WIN II
Amendments to the Social Security Act were introduced to expand the range of people subject to the WIN program. The changes became known after the senator who introduced them, Senator Talmadge.

1973 Comprehensive Employment and Training Act (CETA)
This program subsumed some earlier programs, creating short term public service jobs for low skilled unemployed people.

1975 Earned Income Tax Credit (EITC)
This is an in-work welfare payment that provides a lump sum payment to low income working families. Recipients must have dependent children, and most of the family’s income has to be taxable.

1977 Program for Better Jobs and Income
An unrealised government proposal which chiefly aimed to replace AFDC, reduce payment levels for those expected to work (two parent families and single parents with children older than six) and create public service jobs and training opportunities.

1981 Omnibus Budget Reconciliation Act (OBRA)
This authorised states to operate WIN demonstration programs. They were permitted to make participation in such programs compulsory, and many did so. It also authorised states to establish Community Work Experience Programs (CWEP).

1982 Tax Equity and Fiscal Responsibility Act (TEFRA)
This provided greater authorisation for states to establish more demanding individual and group job search programs, with payments conditional on participation.

1986 Greater Avenues for Independence (GAIN)
This was a particularly prominent and influential workfare program implemented in the Californian county of Riverside. It pioneered a work-first approach.

1988 Family Support Act (FSA)
This enacted into federal law policies that the states were given authority to implement under OBRA and TEFRA. The centrepiece of FSA was the Job Opportunities and Basic Skills training program(JOBS). Various activities could be mandated, including job searching, training activities and participation in CWEPs.

1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)
The legislation replaced AFDC with Temporary Assistance for Needy Families (TANF). TANF payments are restricted to a five year lifetime limit. States became required to have a certain number of people in workfare programs and were allowed to introduce more directive programs, which many did.
Appendix 2: Select chronology of Australian workfare (1997-2010)

1997  
*Work for the Dole pilot introduced*
This was a 12 month pilot aimed at approximately 10,000 people aged 18 to 24 who had been unemployed for six months. People below the age of 21 could be required to work 24 hours a fortnight, and people over that age up to 30 hours a fortnight. The program has been continually expanded and modified.

1998  
*Formalisation of Mutual Obligation*
All people aged 18 to 24 receiving Newstart Allowance for more than six months are required to participate in an approved activity (such as Work for the Dole, community work or training) to receive the full unemployment benefit.

2000  
*Participation support for a more equitable society*
This seminal report (also colloquially known by the name of its chairperson, McClure) was the first major review welfare policy since the 1980s; its recommendations were influential in shaping future workfare policies.

2002  
*Australians Working Together*
This package was released in the 2001-02 budget, implementing many of the recommendations of the McClure Report. A bill, *Family and Community Services Legislation Amendment (Australians Working Together and Other 2001 Budget Measures) Act 2003 No. 35*, was introduced into parliament to make the required legislative changes. A focus was on extending Mutual Obligation to more recipients of welfare payments, particularly those receiving parenting payments.

2006  
*Welfare to Work*
This initiative aimed to move the following four categories of people into employment: people receiving parenting payments, people receiving disability benefits, long term unemployed people and the mature aged unemployed. It also bolstered ‘compliance’ measures through intensifying breaching penalties.

  *Full-time work for the dole*
People receiving Newstart Allowance for more than 12 months are required to participate in full-time work for the dole, which involves 50 hours work per fortnight.

2007  
*Australian Labor Party wins government*

2008  
*Reduction of some conditions and sanctions*
The period in which welfare recipients are required to participate in Work for the Dole was extended from six to 12 months; in the full-time version of the program (introduced in 2006), participation was extended from 12 to 18 months. Also, rather than an eight week automatic loss of benefits for failure to participate, people only lose payments for the length of time they are absent.

2009  
*Compact with Young Australians*
This initiative required that anyone under the age of 20 must be “earning or learning” to receive welfare payments. Family Tax Benefit A for parents of the target group will be conditional on their children meeting requirements.
Appendix 3: Select chronology of UK workfare (1997-2010)

1997  
Labour Party wins government

1998  
New Deal for Young People (NDYP)piloted
People aged 18 to 24 who had been receiving Jobseeker’s Allowance for six months were required to participate in employment related activities. After a further six months, an ‘intensive activity period’ commences. This mandates one of four options: supported employment, education or training, voluntary work or the Environment Taskforce. Participation of 30 hours a week over a 13 week period is required.

NDYP and New Deal for Lone Parents national roll-out
The targets of the latter of these two programs can participate voluntarily.

New Deal 25 plus
This is similar to NDYP, somewhat less demanding, but was later intensified. It targeted people aged 25 to 50 who had been receiving Jobseeker’s Allowance for two years.

1999  
Working Families Tax Credit (WFTC)
This was an in-work welfare payment to supplement the income of low paid workers with children. It replaced a less generous in-work benefit scheme, Family Credit.

Mandatory lone parent work focused interviews
New claimants of Income Support were required to attend interviews on their child turning five years and three months (the child’s age was continually reduced).

2003  
Child Tax Credit (CTC) and Working Tax Credit (WTC) replace WFTC
CTC supplements the low wages of parents and WTC of the childless, usually people with disabilities and those working over 30 hours a week.

Pathways to Work piloted
An employment activation program catered for people receiving Incapacity Benefit. It required disabled people to attend interviews with personal advisors and to develop an employment ‘action plan’. The program was rolled nationally out in 2005.

Intensification of lone parent requirements
All new claimants of Income Support are required to attend work focused interviews.

2004  
Requirements on partners
Partners of people receiving Income Support, Incapacity Benefits and Jobseeker’s Allowance are required to attend work focused interviews.

2007  
New Deal 25 Plus broadened
People over the age of 50 are required to participate in employment activities.

2008  
Employment Support Allowance
This payment began replacing Incapacity Benefit and Income Support. It utilised the ‘Work Capability Assessment’, designed to ascertain people’s capacity for work, and possibly require engagement in the Pathways to Work program.

2009  
Flexible New Deal
The New Deal was restructured, consolidating the NDYP and New Deal 25 plus. Four weeks of work experience was required of people unemployed for six months. After 12 months, people were transferred to private contractors which had leeway to determine how they get clients jobs. However, all contractors must require clients to participate in a minimum four week intensive activity, such as work experience or training.
2010  

**Work for Your Benefits scheme piloted**

Specific recipients of welfare payments are required to do six months full-time work.

**Conservative Liberal Democratic Coalition government formed**

**Universal Credit: welfare that works**

The first welfare policy White Paper produced by the Coalition government. In regard to workfare, it proposes broadening requirements to more people, gives employment advisors discretion to apply stricter requirements and increases sanctions.

**Announcement of Work Programme**

This was proposed to consolidate various programs, thereby expanding requirements to a greater range of people. The Work Programme also includes a Work for Your Benefits scheme where people would be required to work for 30 hours a week for a month. It was introduced in mid-2011.
Appendix 4: Ethics clearance and statement of compliance

To: Dr Kathleen Hulse, FLSS / Mr Kemran Mestan

Dear Dr Hulse,

SUHREC Project 2009/274 A Critique of the Rationales behind Workfare: With Special Regards Toward Paternalism
Proposed Duration FROM: 03/01/2010
Proposed Duration TO: 01/09/2011

Ethical review of the above project protocol was undertaken on behalf of Swinburne’s Human Research Ethics Committee (SUHREC) by SUHREC Subcommittee (SHESC2) at its meeting held on 27 November 2009, the outcome of which is as follows.

The project has been approved subject to the following addressed to the Chair’s (or delegate’s) satisfaction:

1. A1: requires expanding to outline why the research is proposed including references to the research literature;
2. A2: needs redrafting, in particular, to explain “moral legitimacy” and “particular conceptions of fairness and citizenship” also interchanging of “workfare” and “welfare” is confusing;
3. A7: needs to be redrafted and reference to Research Ethics Officer removed;
4. A8: close proofing needed - “a quite public space”- assume this should read “quiet”;
5. C1: Estimate of total participants should be 6-34 on figures cited;
6. D2 (a): need to indicate that supervisor will have access to data;
7. D2 (b): should state that data will be kept for 5 years beyond any publication;
8. D3 (c): the last sentence should read: “it might be useful, with their written consent, to identify them...”
9. Plain Language Statement: (i) should have more information about previous literature/rationale development, so as to help participants make a well informed decision, (ii) Text under Project Title-last line should read …this project he is interviewing...
   (iii) Anonymity, first line, should read …by your role, but any information...

Yours sincerely

Kaye Goldenberg
Secretary, SHESC2, Administrative Officer (Research Ethics)
Swinburne Research, Swinburne University of Technology

All conditions pertaining to the ethics clearance have been satisfied

Sincerely

Kemran Mestan
Appendix 5: Interview codes

<table>
<thead>
<tr>
<th>Code</th>
<th>Self-designated title</th>
<th>Organisation</th>
<th>Date of interview</th>
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<td>AA</td>
<td>Policy developer</td>
<td>DEEWR</td>
<td>January 2010</td>
</tr>
<tr>
<td>AB</td>
<td>Policy analyst</td>
<td>DEEWR</td>
<td>January 2010</td>
</tr>
<tr>
<td>AC</td>
<td>Former policy advisor</td>
<td>DEWR/FaCS</td>
<td>March 2010</td>
</tr>
<tr>
<td>AD</td>
<td>Senior policy maker</td>
<td>FaCHSIA</td>
<td>January 2010</td>
</tr>
<tr>
<td>AE</td>
<td>Policy maker</td>
<td>FaCHSIA</td>
<td>January 2010</td>
</tr>
<tr>
<td>UKA</td>
<td>Senior policy advisor</td>
<td>DWP</td>
<td>August 2010</td>
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<td>DWP</td>
<td>October 2010</td>
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<td>DWP</td>
<td>September 2010</td>
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<tr>
<td>UKD</td>
<td>Former policy advisor</td>
<td>DSS</td>
<td>September 2010</td>
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</tbody>
</table>

The five Australian interviews are given the code ‘A’, and then each is distinguished from ‘A’ to ‘E’. The UK interviews are given the code ‘UK’, and then each is distinguished from ‘A’ to ‘D’.
Appendix 7: Select UK government statements affirming objective to help workfare subjects

**Labour government**

“We need to protect the vulnerable and needy” (Harman 1998b)

“Welfare reform is about “giving people the chance to fulfil their potential” (DSS 1998a, p. 3)

“All the proposals in the Green Paper are driven by a core belief – in using the power of a responsive State to increase people’s life chances, opportunities and capabilities” (DWP 2008b, p. 88)

“One of the key principles will be to liberate people to make the most of their lives” (Blunkett 2005)

“This Green Paper will set a new direction enabling and empowering people to fulfil their potential and ambitions, not consigning them to a lifetime on benefit” (DWP 2006a, p. 1)

“Our goal is simple: to make sure that no one is written off” (DWP 2008b, p. 11)

“That is the point of welfare reform: transforming lives” (DWP 2008c, p. 7)

“The reforms contribute to the Government’s overall vision for improving public services to give people more control over their lives” (DWP 2008c, p. 31)

[The aim of the policy changes is to] “improve the lives of hundreds of thousands of people” (DWP 2008c, p. 7)

“Almost everyone in the country is better off in work rather than on benefits” (Economic Impact Unit 2009, p. 53)

“Future decisions will build on these foundations to give everyone living in the UK the opportunities they need to get on and get ahead” (DWP 2009b, p. 22)

“[These reforms aim to] help those on long term sickness and unemployment benefits” (Disability Work Division 2010, p. 9)

“We believe that these plans will help many more people into work; enabling more to reap the benefits of a career” (Disability Work Division 2010, p. 13)

**Coalition government**

“Our core goal will be to improve the quality of life for the worst off” (HM Government 2010, p. 4)

“We’ve got a simple mission. To end the debilitating cycle of worklessness and give people back control of their lives to aspire for something better for their families” (Grayling 2010a)

“In the Coalition agreement we made a promise to encourage a …society …which supports and protects the poorest and most vulnerable” (Grayling 2010b)

“This contract is about a responsible society working together to improve the quality of life for those who are worst off” (DWP 2010a, p. 1)

“In short, does this investment decision mean a real life change that will improve outcomes and allow an individual’s life to become more positive and productive? That is how we will be guided on every decision. We have to constantly remind ourselves that we are here to help the poorest and most vulnerable in our society” (Smith 2010b)