

## Australia Dossier by Kelvin Heslop and Robert Barwick

### Welfare is being privatized

*The latest move in the Howard government's Mont Pelerin Society "reform" program, is to gut welfare.*

The British Crown's Mont Pelerin Society is sinking its bloody fangs into the Australian welfare system. Having sold off everything but the kitchen sink since it took power in March 1996, the Liberal Party government of Prime Minister John Howard, many of whose key ministers (including Howard himself) are members or associates of Mont Pelerin-established think-tanks in Australia, devoted most of its April 14-16 Federal Council meeting to planning the next phase of privatization: "social reforms." The main target is the nation's comprehensive \$50 billion welfare system, which constitutes one-third of the federal budget.

Echoing Al Gore's savage welfare "reforms" in the United States, and under the rubric of "mutual obligation," Howard and his ministers have threatened to cut off all benefits to many welfare recipients, unless they take whatever slave-labor job is thrust at them. The government also aims to privatize Centrelink, its primary welfare provider.

Centrelink was created in 1997 out of the old Department of Social Security, and was tasked with slashing \$1 billion from its budget in its first six years of operation, despite the expanding demand for welfare caused by Australia's rising unemployment rate and falling participation rate, the latter representing an army of unemployed who have dropped out of the workforce because they can't find a job. Although statistics show that there are an average of six applicants for every job advertised, the government has attacked the unemployed as "job snobs," for not rushing to snap up the sort of low-paid, part-time "hamburger flip-

ping" employment widely derided as "McJobs."

It is these "job snobs" and demoralized ex-jobseekers, who the government claims are creating a culture of "welfare dependency" in Australia. In a major speech last September announcing that welfare reform would be the government's new priority, Family and Community Services Minister Sen. Jocelyn Newman proclaimed a welfare "crisis": 2.6 million people of workforce age, or around one in five, are on government income-support payments, she said, compared to one in seven ten years ago. Newman announced the formation of a Reference Group on Welfare Reform, charged with formulating solutions to the welfare crisis by "self-help," in a "framework of mutual obligation."

This latest government "reform," just like the rest of its policies, is pure Mont Pelerin Society, the economic warfare unit of the British monarchy, most of whose leading lights have been ennobled by Queen Elizabeth II. This Mont Pelerin pedigree is particularly evident in the make-up of the Prime Minister's Business and Community Partnerships Roundtable (BCPR), which is spearheading the new "social coalition" concept of privatized welfare, in which corporations and private charities replace the government safety net. Along with Australia's biggest banks, two prominent members of the Roundtable are the Myer Foundation's Sydney Baillieu Myer, and Mission Australia's Patrick McClure. Myer is the founder of Melbourne's Tasman Institute, which is run by one of the Mont Pelerin Soci-

ety's 14 members in Australia.

Tasman authored the slash-and-burn privatization and deregulation policies of former state of Victoria Premier Jeff Kennett, who was ousted last year due to widespread hatred of his policies. Tasman also initiated the current welfare reform agenda back in the early 1990s in its welfare reform program called "Workfare," which called for slashing welfare and forcing recipients to work—precisely what Howard implemented in 1998 with his "Work for the Dole" program, and which he now plans to expand.

McClure, the chairman of the Reference Group on Welfare Reform, has been described as a "welfare capitalist," who turned Mission Australia, an ostensibly Christian charity group, into a \$120 million business by taking over much of the privatized welfare provision services from the government. His Reference Group's interim report, entitled "Participation Support for a More Equitable Society," released on March 28, proposed sanctions, including the "complete withdrawal of income support" for the disabled and sole parents, or welfare recipients who do not accept slave-labor jobs.

Mission Australia's website hints at the dark forces behind "welfare reform." The site has a link to Prince Charles's Prince of Wales Business Leadership Forum (PWBLF) in England, which was founded on the same principles on which Howard later founded his BCPR. Among its other objectives, the PWBLF calls for enshrining "human rights and security through promoting labor standards at the workplace." "Labor standards at the workplace" is key-and-code for the union-busting campaigns run by one of the PWBLF's higher-profile members, global mining giant Rio Tinto, in which the Prince's mother is the leading private shareholder.