

[ [Previous](#) ] [ [Policy Issues - Economic News](#) ] [ [Next](#) ]

**Thursday 08 December 2005**

---



## Putting poor to work `will not bust poverty'

Author: Michael Bachelard

Publication: The Australian (006,Thu 08 Dec 2005)

Edition: 1 - All-round Country

Keywords: **Job (3),Australian (1),wages (1),economy (1),wage (1),jobs (4)**

---

A **JOB** is not necessarily the best route out of poverty, British child poverty campaigner Kate Green argues, and forcing people to work by threatening their welfare payments is likely to make them worse off.

Ms Green, the CEO of the Child Poverty Action Group UK, told **The Australian** that reducing welfare payments increased the anxiety of people receiving welfare, even those whom no reasonable government would expect to enter paid work.

The Howard Government insists that a **job** is the best poverty buster, so its industrial relations laws are geared to lowering minimum **wages** and employment conditions to encourage businesses to hire marginal employees.

The welfare package, which passed the Senate on Tuesday, means family payments will also be cut for some people.

``I can't see what that can do other than damage your child poverty rates. If you're taking money away from families with children for that period of time, or reducing the amount of money that's coming into the households, that is inevitably going to play through into higher child poverty," Ms Green said.

The experience of introducing punitive provisions into the welfare system in the US and the UK shows it ``causes a great deal of anxiety" among recipients.

``Some of those people will think the barriers are too high and will therefore withdraw themselves from the whole welfare system. They won't turn up at all, even to claim their benefits, because they're fearful of what will happen," she said.

``So we're quite worried that you drive a lot of your people into very deep poverty or into the grey **economy**."

Minimum **wage jobs** also did not relieve poverty.

' 'It doesn't work because you drive people into relatively low-paid **jobs**, often into shift work, or the catering, cleaning, caring industries, for little pay, and they can't work the hours necessary for the **job** to become economic because they've got family responsibilities," Ms Green said.

' 'At 16 to 20 hours per week, the pay isn't enough to lift them out of poverty, and the **jobs** are very unsustainable -- they're quite likely to come out of those **jobs** again much more quickly. The churn is much higher."

Ms Green told a poverty conference organised by Melbourne's Brotherhood of St Laurence that the policies of the Thatcher years had been ' 'disastrous" for child poverty, and, by 1997, the UK had one of the worst rates in the developed world, with one in three children in poverty.

Since the Blair Government had pledged to wipe out child poverty by 2020, that had come back to one in four.

However, she feared the ' 'enthusiasm is waning in the Government" for reaching the child poverty target.

The Brotherhood of St Laurence released its ' 'barometer of children's chances", an attempt to replace the Henderson poverty line with a more comprehensive measure of wellbeing. The conclusion is ' 'bleak," with the threat to children ' 'dangerously high", the Brotherhood found.

Headline: Putting poor to work 'will not bust poverty'

Author: Michael Bachelard

Edition: 1 - All-round Country

Section: Local

[ [Previous](#) ] [ [Policy Issues - Economic News](#) ] [ [Next](#) ]

Copyright © News Ltd