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Poverty and the 'two-nation' notion

BY BRUCE DUNCAN

Recent figures indicate that Australians should be deeply worried about threats to our egalitarian aspirations of a 'fair go' for all.

An article by Michael Cave in the *Australian Financial Review* (April 15) should be ringing alarm bells throughout the country and be the focus of urgent political debate.

Consider this: Forty-two per cent of Australian men aged 25 to 44 earn less than \$32,000 a year, according to Prof Bob Birrell of the Centre for Population

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and Urban Research at Monash University. This is less than 66 per cent of the average weekly wage.

It means they are hardly in a position to buy a house or start a family. It is not surprising then that a third of Australian men in their early 30s have no partner; many still live with parents or relatives.

Is it any wonder that the national birthrate is so low, and that so many families are struggling financially?

Nor are income levels likely to im-

prove for many of these people. Of men aged between 45 and 65, 51 per cent earn less than \$32,000, and a staggering 26 per cent earn less than \$16,000. They will not be able to save for their retirement, and are likely to suffer the effects of prolonged poverty and disadvantage, especially acute loneliness, high stress and poor health.

Young women with children are another major group under financial hardship.

The economic boom of the 1980s did not benefit all income groups, though many women rightly moved closer to wage parity with men. Many women also had a working partner, resulting in wealthier two-income families.

The sustained growth of the 1990s has accentuated this pattern, especially for high-income groups.

Meanwhile, unemployment and insecure casual work have become concentrated in various areas, even across generations. There is an increasing polarisation between those high-income groups who are working too many hours and others who want and need more work.

Currently 20 per cent of children are fully reliant on income support, and more than 30 per cent live in households where no one has full-time work.

This is astonishing in a country as rich as ours; one can only wonder why public opinion is not outraged at such prolonged and deepening injustice and inequality.

Against this background, the current housing boom, largely financed by overseas borrowing, raises disturbing questions about the fairness of Commonwealth economic policies, and what the consequences will be.

Wealthier groups in capital cities have taken advantage of low interest rates to invest heavily in real estate, the boom in house prices providing further leverage for borrowing.

The totally unearned capital windfall to home-owners will bear very heavily on the next generation.

Such short-sighted government housing policies also effectively price many lower-income people out of the housing market.

As a report by the St Vincent de Paul Society declared a few years ago, Australia is becoming two nations – of comparatively wealthy and chronically poor people. Is this what we really want?

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