

# Checking Activation at the Door: Rethinking the Welfare-Work Nexus in Light of Australia's Covid-19 Response

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*Public health measures to address the COVID-19 pandemic have disrupted welfare regimes around the world. The Australian government suspended activation requirements for millions of social security clients and substantially increased payment levels. Both measures go against the dominant policy logic over the past several decades in Australian social policy. When these changes were made, many advocates and academics called for a permanent increase in the rate of payment and a relaxation of activations requirements. The Australian Government insisted the stimulus package was temporary and that there would be a gradual return to the pre-pandemic policy settings. In this article, we examine what was learned during this natural experiment of unconditional higher payments, which temporarily lifted millions of households out of poverty. We argue that a return to pre-pandemic policy settings should not go unchecked as there remains an opportunity to consider alternative approaches to the welfare-work nexus in Australia.*

**Keywords:** Activation, COVID-19, governmentality, unemployment, universal basic income.

## Introduction

Public health measures to address the COVID-19 pandemic have disrupted welfare regime practices. Unemployment and underemployment increased dramatically worldwide from public health measures to contain the virus (ILO, 2020). In Australia, a suppression strategy led to a significantly disrupted labour market (Treasury, 2020a). Australia is one of a handful of countries that came close to suppressing the virus (Patrick, 2020), which prompted a return to pre-pandemic norms on social security expenditure and hard paternalism in welfare policies. In this article we investigate the rationalities about governing (un)employment during the pandemic by drawing on Foucault's notion of governmentality. Governmentality is the way power relations are exercised through techniques and practices to shape human conduct. Governing is exercised through various forms of dominant knowledge attached to various authorities (Foucault, 2003). Problematisations are based on these rationalities and show how governing practices are directed towards 'solving' problems. These 'problems' are not given; their formation and obviousness are constructed and open for examination (Rabinow and Rose, 2003).

Prior to the pandemic, the Federal Government's dominant policy approach over several decades focused on marketisation and ending the 'age of entitlement' for social

security clients (Hockey, 2012). In a similar way to other Anglophone countries, the Federal Government priority has been to reduce ‘unsustainable spending’ by encouraging individual responsibility to maintain wellbeing, which is a cornerstone of the ‘active society’ mantra reflecting a neoliberal political rationality (Foucault, 2004; van Berkel and Borghi, 2008). For the unemployed in Australia, this has materialised through the privatisation of employment services now called ‘Jobactive’. In this service model, ‘job seekers’ or social security clients (‘clients’) are subjected to increasingly punitive activation practices of ‘workfare’, which diagnoses unemployment as a problem of ‘welfare dependency’, and presents the solution as ‘encouraging’ individual *responsibilisation* through sanctions that punish clients for failure to accept, find, or prepare oneself for work (Marston et al., 2019).

In this context, the swift and substantial injection into the Australian economy of social security expenditure and other stimulus measures appeared to be an about-turn. In April 2020, the Government said they left ideology ‘checked at the door’ (Office of the Prime Minister [OPM], 2020a). Commentators suggested that the apparent ‘rejection of neoliberalism’ would be temporary (Johnson, 2020) and others suggested the COVID-19 response was restrained by a ‘neoliberal straitjacket’ in its scope and intent (Andrew et al., 2020). The Government appeared to struggle with balancing neoliberal norms with the biopolitical urgency associated with the pandemic, including the political fallout from a substantial rise in unemployment.

In this article, we examine the pandemic responses concerning unemployment. We will focus on the changes to the JobSeeker payment (formerly Newstart) and mutual obligations as a case study in analysing continuities and discontinuities in political rationalities during the COVID-19 government response to governing unemployment in Australia. We aim to answer the following questions: how was unemployment constituted as a problem in the pre-pandemic period? How did the framing of the problem change during the pandemic response? We will analyse whether any changes in framing are likely to be path breaking at the ideational level. Here, we follow Roy (2020) and suggest the pandemic presents an opportunity for a different imaginary to remake the welfare-work nexus in a way that decentres the centrality of the paid-work ethic in constituting social citizenship and moral worth. We begin this article by situating the COVID-19 response within a socio-historical account of the Australian welfare state. We then analyse the pandemic response in terms of continuities and discontinuities.

## Background

### *Historical context*

The introduction of a Federal unemployment benefit in the immediate post-war years situated unemployment as involuntary and emphasised the importance of re-entering the labour market as soon as possible. This period was quite a contrast to the early part of the twentieth century where people experiencing unemployment were largely defined as part of the ‘undeserving poor’ in Australia (Harris, 2001). An expanded social contract in the post-war period led by Keynesian economic thinking saw a dramatic shift away from supply side responses and a shift towards a demand side approach to addressing unemployment (Harris, 2001). This was the period when the official policy position of the Federal Government was the pursuit of full employment. There was a ‘work test’, which was applied to those receiving the unemployment benefit. In the post-war years, the

national unemployment payments required (mostly white, male) clients to look for work and accept a job offer. The 1945 legislation broke with trade union pre-war out-of-work schemes that would provide support for members to delay employment until they found work that suited their current occupation or case (O'Donnell, 2019). Unemployment was seen as a temporary state.

In the mid-1970s unemployment started heading towards six per cent. With rising unemployment and inflation, the pursuit of full employment was replaced by the non-accelerating rate of unemployment, which deemed 'acceptable' levels of unemployment to manage inflation, with 'full' employment being defined at around five per cent (Coombs, 1994). By the 1980s commentators stated that the higher unemployment rate made the 'work test' 'a meaningless activity' because 'the likelihood of a positive outcome is low' and did nothing to fix the supposed incongruence between the skills of labour and the skills required by the market (structural unemployment) (Cass, 1988). At the same time, commentators in countries like the US were arguing that the welfare state was part of the problem by providing, not emphasising, individual behavioural change (Mead, 1986). In line with international changes, Australian welfare provision in the 1990s became focused on 'work-first' and activation (Watts, 2016). Activation implies a move away from supposed 'passive' welfare to one that attempts to encourage welfare clients to see themselves as active individuals who are responsible for enhancing their wellbeing. Activation practices could include job search, vocational training, positive psychology programs, work experience, non-vocational skills (effective communication, presentations), job interview skills, motivation training among others. Both the left and right orientated political parties endorsed the Government's role to govern 'at a distance' by contracting private companies to ensure clients manage their affectivity to persist with their job search and address their 'job readiness' regardless of current labour market conditions (McDonald and Marston, 2005).

The 'need' to keep the unemployed working on their 'job readiness' relies on the assumption that the unemployed will become idle and demoralised if left to their own means, hence the emphasis on needing to be engaged in some kind of activity that aligns with a productive ethos. This 'pathological' theory of unemployment stems from influential ideas about the unemployed lacking key psychological traits and affectivity, such as motivation, self-efficacy and self-esteem, which are all preventable (Mead, 1997). These afflictions are remedied through paternalistic welfare, or using contractual conditions to 'help and hassle'. These ideas underpin workfare regimes in the UK, US, and New Zealand/Aotearoa. In Australia, these ideas have been connected to continued efforts since the mid-1990s to ensure welfare clients do not malingering on welfare and become 'dependent' (Mestan, 2014).

#### *Overview of JobSeeker and mutual obligation policy*

The JobSeeker payment (formerly Newstart) is the unemployment benefit paid to eligible clients between the ages of twenty-five and sixty-five and is conditional on satisfying specified tasks and activities, known as mutual obligation requirements. Previous to the COVID-19 pandemic, there were many critiques on the adequacy of the JobSeeker payment, which had not increased in real terms for over twenty years (Arthur, 2019). A key issue is the payment was benchmarked against the Consumer Price Index from 1994, meaning the rate does not increase in line with general economic growth (Saunders,

2018). Prior to the introduction of the Coronavirus Supplement ('Supplement'), the base rate of Newstart for a single person with no dependents was \$284 or \$40 a day (ACOSS, 2020a). ACOSS (2021) puts the relative poverty line at AUD \$65 per day. There has been a sustained lobbying effort by advocates aimed at successive federal governments to 'raise the rate', with voices drawn from a wide range of policy actors, including conservative politicians and the Australian Business Council (Bagshaw, 2018).

Alongside an inadequate Newstart/JobSeeker payment rate are onerous mutual obligation requirements. In Australia, 'job seekers' have mutual obligation requirements that 'ensure job seekers remain active and engaged *while* looking for work' (Department of Employment, 2015, our emphasis). To receive their fortnightly payments, clients need to demonstrate that they have completed the activities listed in their agreement with their provider (the Job Plan), go to their provider appointments, complete and report their job searches (up to twenty a month), and accept any offer of suitable paid work (Services Australia, 2021). Job Plan activities can include Work for the Dole (WFD), volunteering, education or training, or vocational or non-vocational programs, or health-related programs. Mutual obligation requirements operationalise 'activation' into behaviours that can be monitored and enforced.

Violating any of the agreed conditions, such as not attending appointments, can lead to a payment suspension or a financial penalty (Australian Government, 2021). From July to December 2018 42.5 per cent of the Jobactive caseload had accrued one demerit point (a measure for noncompliance), which resulted in a payment suspension (Senate, 2019). These suspensions have a substantial impact on people who are living below the poverty line in terms of being able to meet their basic needs (Senate, 2019). The use of financial penalties to enforce mutual obligations also reinforces underpinning social ideals that all people have a responsibility to demonstrate 'self-reliance' (Harris, 2001; Handler, 2003). Contemporary welfare discourses also conflate 'participation' with paid work, valorising paid employment and also undervaluing other forms of work such as care work, which undermines the unpaid work of women or First Peoples (Andersen, 2020; Klein, 2021).

The underpinning ideas around pathological unemployment are embedded within psychological discourses that suggest imitating work-like practices can mirror some of the benefits of paid work (Sage, 2019). It is particularly important in times of high(er) unemployment (Productivity Commission, 2002). Clients are required to complete activities that should move them towards employment by both looking for work, increasing employability and 'job readiness'. These 'welfare-as-work' practices govern the unemployed by encouraging behaviours and attitudes to align with a good work ethic. For example, a review of WFD found job outcomes improved by merely 2 per cent (Kellard *et al.*, 2015). Despite poor job outcomes, WFD was deemed 'effective' because of self-reported increases in self-confidence and 'desire' for work (Senate, 2016). The rationale for WFD activation practices is to encourage a ready supply of surplus labour and individual wellbeing through labour market participation.

The premise that unemployment is always harmful, and the notion that employment provides both financial security and promotes mental wellbeing is a taken for granted assumption within these dominant policy settings. Substantial psychological and sociology of work literature has cemented the idea that unemployment is detrimental to subjective wellbeing (Wood and Burchell, 2018) and paid work is essential (Rosso *et al.*, 2010) even when there is evidence to suggest that the quality of paid work matters, including evidence that paid work can be more detrimental to wellbeing than being

unemployed if certain threshold requirements around decent work are not met (Butterworth *et al.*, 2011). The literature also tends to underplay how employment is a powerful social norm, which means those that cannot claim this identity feel judged and stigmatised in society (Sage, 2019).

The emphasis on keeping clients 'active' to improve their 'welfare' is contradicted by research that suggests activation strategies are harmful. The literature has highlighted how 'welfare-as-work' practices blame the unemployed for their current struggles (McGann *et al.*, 2020), compound clients' feelings of shame (Peterie *et al.*, 2019), and enable practices of 'creaming' and 'parking' that benefit the most employable clients (O'Halloran *et al.*, 2020). On the extreme end of 'activation' practices, compulsory income management (CIM) 'quarantines' certain clients' income on a premise that clients need 'help' to manage their finances and curtail alcohol consumption (Staines *et al.*, 2020). These paternalistic practices do little to achieve their stated outcomes and instead infantilise and further impoverish the already disadvantaged (Mendes *et al.*, 2020). Researchers have argued that the combination of an insufficient amount of Newstart and punitive activation are designed to punish the poor (Parsell *et al.*, 2021). The COVID-19 pandemic disrupted some of these practices when suddenly a large number of job seekers joined the unemployment queue.

#### *Impact of the pandemic*

The Federal Government's stimulus package in response to the COVID-19 pandemic consisted of a range of measures, including a version of a wage-subsidy paid to employers to retain staff; loans for small businesses, personal tax cuts and the Supplement, which is the focus of our discussion here. The Supplement was a temporary additional payment that effectively doubled the JobSeeker payment to approximately AUD \$1115 a fortnight (not including the energy supplement), increasing the income of someone on the JobSeeker payment from 40 per cent of the median wage to 76 per cent and exceeded the poverty line of approximately AUD \$832 per fortnight (Klapdor, 2020a; Philips *et al.*, 2020). The Supplement was due to end in September 2020, but due to the evolving COVID situation and localised lockdowns across the country, the Supplement was reduced incrementally before being removed in March 2021. The Supplement cost the Federal Government over AUD 20 billion and was part of over AUD 291 billion stimulus spend in 'unprecedented' direct economic support (Treasury, 2021). Despite sustained calls to make the increase permanent, the base rate for Newstart was only increased by AUD \$50 a fortnight in April 2021. The small increase equates to approximately AUD \$44 a day for a single person. The Federal Government continued to deflect attention from the low rate of payment by restating its key mantra that 'the best form of welfare is work' (Gregoire, 2019; OPM, 2021) or invoking ideas about the 'replacement rate' that assumes clients will no longer be motivated to find paid work if the payment is above a certain level (Treasury, 2020b). Eligibility for JobSeeker was also widened with assets test, and some of the waiting periods were waived, to ensure people affected by the shuttering of businesses per social distances directives would be able to access the support (Klapdor, 2020b).

The COVID pandemic also resulted in the Federal Government temporarily suspending mutual obligation requirements. Mutual obligation requirements were made flexible in March 2021, with some components (e.g. the number of compulsory job searches reduced to four per month) and other requirements (like face-to-face appointments with

providers) made exempt for people required to self-isolate during the pandemic (Klapdor, 2020b). By 24 March 2020, mutual obligation requirements were 'lifted' or suspended with clients temporarily having no obligation to attend appointments with their providers, search for and apply for jobs or complete other required activities (Cash and Rouston, 2020a). These suspensions were extended until 8 June 2020 when a 'three-phase' reintroduction started. From 4 August 2020 clients were expected to prove they had been looking for work, to engage in activities and to attend an appointment as per their job plan. Victorian Australians were exempt while they were in lockdown but obligations restarted as soon as the lockdown was over (Cash and Rouston, 2020b). The COVID-pandemic led to the drastic about-turn on the JobSeeker payment and mutual obligations. In the next section we address the changes to how unemployment was addressed as a problem through the pandemic response by using a governmentality lens.

### **Governing unemployment through a public health crisis**

It is essential to examine how the unemployed are discursively constructed and to examine the practices deployed to govern this 'problem', such as employment services and social security administration in the pre-pandemic and post-pandemic period. Understood broadly, 'governing' refers to how we are encouraged to act in specific ways (Foucault, 2003). Governing involves reshaping of others or our behaviour, thoughts, aspirations, capacities and feelings through various strategies driven towards the satisfaction of specific goals (Dean, 1999). A governmentality lens makes explicit how different knowledges, attached to various authorities, inform practices and technologies that are developed to guide people's voluntary behaviour. It makes it possible for us to take on an 'experimental attitude where we can test the limits of our governmental rationalities [and] the forms of power and domination they involve' (Dean, 1999: 35). The practices can no longer be presented as self-evident or inevitable, and we can imagine different ways to act on the self and others (Dean, 1999).

One way to unsettle the taken-for-granted ideas about governing unemployment is to examine how unemployment is constituted as a problem. Foucault referred to this method as 'problematization', and it provides a lens to examine how unemployment becomes an issue to be solved (Foucault, 1986). Through studying problematisations we can trace how being unemployed is 'questioned, analysed, classified and regulated' in a historical and social context (Deacon, 2000: 127). We follow Bacchi (2012) by suggesting the process of policy constitutes unemployment in ways that make it central to the governing process. We focus our attention on publicly available documents on the pandemic response in the Australian COVID-19 context to unpack how the policy response establishes unemployment as a particular kind of problem, that contains continuities and discontinuities of thought and action.

The moralisation of paid work reproduced through work-as-welfare and welfare-as-work practices has been remarkably resistant to change in the Australian policy context. The simplification of unemployment as a problem of labour market participation and job-readiness depoliticises the socio-economic elements that produce unemployment and its harmful effects. In the context of individualising unemployment, the COVID-19 pandemic forced a wider acknowledgement of the social determinants of unemployment, particularly as it became difficult to sustain an argument that unemployment was a personal choice. However, as we will discuss, COVID-19-induced unemployment did little to

undermine the telos of governing the unemployed or to reframe the welfare-work nexus, or decouple income from labour.

Early on, the Government framed the pandemic in biopolitical terms. Australia was seen to be facing 'a health crisis, not a financial one' (OPM, 2020b). The problem was not represented as a financial crisis and so the solutions presented were limited to 'stimulating capital' that enacted typical neoliberal policies around encouraging business-led responses to drive investment to respond to the challenging economic climate (Andrew *et al.*, 2020). The Government's suppression strategy shuttered down businesses in mid-March and led to one million Australians losing work hours in one month (Frydenberg, 2020). Very quickly, the public health discourse about the virus also contained the potential problem of mass unemployment. When rejecting a tougher elimination strategy the Prime Minister claimed:

[w]e're dealing with a health crisis that has caused an economic crisis... And it is a delicate task for the National Cabinet to balance those two. *Lives are at risk in both cases* (OPM, 2020c, our emphasis).

The justification for the pandemic response, including the Supplement, recognised the crisis would 'take a great toll on people's lives, not just their livelihoods' (OPM, 2020d) and was steeped in militaristic metaphors. The war discourses evoked an imaginary of past collectivity, the 'Australian spirit', and national action during crisis, signalling the exceptionalism of the situation and the response (Hansard, 2020). The 'battle' to deal with the 'dual health and economic crisis' also evoked 'care, compassion and respect' as the country engaged in self-isolation and social distancing with detrimental implications for many (Hansard, 2020). This entailed the state into taking an active role in looking after the welfare of its citizens from their 'sacrifice', including providing the Supplement for those 'on the frontline, those who will be feeling the first blows of the economic impact of the coronavirus as it wreaks its havoc' (Hansard, 2020).

The focus on the 'economic impact' of the COVID-19 response businesses provides the underpinning rationale for the Supplement and sits uncomfortably with the biopolitical concern about 'lives and livelihoods'. When the Parliamentary Joint Committee on Human Rights [PJCHR] (2020: 131) questioned the exclusion of Aged and Disability Support Pension clients, the Minister for Employment, Skills, Small and Family Business explained:

[the Supplement]... is a temporary measure to provide additional support for allowance recipients in *recognition of the economic impact* of the Coronavirus pandemic, which will *directly impede* people's ability to find and retain paid employment over coming months.

The problem represented here is the 'direct' impact of the economic shock of a 'depressed labour market' (PJCHR, 2020: 131) on clients' ability to find and keep work. The newly unemployed were recognised as involuntarily unemployed, cohering with historical discourses about the 'deserving' and the 'undeserving' poor. It was repeatedly emphasised by the federal Treasurer during 2020 that the newly unemployed were unemployed 'due to no fault of their own' (Frydenberg, 2020). While on the one hand, the pandemic response represented a reframing of the unemployment problem through

the lens of labour market conditions, and to some extent departing from the repeated mantra that clients had to look for work regardless of labour market conditions, it also stayed consistent with dividing unemployed into the 'deserving' and 'undeserving' poor. The temporary nature of the Supplement, and the incremental decrease in the Supplement when people were looking for work in what was represented as an improved labour market (Treasury, 2020b), further cemented the idea that the Federal Government did not depart from neoliberalism discourses. In this sense there is a continuity of political rationalities, despite the disruption.

The deliberate exclusion of certain groups from the Supplement exemplified how the Government expects individual citizens to participate in society through paid work. The Government explained Pensioners were excluded from the Supplement because it is:

payable to JobSeeker payment and related payments and allowances, as people on these payments are generally *expected to participate* in the labour market. Pensions are generally paid at a higher rate than other social security payments, such as JobSeeker payment because they are designed to provide support for people *who are unable to support themselves through substantial paid employment* (PJCHR, 2020: 131, our emphasis).

Even in a 'depressed labour market' the government still reproduced the importance of citizens participating in society through paid work. Here the line dividing 'job seekers' from Pensioners is around participation capacity. As explained in the most recent social security review, 'people with the capacity to work seek to become more self-reliant' (Department of Social Services, 2015: 133). The social security review makes clear that these 'expectations' are connected to our 'responsibility to work' (2015: 33). What appeared to be a discontinuity in 'checking ideology at the door' was only a temporary mechanism to support the economy. What remained unchallenged was the focus on participation as fulfilling one's role according to a productivist 'social contract' and the associated rights and responsibilities of industrial citizenship.

The importance of the individual taking responsibility for their own welfare by looking for paid work was not fully suspended or rethought during the early stages of the pandemic. There were early notifications from Services Australia (the body that governs the Australian welfare system), that mutual obligations remained for people unaffected by the coronavirus, and there were suggestions that the Government sent notices to Jobactive service providers telling them they did not have to advise clients about changes to mutual obligation requirements (Henriques-Gomes, 2020). When mutual obligations were suspended, it was because Government systems were struggling to cope with the number of people trying to access financial support (Cash and Rouston, 2020a). The suspension was only incremental, weekly at first and then on a one-month basis (Cash and Rouston, 2020a, 2020c, 2020d). Although the pandemic was still unfolding and uncertainty was high, the Government did not commit to suspending mutual obligation requirements for a significant amount of time.

During this time clients were still encouraged to keep 'connected' to their provider and endeavour to keep themselves 'job-ready' (Cash and Rouston, 2020a). The Federal Government had 'a *strong expectation* that job seekers *will continue to work positively* with their employment service provider and *take advantage* of all the support that is available' (Cash and Rouston, 2020c, our emphasis). The discourses around clients and governing the unemployed through a public health crisis still drew, at least in part, on

discourses about 'self-reliance' and the importance of clients actively engaging with support. The temporary suspension of mutual obligation requirements during the continuing lockdowns and the refusal to extend financial assistance to the unemployed during these lockdowns (Visontay and Tariq, 2021) demonstrates that the reliance and fixation on enforcing labour market participation through governing self-responsibilising individuals wasn't 'checked at the door' or problematised. Indeed, such ideas around individualism, self-responsibility and entrepreneurialism reappeared in mid-2020 as the Government called for a 'snap back' to the pre-pandemic economy and welfare state. The COVID-19 response was positioned as a 'medication' that the country should not get 'used to'. The focus was that '... we must always ensure that there is the opportunity in Australia for those who have a go, to get a go. This is our Australian way' (Morrison, 2020).

Independent research showed that the Supplement and suspension of mutual obligation requirements had improved people's lives. An ACOSS (2020b) study reported 65 per cent of the 955 respondents said it was easier to pay for accommodation, 69 per cent could pay for medication and 83 per cent were eating healthier and not skipping meals. Emerging research suggest that despite claims from some commentators and politicians that people under CIM would use the Supplement to increase alcohol consumption, thereby increasing crime rates (Roberts, 2020), crime has either remained stable or reduced in these communities. This is partly explained from the alleviation of general strain brought about by the relaxation of mutual obligations and increases in income, which has enabled greater expenditure on food and basic goods (Markham and Kerins, 2020; Staines and Zahnow, 2021).

Additionally, researchers undertook an online survey of 146 social security clients in Australia to determine how people were spending the Supplement, how they were using their time, and what the impact was on their subjective wellbeing (Klein *et al*, 2021: 6). The key findings from this study included that both the Supplement and the suspension of mutual obligations improved respondents' physical and mental health. Respondents were able to turn their attention away from day-to-day survival and work towards a more economically secure future for themselves and their dependants. Clients were able to better engage in many forms of unpaid productive work, including care work and community support. This study also concluded that these policy changes meant that the pandemic was a period of reprieve for many people receiving social security payments due to the easing of financial stress, scrutiny, and uncertainty. This is very different from normative characterisations of the pandemic and its associated lockdowns, which were experienced as a period of great stress and uncertainty by many people.

### *Post-Labourist possibilities*

In Australia, as in other OECD countries, there have been calls in the post-pandemic recovery phase for more far-reaching reforms to provide greater economic security. Some of the more prominent proposals include universal basic income (UBI) and universal basic services (UBS). A UBI consists of regular payments made to individuals to provide an economic floor to alleviate poverty, spur economic growth and generate entrepreneurial activity. UBS provide basic access to de-commodified forms of health, education and other services to meet social needs. A UK proposal on UBS includes access to health care, education, democracy, legal services, shelter, food, transport and information as part of a package (Social Prosperity Network, 2017). The UK report suggests that a UBS and a UBI

could co-exist, though they also acknowledge that a UBS is a cheaper option than a full UBI. The academic literature also points to the tension between UBS and UBI. Some libertarian proponents of UBI are strongly critical of UBS on the basis that they believe it is paternalistic and that decisions about what constitutes basic and essential needs should be left to individuals themselves, not the government (Ackerman and Alstott, 2006). On the other hand, some of the most prominent advocates for UBS, such as Anna Coote (Coote and Yazici, 2019), are critical of UBI because they think that it will, in practice, reinforce individualistic consumerism and reliance on the market.

The debate and discussion about UBS is welcomed, but there is also a need to be careful about distinguishing between the aspiration of collective provisioning and the implementation of universal services. Public services are frequently defined as collective, but they do not necessarily feel collective to those that use them. We need to remember that universal public services can mask exclusionary practices (see Lipsky, 2010). Whether front-line public servants see themselves as agents of the State or agents of the citizen can depend on many factors, with some of these variants being as fickle as whether someone is well mannered in their interactions with front-line public servants (Maynard-Moody and Musheno, 2003). We also need to guard against paternalism when it comes to thinking about solutions to poverty. Poverty is primarily a problem of insufficient cash, not a problem of character or self-responsibilisation (Bregman, 2017).

In Australia, one proposal put forward during the pandemic to increase social security payments in a less targeted mode is the Liveable Income Guarantee (LIG). The LIG was initially proposed by a number of academics and commentators in April 2020 as an alternative to the wage subsidy proposal (JobKeeper) that was being rolled out nationally at the time. The LIG aimed to cover those who would miss out on JobSeeker and JobKeeper including arts sector workers, those engaged in full-time care, small business owners and migrants not eligible for the payment or the Supplement. The initial proposal for a LIG was later refined into a more detailed proposal, which included a participation requirement to encapsulate the reciprocity principle (Quiggin *et al.*, 2020). Participation could include, volunteering, care work, education and caring for country which means it challenged the 'paid-work' ethic as it embraced multiple forms of work as a social contribution, rather than just a narrow focus on labour.

The argument for a LIG was based on the proposition that everyone has a right to a liveable income, to a minimum level of financial security and an opportunity to contribute to society (Quiggin *et al.*, 2020). Other ethical foundations for economic security and real freedom go beyond individual rights to consider the merits of the argument for a rightful share, that is divorced from any moral or legal obligation to contribute something back. This argument is based on the idea that the distribution of wealth and other resources is not a result of the efforts of individuals in any one generation. Ferguson (2015) claims that this form of redistribution is a kind of claims-making that involves neither a compensation for work, nor an appeal for 'help', but rather a sense of rightful entitlement to an income that is tied neither to labour nor to any sort of disability or incapacity; this claim is based on a due and proper share grounded in nothing more than membership in a national collectivity. There are still questions about who gets to be included in this national collectivity. Mays *et al.* (2016) define membership for a basic income in Australia in terms of permanent residency, rather than citizenship. This could avoid moral citizenship discourses that underpin the current welfare regime. These sorts of rationales and policy proposals would

take Australia in a new policy direction in a post-COVID recovery. The crisis becomes a catalyst for a reset of our social and cultural norms, as well as our social security policy settings. We cannot continue to engage with activation and highly restrictive welfare conditionality as the 'solution' when it is harmful and possibly just as scarring as unemployment (Marston *et al.*, 2020).

## Conclusion

There is no technical solution to ensuring the welfare-work nexus in Australia is able to respond to the cracks and fissures exposed by the COVID-19 pandemic. It is a political and economic challenge that will require imagination, deliberation and reason. The democratic public sphere in Australia is struggling to embody these qualities. Structural issues are frequently misinterpreted as problems of character or individual morality, where citizens are seen as consumers or entrepreneurs seeking advancement through competitive markets of mobility and self-improvement (Marston *et al.*, 2020). In times of high unemployment, it becomes harder to maintain the myth that unemployment is a supply-side issue, characterised as an individual failure. The Australian Government's policy response did introduce some demand-side measures in the form of wage subsidies, investment in construction and a boost to apprenticeships. At the same time, the Federal Government has resisted repeated calls to raise the rate of JobSeeker/Newstart to above the poverty line, reiterating a discredited economic argument that an increase that gets people closer to the poverty line would disincentivise employment (Mendes, 2020).

What we have shown in this article is that the cultural logic of eulogising the paid work ethic and demonising the unemployed remains intact in Australia. The way in which the record levels of social and economic expenditure has been channelled during the pandemic has reinforced, rather than challenged, these norms. The repeated emphasis on 'temporary' spending sends a public message that these are extraordinary times and as soon as possible the government will return to its 'normal' efforts to limit social security expenditure and enforce punitive activation. There is never any hint of the possibility that 'normal' is not healthy, that the crisis could be an opportunity for a reset of our economic and social settings, rather than simply aiming for a reboot of pre-existing policy parameters. In this sense the continuities are far more pronounced than the discontinuities, particularly in terms of political rationalities.

Given the disruption caused by the pandemic, the uncertainty about the future of work associated with automation and climate change, there is a strong case for a fundamental reframing of the relationship between income and labour as we recognise and reclaim all forms of work. There is growing income and wealth inequality in Australia, entrenched poverty and a weak labour market (Richardson and Dennis, 2014; Davidson *et al.*, 2020). The way the labour market distributes rewards and recognition to people depends on a whole range of arbitrary arrangements, including occupational barriers and the sorts of work that receives material compensation. Being a parent is usually unpaid, yet it is vital to the operation of the system. Coronavirus has highlighted the arbitrariness of these arrangements, and in particular, the gendered aspect of care work and the disproportionate economic disadvantage faced by women (van Barneveld *et al.*, 2020). Entire industries, such as tourism and hospitality, have

been devastated. The idea that workers get what they deserve has again been shown up as misguided. Such factors highlight the need for a rethink of labourist attitudes and the professed sanctity of human labour.

There are increasing signs national governments around the world are favouring a reboot, but we still have time for a reset. A reset would take an alternative framing and policy direction, one that advances social security as a fundamental economic right, builds capabilities and addresses systemic drivers of disadvantage (Klein *et al.*, 2021). We need nothing less than a new social contract that suits the conditions of the twenty-first century. Major welfare reform is necessary in a world where employment has become a less reliable source of rights, income and belonging.

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