

20 February 2002

Professor Meredith Bristol
NSW

Job Network Review
Productivity Commission
PO Box 80
Belconnen ACT 2616

Dear Sir/Madam,

The Jobs Network with Centrelink, epitomizes the insidious potential of public and private bureaucracy and its dependence on the existence of the unemployed. Without a million or more of unemployed this vast secretive self-serving network would not be able to justify its existence. It has developed a culture of secrecy, lack of transparency and data generation that is unique and insures that careers in servicing this entrenched problem will be maintained. It is the industry. Allocating the vast resources it has to creating new productive industry is not remotely considered and anyone dealing with this cohort should be aware of the culture that has as its main agenda living off the failure of the government to encourage such solutions and living off a proportion of fellow Australians. The network and especially within Centrelink also has a "little Hitler" culture that is meant to intimidate the unemployed into a submissive easily manipulated dependency.

Not only can it be shown to be a network that impedes productive industry creation but it can also be shown to have undermined industry creation. Like the Regional Development schemes that fund shifting one industry from one geographic region to another where one problem is created in the original region where the industry was located and a politically expedient solution is created in another region where the industry relocates to. The jobs network thrives off this shuffling and in an unwritten alliance with the Regional Development network and the "businesses" that live off rent-seeking. It also corrupts SME's and honest entrepreneurship as over decades many SME's have become obsequious dependents on the political groups and the bureaucracies allocating this vast industry

assistance, where they are expected to kickback some of the industry assistance to the political parties and their coffers that fund their version of democracy that has more in common with third world regimes than a first world democracy. But again the left hand of government ignoring the right hand of government insures the vast bureaucracies perpetuate themselves. It is in political economy known as a negative sum game economic outcome and as it is entrenched along with maintaining a minimum percentage of society unemployed, a nation can only decline- over the long term as successive self-serving political groups recycle themselves every 3 or 4 year.

It is known throughout the jobs network that the government has failed and that most of the activities that the management of the network develops are simply data collecting exercises to justify the network to the government of the day as it fails to find long-term solutions. Efforts for long term industry creation and jobs are not politically valuable PR.

For example, consider as more than ripe for an ANAO report, the Jobs Network and Centrelink in parallel with the Corporate Welfare network. Although ANAO is in the final analysis part of the bureaucracy as it endeavours at any cost to stay alive and relevant and also as a breeding and training ground for the big 5 and so on, where if they aren't milking and looting the public purse and calling it profits they are doing the same in the stock and capital markets.

The abuse of welfare recipients as scapegoats of one kind or another for politicians, the media and so on, is sufficiently documented to make it clear they are a vehicle: for the public and private bureaucracy that is now the network. The contrast with the avoidance of any exposure of the recipients of Corporate Welfare is revealing of a culture that has copped-out for too long as the nations living standards have decline from third in the world 40 years ago to 26th now and a currency now at US\$0.50 cents over the same period. With the obvious wealth destruction in the form of destroying human capital and entrepreneurial initiative. Unless it is accompanied by rent seeking followed by kickbacks. The coalition clearly must find scapegoats for their failure, but never include the corporate welfare mafia for example, which undermines honest entrepreneurship, initiative and disincentives efforts of productive wealth creation, including corrupting SMF's and so on.

Staffs throughout Centrelink are fully aware that the coalitions shuffling (the ALP, true to form, will recycle it) and recycling of this vast bureaucracy has not been a solution but they are (like so much of Australia, unfortunately) fearful of speaking up because they will be dealt with.

Their superiors throughout Centrelink are often informed of their observations but do not allow the information to leak outside the office, whether under the influence of the union hierarchy or the senior bureaucrats managing the network in increasing secrecy to avoid its exposure further up the chain of technocrats and politicians. Each Centrelink office has staffs that are aware the statistics and data gathering are designed to cover up the fact they have no solution for the unemployed but only for the bureaucracy and its perpetuation. The facts at the coal-face are being denied and suppressed. An open tolerant democracy indeed?! And an entrenched profiteering media status quo becomes an obsequious tool of the political status quo as they collectively undermine democracy.

Maintaining this network and its culture and the propaganda that manipulates public opinion can only be achieved by a narrowly owned and undiversified profiteering media and its array of direct and indirect government funding. The advertising industry is a cohort in this profiteering and propaganda to manipulate public opinion. (see attached "Australia's Media Status Quo: Information Propaganda? Profiteers?")

The coalition has now of course created another form of insidious bureaucracy that is now dependent on taxpayer funding. (Dependence always seems to crop up as a key word. As does dysfunctional.) Shifting part of the welfare and unemployment bureaucracy into the private religious bureaucracies simply shifts the burden and again is typical of the cop-out culture that now dominates every aspect of Australia. (The survival of the technocrats .is a key driver!) These religious charities no doubt. make the coalition feel good but it has now made these religious charities part of the systemic flaw that is the model. promoted as the solution. That is, this public and private bureaucracy as the industry that services this perpetuated unemployment problem has now become dependent on the unemployed remaining unemployed and the budgets allocated to the problem kept intact and growing. Logically this cannot be an industry creating and therefore job creating solution. The unemployed are the industry and how many bureaucrats does one unemployed person keep employed?

This is a statistic like many others of relevance that the network does not want to discover let alone expose. But now these religious bureaucracies have locked themselves into a position at the trough no change of government will get them out of it and so the maintenance of these unemployed numbers can be expected to persist, while new solutions these entrenched bureaucrats can live off and profiteer from are recycled.

The academic community also has a vested interest in living off the unemployed and after 30 odd years of growth in the number of universities in Australia, which correlates nicely with the growth in the problem, then to ensure their security of tenure they must state that there is no solution to reducing the number of unemployed. Of course this ensures they maintain the necessary political correctness that ensures their tenure and ongoing funding as they also perpetuate their careers as they get ARC funding to "research" "solutions". Of course having made careers off failing to find solutions this vast over funded cohort is going to state there is no solution. This of course creates another layer of spin-off problems that "require" political and bureaucratic leadership and solutions. From drug abuse and as a business, youth suicide, depression, increased prison populations and the need for more corrective services bureaucrats and lawyers and so on. All relying on the unemployed problem remaining as a problem. And so the game rolls on. And the same cohort touts it as nation building and if it is considered that it might not be working then the unemployed can always be a scapegoat to fall back on. Interestingly they do not have any voice and it is a concern that they are never given any voice. It is part of any strategy of vested interests. All in all the unemployed are just another means for the failed political groups and entrenched bureaucracies to perpetuate their "contribution" to the nation. As it continues its 40 year decline into almost third world status.

If it could innovate and create industry the way it creates bureaucracy and the justification for bureaucracy it would be the richest nation in the world. That is at around third where it once was and with a currency at least on par with the US dollar. With this decline it is curious why the expansion in universities to 38 currently could never prevent it and now find solutions. Of course having failed to prevent it, it is impossible to expect these institutions of higher learning to solve it. That would mean an open admission to having failed in the first place

and anything is preferable to that, including perpetuating the unemployment problem and insisting that there is no hope. This of course encourages all other vested interests to support the "research".

Yours Faithfully

M. Bristol