

# Symposium: Recent Developments in Regulation and Implications for Social Inclusion

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In the face of the international financial crisis, there is mounting disillusionment with the neoliberal ideology which has underpinned public policy over the last few decades. This has been reflected by the recent change of government in Australia and the result of the American Presidential election in November. In both cases, the public's disillusionment and dissatisfaction with the regulatory and social welfare policies of the previous governments were key reasons for change. The increasing withdrawal of the state from traditional economic roles in most Western countries, including Australia, left the space open to markets and market relations. This is despite the vital role played by the state in economic development. As Chester shows, this was particularly the case in Australia from the time of European settlement. This reinforces the appropriateness of this symposium which examines a number of issues related to developments in regulation and implications for social inclusion.

Chester's paper serves as an apt introduction to the symposium. Using French *régulation* theory, it documents the changing nature of the Australian state with an increased reliance — most marked since the 1980s — on the virtues of the market and on reducing the size of the government sector. However, Chester argues that this entailed a change in the form of regulation to 'regulation-for-competition', rather than a decline in the degree of regulation. Indeed, 'regulation-for-competition' is intrusive and involves significant direct control of the market and its participants.

The six papers that follow can be divided into two distinct groups. The first three address specific issues associated with the new 'regulation-for-competition', while the final three highlight the implications of regulatory change for social inclusion and exclusion.

One example of 'regulation-for-competition' is the recent *WorkChoices* legislation which implemented significant changes to labour market regulation under the guise of achieving structural competitiveness. Nevile and Kriesler consider the basis of these changes in the light of reforms proposed by the Rudd government. A major feature of the *WorkChoices* legislation was the attack on collective bargaining, and the intentional reduction in unions' power to negotiate on behalf of workers. Theoretical economics provides no clear win-

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ners in the debate over the effects of 'more or less' regulation of wages, although the role unions can play in achieving social inclusion through greater income equality is highlighted.

Neville and Kriesler note that, in direct contrast to the removal of collective bargaining rights of employees, the *Trade Practices Legislation Amendment Act 2006* allows small businesses to bargain collectively with big business. However, as Isaac points out, this can present serious problems if, for example, the small business is a provider of services, and is therefore 'effectively involved in the sale of labour' — the province of industrial relations regulation. Isaac considers whether there are actually enough differences between the labour/services transactions of small business to justify two sets of laws.

Regulatory change has involved the important role given to privatisation. As Johnson notes, since the 1980s, privatisation has moved from those government enterprises providing financial services (such as banks and insurance companies) to providers of economic services (energy, water, telecommunications, airports etc.) and of human services. This ongoing trend has not been properly evaluated, particularly in respect to its long term impact on infrastructure. Johnson concludes that the main aim of privatisation has been the pursuit of short-run budgetary goals while longer term economic and social considerations have been ignored, particularly those relating to infrastructure.

The new regulatory landscape and the increasing privatisation of social policy have highlighted the need for alternative metrics of social disadvantage, as market relations displace other social connections. In this context, social exclusion has emerged as the new organising theme of social policy. Saunders provides a comprehensive introduction to the definition and measurement of social exclusion and its relationship with more conventional measures. Importantly, social exclusion moves the focus of social disadvantage away from narrow income-based metrics to measures highlighting 'disengagement — through lack of participation in social and community activities', 'service exclusion — through lack of adequate access to key services where needed' and 'economic exclusion — through restricted access to economic resources and low economic capacity'.

The final two papers in the symposium canvass the role public policy can play in enhancing social inclusion. In a study of older public housing tenants in inner Sydney, Morris finds that the low cost, security of tenure and permanence associated with public housing allowed the tenants to engage with their communities and establish strong social connections and ties. Similarly, Gatta advocates improving the access to flexible internet-based education and training programs as a means to minimise the extent of social and economic disadvantage faced by low skill workers. With some stark US statistics, she provides convincing evidence of the state's role, through the structuring and funding of education access, in constructing socio-economic inclusion and exclusion.

In both the USA and Australia, the neoliberal state has recently lost popular confidence: it will fall to future issues of the journal to track the outcomes, and evaluate whether these changes represent a transition in the terms of public debate as well as in policy.