



Keith Suter Comments



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From Russia with love

The old Soviet Union used to be notorious for the way in which people had to waste time standing in queues. In many occasions, people had to wait literally for hours at a time. I wonder if Australia is now going the same way.

It was estimated that people spent about three hours per week in queues in the old Soviet Union. Unemployment was illegal in the Soviet Union and so people had to have a job. Managers had great difficulty in getting rid of lazy or inefficient staff. Therefore there was a low quality of service in the Soviet Union. People had little incentive to do a good job. There was very low customer satisfaction.

The Soviet Union has gone and capitalism has now arrived in Russia. I'm told that the biggest problem which McDonald's has in Moscow is that of getting the staff to smile and be pleasant to customers as they buy their hamburgers. The idea of being polite to customers is new to Russian society.

Australia's problems are very different from those of the old Soviet Union. But the queues seem to be getting longer compared with what they used to be like. Indeed, one bank even used the claim that people don't have to waste more than five minutes in a queue as part of an advertising campaign to attract customers. Unfortunately so many people were waiting the queues that the campaign had to be withdrawn!

During the past week, as I queued up in a bank and the post office, I thought about the paradox of the present Australia economy. On the one hand, there is evidently a shortage of staff to serve in these places. On the other hand, there is a large number of people who are unemployed.

It seems that Australian companies have become more efficient not so much as a result of being more creative but simply in shedding staff. There is obviously a limit to the number of staff that can be laid off - and so there will come a point when the companies exhaust their scope to sack staff.

This sorry situation has five implications. First, the people who do still have jobs are doing extra work and the country's workers' compensation bill is reflecting the way that there is increased stress in the workplace.

Indeed, in the United States, the workplace has now become one of the areas of greatest risk of a being murdered. The tensions of work are making workers very short-tempered.

Second, if the "downsizing" continues, who will be left to buy the goods and services being provided by the remaining people employed?

Third, companies are shedding staff to increase their own profits but they are also increasing the burden of the social welfare system and agencies which take care of the people who are losing out in the so-called economic progress. They are simply cost-shifting - from their labour costs to the welfare system.

Fourth, not only are there queues in banks etc but now also on the telephone line. People are obliged to listen to recorded messages from the company or organization saying that they are a "valued customer" when clearly they are not because they are being treated so badly. At least the Russians never had to put up with that nonsense.

Finally, we cannot blame mechanization for unemployment. Japan still has a lower unemployment rate than Australia - and yet it also has 80 per cent of the world's robots. Unemployment is socially conditioned; a society has the level of unemployment that a society is willing to tolerate.

If we want to reduce poverty in our society, then the Government has to deal directly with reducing the rate of unemployment, such as by providing incentives to small businesses to employ extra staff or to encourage people to establish their own small businesses. This may well be cheaper than paying the full cost of a person being unemployed. This is all something to think about as you next stand in a queue.

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