

Australian Labor Party leaders warn of rising popular discontent

By Mike Head
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The first day of the Australian Labor Party's national conference in Adelaide yesterday produced remarkable warnings of intensifying working class unrest and political instability. This anger, frustration and discontent was the Labor Party's main "opponent," not the existing Liberal-National Coalition government, party leader Bill Shorten declared.

The party's leaders, with the support of all the assembled trade union officials, issued an anxious appeal. They stressed that Labor and the unions had to address a political crisis that went far deeper than the visible disintegration of Prime Minister Scott Morrison's current government.

In effect, the party's leading figures made a dual pitch. Only a Labor government could deliver the "unity" and "discipline" that the existing order would need to survive what Shorten called the coming "global shocks" and "economic uncertainty." In order to do so, however, Labor had to hold out the "hope" of reducing the worsening inequality, job destruction and social devastation that millions of working people have now experienced for decades.

In his opening speech, party president Wayne Swan gave an indication of the alarm in ruling circles about the hostility toward the entire political establishment in Australia and internationally. He said it was essential for Labor to win the next federal election, due before May, not just because the Coalition government was "falling apart before our eyes."

Swan said the "fallout from the GFC (Global Financial Crisis) has arrived." Labor had to take office because of the dire "state of the world." There was "political chaos everywhere you look," he declared, referring to the volatility triggered by the Trump administration in the United States, the Brexit impasse in Britain and the turmoil across Europe.

Swan's remarks were particularly significant because

during the 2008 global economic breakdown, he was the treasurer in the Labor government. It propped up the banks and finance houses at the expense of the working class, paving the way for the accelerated accumulation of wealth in the hands of the corporate elite. A recession was avoided only because the Chinese regime's huge stimulus measures boosted Australian capitalism's mining exports.

Revealing the real hostility of the Labor and union apparatus to the re-emergence of working class struggle, Swan denounced the "yellow vest" movement in France, in which hundreds of thousands of workers have joined demonstrations against the government of President Emmanuel Macron. "Mob violence has returned to the streets of Paris after 50 years," he said, referring to the protests and general strike movement of 1968 that shook capitalist rule in France and triggered similar upheavals around the world.

"That chaos has many causes but at the bottom of this instability and chaos lies this cause—inequality," Swan said. His main concern was that unless the Labor Party provided an outlet for this discontent, it could "collapse" like its "sister" social democratic parties had in France and Italy.

Likewise, in his keynote address, Shorten told the conference delegates that Labor's mission between now and the next federal election was not only to secure government. "In a very real sense, our opponents at the next election are not just the Liberals and the Nationals, One Nation or the Greens," he stated.

Shorten declared: "Our deeper opponents are distrust and disengagement, scepticism and cynicism." Labor's mission, and his "number 1 ambition," was "to rebuild trust in our democracy, to restore meaning to the fair go." Labor had to "breathe new life" into "the idea that government has the power to bring meaningful progress into people's lives."

But Shorten, a long-time union boss, was a factional

power-broker and cabinet minister in the previous Labor governments of prime ministers Kevin Rudd and Julia Gillard.

Far from bringing progress into the lives of working people, Labor governments and their union partners have spearheaded the assault on jobs, working conditions and social services over the past 35 years. The Hawke and Keating governments from 1983 to 1996 initiated the pro-market restructuring and deregulation of the economy and the Rudd and Gillard governments of 2007 to 2013 imposed the burden of the global financial meltdown.

The fraud of Labor's "fair go" is illustrated by Shorten's only concrete new promise, which was to recycle a Rudd-Gillard "housing affordability" program that subsidises property developers. The scheme will offer 15-year payments of \$8,500 per year to investors who build new dwellings that are rented to eligible tenants at 20 percent below market rent.

About \$102 million would be handed over to developers by 2021–22, with a target of 20,000 houses or units to be built in a Labor government's first term. Over a decade, \$6.6 billion would be allocated, supposedly supporting 250,000 new dwellings.

"This will be the biggest national housing program since the war," Shorten claimed. In reality, successive governments, Labor and Coalition alike, state and federal, have slashed public housing over the past 40 years.

Even if the scheme's target were achieved, and that is highly unlikely, it would be totally inadequate to alleviate the housing crisis produced by soaring property prices and rents, which have sent household debt levels to the highest in the world—exceeding 200 percent of disposable income. The Australian Housing and Urban Research Institute estimates there is currently a shortfall of more than 525,000 affordable rental properties in Australia.

The other striking feature of the opening day was the universal appeal to nationalism and protectionism. As elsewhere around the world, the labour and union bureaucrats are inciting foul anti-foreigner sentiment as a means of diverting working class discontent. They are pitting workers against each other along national lines, feeding into the intensifying trade war conflicts and preparations for war.

For this purpose, the unions sponsored a series of amendments to the draft party platform. Among other things, they demanded "fair trade" clauses in trade agreements to restrict the employment of "foreign workers," "local content" requirements for government procurement contracts and "national interest" tests for

foreign investment approvals.

Summing up the unity between the union and party leaders on this nationalist course, the recently-installed Australian Council of Trade Unions president, Michele O'Neil, said all the speakers were "in furious agreement."

Desperate to reverse their dwindling memberships, the unions also proposed tax incentives for union members, and the restriction of government contracts to unionised workforces. Union-backed amendments called for "global best practice" of "increased collaboration between employers and workers," including "worker representation on boards."

Behind all the confected talk of "standing up for workers," the party and union leaders have adopted a corporatist blueprint for the integration of union representatives into management, along the lines of Germany, and for government financial support for the union apparatus, in order to further suppress workers' struggles.

Speakers ludicrously proclaimed that the event exemplified "democracy at work."

Throughout the day, the proceedings were tightly stage-managed, except for an initial interruption of Shorten's address by protests against the party's anti-refugee and pro-business environmental policies. About a dozen protesters were violently dragged off the stage.

All the factional and union chiefs were determined to ensure that not the slightest difference was aired that could spoil the party's bid for office. Every amendment was adopted unanimously—the result of closed-door negotiations between the party and union factional power-brokers for months.

More than anything else, the conference is intended to be a display to the ruling corporate elite that Labor and the unions can maintain the "unity" and "discipline" needed to impose the burden of the looming economic crisis on the working class and to prepare for involvement in a US-led war against China.

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