

# Australian government defeat on “integrity” bill points to underlying political crisis

By Mike Head  
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An unanticipated defeat of its flagship industrial relations “Ensuring Integrity” bill last week has underscored the fragility of the Liberal-National Coalition government and the parliamentary establishment as a whole.

With one week of parliament to go this year, the rejection of the anti-working class legislation, combined with other debacles, has left the government’s agenda in tatters, just six months after it barely scraped back into office at the May 18 election.

Government ministers said they were “blindsided” by the decision of Senator Pauline Hanson’s right-wing anti-immigrant One Nation to reject the final version of the bill in the Senate last Thursday night after months of backroom negotiations.

Hanson and her fellow One Nation senator Malcolm Roberts were joined by right-wing Tasmanian senator Jacqui Lambie in opposing the bill, along with the Labor Party and the Greens. As a result, the vote was locked at 34-34 in the Senate and the bill defeated.

The government had counted on the votes of Hanson and Roberts so confidently that it and employer groups had already drafted, and in some cases pre-released, media statements hailing the bill’s passage as a new era in workplace relations.

Industrial Relations Minister Christian Porter was preparing to proclaim an end to the days of supposedly militant trade unions. The legislation would be one of the great early achievements of the 46th Parliament, the Australian Mines and Metals Association was ready to declare.

Hanson’s vote highlighted the nervousness within the political elite over the unrest growing among working people over widening social inequality, job losses and declining living and working conditions. She declared that One Nation voted down the bill because the Coalition had “one rule for white-collar crime and much harsher rules for blue-collar crime.”

Hanson cited the lack of any prosecutions of bank executives for the many frauds they had committed against

customers, and last week’s revelation that Westpac bank had allegedly breached money-laundering laws 23 million times. She said this was a key factor in her decision to vote against the bill, which would make it easier to deregister trade unions and disqualify their officials.

Prime Minister Scott Morrison’s government and employers depicted the bill as being directed against “unlawful” and “corrupt” conduct by unions. The real target, however, is not the union bureaucracy, but the working class. The bill would punish unions for failing to stop their members taking industrial action that violates the country’s draconian anti-strike laws, which the unions have enforced for years.

The corporate elite views with concern the strikes and protests that have developed around the globe, despite the efforts of trade unions to hold them back, and fears similar eruptions in Australia under conditions of falling real wages, rising unemployment and economic slump.

The bill’s defeat means that the government has been unable to get anything of significance through parliament since the election, except for massive tax cuts for the wealthy, which the Labor Party supported. “The episode bodes ill for Scott Morrison’s wider agenda,” an *Australian* editorial declared.

The defeat signals a similar challenge this week over the government’s attempts to repeal “medevac” laws, which allow the transfer of some refugees from detention on Nauru or Manus Island to Australia for medical treatment,

Another “flagship” bill promised by Morrison—a so-called religious discrimination bill—has now been postponed after churches and other faith institutions objected that it did not go far enough in permitting them to deny employment or services to non-believers.

In a further major blow, a federal court last week ruled illegal the government’s “robo-debt” regime of persecuting welfare recipients by sending out automated letters alleging they had mis-stated their incomes. The government had budgeted to extract billions of dollars from some of society’s most vulnerable members via this supposed

“welfare fraud” crackdown, but could now be compelled to compensate at least 220,000 people who were wrongly targeted.

These debacles have been accompanied by a wave of scandals hitting Morrison and his ministers. Such scandals are invariably an indicator of a government unravelling because of underlying dissatisfaction in ruling circles with its performance.

Morrison is under attack for last week personally phoning a police chief about a police investigation into Energy Minister Angus Taylor. Taylor is being investigated for making a false claim about the travel expenses of City of Sydney Mayor Clover Moore’s administration in an effort to discredit her over criticism of the government’s opposition to addressing climate change. Morrison worsened his predicament by making a misleading statement to parliament about the issue, for which he was forced to apologise.

Today, in the latest scandal, a former chief of staff to Minister for Indigenous Australians, Ken Wyatt, has accused Wyatt of fostering a culture of bullying in his office, which has resulted in a series of staff members leaving his office.

Behind the government’s crisis is the worsening economic slump, marked by minimal growth, stagnant wages, rising household debt and falling retail sales, despite income tax handouts and three cuts to interest rates since the election, taking the official rate to an historic low of 0.75 percent. Hanging over the economy is the fallout from the economic war launched by the US against China, Australian capitalism’s largest export market.

The latest indicator is a sharp drop in revenue from the Goods and Services Tax (GST), which is now expected to rake in some \$19 billion less than forecast this financial year. That revenue fall will mean further austerity measures by the states and territories, which depend heavily on the GST.

The government’s crisis confirms the *World Socialist Web Site*’s analysis of the May 18 election, which resulted in a slim two-seat majority for the government. Far from a “miracle” victory for the unpopular and unstable Coalition in an “unwinnable” election, as Morrison and the corporate media proclaimed, the government’s vote fell, but it was saved by an even greater plunge in the Labor Party’s support.

Labor’s vote crashed most sharply in outer suburban and regional working class areas, taking its overall tally to 33 percent—the lowest for nearly a century—reflecting intensifying discontent with decades of enforcement of the dictates of big business by Labor governments and their trade union partners.

The government also survived with the help of preferential votes from One Nation and billionaire Clive Palmer’s United Australia Party, which both posed as anti-elite parties. Now Hanson is clearly nervous about a backlash from mining and other regional and rural workers if One Nation voted for a bill that could be used against them.

The turmoil that has swiftly overtaken the government since the election is a continuation of the instability that has wracked the political establishment since 2007. During that period, five prime ministers, both Coalition and Labor, have fallen in rapid succession, and Morrison could become the sixth.

Morrison, a leader of the Coalition’s “hard right” faction, was initially installed as prime minister a little over a year ago—in August 2018—via an inner-party coup against his predecessor Malcolm Turnbull, a figurehead of the Liberal Party’s “moderate” faction.

With visible support from US President Donald Trump, Morrison has set out to try to build a far-right constituency to confront the intense discontent in the working class, and also to counter sections of the ruling class that fear the consequences of direct conflict with China.

Labor Party leader Anthony Albanese, who has promoted bipartisanship with the government and led a further lurch to the right since the election, cynically sought to claim credit for the government’s “integrity” bill defeat. He is desperate to shore up his own position, amid bitter rifts within the Labor and union bureaucracy over the election loss and Albanese’s naked embrace of the requirements of the corporate elite.

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