Australia’s national cabinet continues back-to-work push

By Oscar Grenfell
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Following a meeting yesterday of the national cabinet, Prime Minister Scott Morrison touted a limited easing of restrictions put in place when the coronavirus pandemic hit Australia in February as another step on the “road out” out of the current crisis.

The national cabinet, composed of state and territory leaders and the federal government, has in recent weeks spearheaded a push for an end to lockdown measures, which have been denounced by sections of big business as an impediment to their profit-making activities. After its meeting last Thursday, Morrison declared that all restrictions would be reviewed in four weeks time.

Speaking to the media yesterday, Morrison reiterated May 11 as the date for such a review. He did announce, however, that level two and some level three elective surgeries and medical procedures would be resumed beginning next week.

This is particularly aimed at ensuring a continued flow of revenue to private hospitals and medical facilities, which account for almost half of health coverage across the country after decades of cuts to the public system.

Private hospitals have already been the recipient of an effective government bailout, forecast to cost at least $1.3 billion. Earlier this month the government announced a plan to “integrate” the private and public systems because of low capacity in public hospitals. The measure provides hundreds of millions of dollars to private facilities, without in any way impinging on their profit imperatives.

Despite the relatively modest character of yesterday’s announcement, Morrison declared that it was “an important decision because it marks another step on the way back. There is a road back.”

That the national cabinet did not announce a more drastic easing of restrictions may be due to ongoing indications of community transmission of the virus, despite claims that the “curve of infections” has been “flattened.”

The possibility of rapid COVID-19 outbreaks was underscored by the emergence of a cluster of cases in Tasmania over the past week-and-a-half that resulted in the closure of two hospitals and the quarantining of 1,200 health workers. At least 72 medical staff and 23 patients were infected.

Countries previously touted as models to be emulated, such as Singapore, have witnessed a large spike in cases after removing restrictions on the basis that infection rates had declined.

State and federal governments are doubtless fearful that an aggressive, enforced return-to-work will produce widespread opposition. Already there is substantial ferment among construction workers and teachers, who have been forced to stay on the job by governments and the trade unions, despite the risks to their health. Polls over the past week have shown that at least half the population thinks it is too soon to relax the lockdown measures.

There is also a debate within the ruling elite on how best to advance its interests. This week, more than 250 economists, including former Reserve Bank and Treasury officials, issued an open letter warning that “it would be a mistake to expect a premature loosening of restrictions to be beneficial to the economy and jobs, given the rapid rate of contagion.”

Other sections of the political establishment, however, are pressing for a rapid return to work, whatever the costs to the lives and health of workers. Their views were crudely summed up by University of New South Wales economist Gigi Foster, who declared on the Australian Broadcasting Corporation’s “Q&A” program last Monday that it would have been better if no lockdown measures had been imposed, even if this had resulted in a “very extreme epidemic.”

Foster also promoted the discredited “herd immunity” strategy, under which governments deliberately allow
mass coronavirus infections. This program, which is not supported by any scientific or medical evidence, has resulted in mass deaths in Britain.

Other financial commentators have published articles proclaiming that the cost to business of the lockdown measures has been too great, even when weighed against the thousands of deaths that otherwise may have occurred.

As it is, the push for a return to work appears to be proceeding at this stage primarily through the easing of restrictions at a state level. Yesterday morning, New South Wales Premier Gladys Berejiklian announced that face-to-face teaching would resume on May 11, with students initially attending school one day a week.

Berejiklian invoked the dubious claim that school students are less likely to contract and transmit COVID-19 than others. She declared that the staged character of the reopening would mean that only a quarter of students would be on a school campus at any one time. The premier did not attempt to explain why such limitations would be necessary, if, as she has asserted, the risk of the virus spreading at schools is low.

In reality, one of the largest clusters of the virus in New Zealand emerged at a school in Auckland earlier this month. Prior to the conclusion of term one in Australia, a number of schools in NSW and South Australia were forced to close after infections were detected. The reason for the urgency to reopen the schools is that it is viewed as essential to forcing workers back onto the job.

The May 11 date for NSW schools reopening is significant, coinciding with the end of Victoria’s “state of emergency,” and the national review of lockdown measures. This indicates that behind the scenes, plans for an easing of restrictions are more advanced than has publicly been acknowledged.

The content of these discussions was hinted at by Western Australian Labor health minister Roger Cooke. In declaring that his government was preparing to roll back restrictions and that the hospital system was “ready” for an outbreak, Cooke reiterated that the national strategy was not for the elimination of coronavirus, but its suppression.

Attempts to eradicate COVID-19, Cooke said, would “set you up for 12 months or 18 months of complete isolation, and I think ultimately we want the Western Australian community and economy to be much more open in relation to that.” Instead the virus should be kept at a “controllable level,” so that measures could be taken to “rejuvenate the economy.”

The primary concern of governments and the corporate elites they represent is now “economic growth,” by ensuring the profits of big business and the banks. To that end, state and federal governments have rolled-out stimulus measures, transferring hundreds of billions to the largest corporations, while doing virtually nothing for the record number of workers who have been left unemployed.

The ruling class views the current crisis as an opportunity to impose a further pro-business restructuring of workplaces, centred on the destruction of conditions and “surplus” positions. To that end, editorials and comments in the financial press, including today’s Australian, have urged governments to act on the “opportunity” presented by the pandemic.

The implications were underscored by Virgin Australia’s announcement yesterday that it had entered into voluntary administration. The move imperils the jobs of over 16,000 workers at the airline, which will be restructured to make it more attractive to private equity firms and potential shareholders.

Federal government representatives, who resisted calls for a bailout of Virgin, have declared that the announcement does not mark the end of the airline, but will result in it being more “efficient” and “sustainable,” code words for it being transformed into a more profitable enterprise through ruthless cost-cutting.

Australia Post yesterday announced a major overhaul of its operations, including the reduction of metropolitan letter delivery services from daily to every second day, an extension of delivery times for intrastate letters and the abolition of the priority mail letter product. The company has not yet announced any sackings, but the statements of its executives, who have described the move as the largest restructuring in its history, signify that retrenchments are on the agenda.

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