

A revealing election dispute in Australia

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A public dispute between Labor and Liberal politicians in the midst of the Australian election campaign over the spending plans of a future ALP government provides a revealing insight into Labor's agenda.

On Wednesday, Federal Treasurer Peter Costello released Treasury and Department of Finance figures costing Labor's election promises at \$18 billion over the next four years. Accusing the ALP of fiscal irresponsibility, he said 'What this shows is that Labor does not go into this campaign, as it has claimed, with a born again belief in surplus budgeting, Labor goes into this campaign with the big spend.'

That evening, shadow Treasurer Gareth Evans reacted indignantly, saying the estimates overstated the cost of Labor's election commitments by \$14 billion. 'This is the shonkiest set of numbers that Peter Costello has ever produced,' he said. Labor leader Kim Beazley went even further, describing the costings as 'a joke'.

Evans accused Costello of political interference with the 'independent' analysis done by the department. The flaw, he said, was that the calculations assumed an ALP government would reverse the budget cuts over the last three years and deliver on all Labor's promises made during their time in opposition. A leaked Department of Finance document confirmed a minister had made suggestions to the Treasury.

But just who has been caught out? The Liberals are certainly guilty of fiddling the figures. But more important is the fact that the Labor Party regards as 'a joke' the very suggestion that they might reverse the massive \$7 billion in budget cuts carried out by the Howard government.

Since 1996, funds have been cut across-the-board to public health, housing, education, dental care, legal aid, migrant welfare and other services. No section of the working class has been unaffected, from young families paying exorbitant childcare costs, to students faced

with increased fees and reduced allowances, to the elderly forced to pay large new imposts for nursing home care.

Among the specific measures, which Labor denied it would reverse, are the huge increases to Higher Education Contribution Scheme (HECS) fees on tertiary students amounting to \$2.7 billion, and cuts to job training schemes of \$725 million.

Beazley and co are openly lauding the model set by Tony Blair and the British Labour Party. Blair rode to power on the overwhelming hostility to the Tories, retained all the regressive social measures put in place by Thatcher and Major, and then intensified the assault on living standards. In Australia, Labor's vehement denials that they will reverse any cutbacks, demonstrate they are preparing to do the same.

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