

Australian Labor leader spells out pro-business agenda

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Addressing a massive rally against the Howard government's draconian industrial relation laws in June, Labor leader Kim Beazley promised that if Labor won the federal election next year he would "tear up John Howard's unfair laws (WorkChoices) and put in place laws that protect hard working Australians."

The speech was crafted to create the illusion that Labor represented an alternative to the anti-working class, pro-market agenda of the Howard government. But three months later, Beazley and his shadow ministers delivered an entirely different message to over 100 representatives of big business gathered at the two-day Labor Business Forum held at the up-market WatersEdge restaurant on Sydney Harbour.

Bent on securing corporate support for Labor's bid for government, Beazley set about assuring the well-healed gathering that he would act to defend the interests of corporate Australia.

To this end, Beazley evoked Labor's pro-market record when in office from 1983 to 1996. During this period, and with the direct collaboration of the Australian Council of Trade Unions (ACTU), Labor ruthlessly implemented a pro-market agenda, deregulated the economy, oversaw the destruction of tens of thousands of jobs, privatised key enterprises, slashed welfare and social programs and unleashed an unrelenting war on the working conditions and basic rights of the working class.

The 13-year-long assault, formalised in a series of Labor-ACTU accords, produced widespread hostility among working people that culminated in a landslide defeat for the Keating government in 1996, with the largest swing ever registered against Labor in working class electorates. Severely shaken, the majority of Labor's leaders tried to publicly distance themselves from the Hawke-Keating years.

At the September forum, Beazley went to great lengths to convince his audience that those days were well and

truly over, declaring: "Labor Party members are finally taking pride in the economic legacy of the Hawke and Keating governments. Of course a lot of the good things we did were unpopular... But Labor did those things because they were the right things to do. They were in the longterm interests of the nation."

He went on: "Australia has experienced a long period of prosperity. And experts consistently argue that the foundations for that prosperity were laid, not in the late 90s under the present government, but in the late 80s and early 90s with the ambitious reform program of Bob Hawke and Paul Keating. I think the party appreciates that now, in a way it didn't a few years ago. Why is this important in 2005? Because Labor is a party with a deep sense of its history. We build a vision for the future on a foundation established in previous years. And I think we've been rediscovering that foundation."

When speaking of the "foundation" laid in "previous years" Beazley was not referring to Labor's old, now defunct, reformist program of limited concessions designed to placate the working class while at the same time preserving the framework of the profit system. He was alluding to the Hawke and Keating era that opened the way for a major regression in the social position of the working class.

It is no accident that Beazley has turned to publicly embracing the legacy of that era. In July this year, Rupert Murdoch's national flagship *The Australian* ran an editorial castigating the Howard government and praising Labor's record while in office.

Dismissing Howard's claims that his government was the "champion" of pro-market reforms, the editorial declared: "Despite 10 years of conservative government, that mantle still belongs to Bob Hawke and Paul Keating." The editorial admonished Howard for "refusing to take up the reform agenda handed to him by his Labor predecessors" and for "bowing to populism" declaring

the current prime minister's reform efforts "are dwarfed by the far-reaching economic deregulation and even industrial relations by Labor".

The editorial amounted to a shot across the bows of the Howard government. But it was also a spur being applied to the sides of Labor, and Beazley was quick to respond.

At the forum he pledged his government would be an "open door" to business and promised to set up a Council of Business Advisers comprised of "eminent men and women from Australian business ... with direct access to senior ministers and the prime minister" to "ensure business perspectives on government policy were not excessively filtered or distorted".

He confirmed: "Council members will also be able to channel concerns from other members of the business community directly to the highest levels of government—and I see no reason why they shouldn't, from time to time, also come to the Cabinet table." Labor, in other words, would move to bring business into the very centre of government.

Labor's Finance spokesman Lindsay Tanner later added: "We understand that we've had a problem with economic credibility and with credibility with business over the last 10 years. The only way we are going to be able to address that is to set the bar very high. So by setting up the council of business advisers, that lifts the bar."

Reinforcing Beazley's overtures was Labor's shadow treasurer Wayne Swan, who declared "it is crucial that there is dialogue, partnership and co-operation between all levels of Government, with business and with the broader community". He did not bother to explain just how "the broader community" would give voice to its aspirations and needs.

Swan appealed to business to tell Labor "how we can overcome the obstacles you face" and promised "a stable macro-economic environment" in which business could "flourish" and "an ambitious economic agenda designed to lift our economic horizons and generate the next wave of productivity growth". He also pledged "budget discipline" to produce ongoing surpluses.

Simply put, Labor is promising to dismantle all remaining obstacles to the increased exploitation of labour, including those remnants of labour laws that restrict, in any way, employers' drive to increase productivity and profits. This will require further slashing public spending on social services and welfare programs vital to the wellbeing of millions of working people.

Swan also signalled cuts to corporate tax, claiming that

research recently released by the Business Council of Australia revealed that Australia was the "highest taxing country in terms of our total corporate tax take". While admitting "the surge in corporate tax revenues" may be attributed to improved business profitability, he declared "we need to examine other factors that may have resulted in an increased burden for business".

Despite Labor's far-reaching promises during the two-day forum, the corporate elites want more. Many remain highly critical of Beazley's refusal to commit to "draft legislation" on industrial relations reforms prior to next year's federal election.

Australian Industries Group chief executive Heather Ridout commented: "They're drip feeding business on the industrial relations policy, and while they have the right to release it when they want, it is causing concern."

In other words, to gain big business endorsement, Beazley must ditch his rhetoric about "tearing up" WorkChoices and openly commit to retaining and building on Howard's draconian industrial relations laws, which outlaw the right to strike, abolish minimal unfair dismissal laws for many millions of workers and allow employers to dismantle a raft of longstanding working conditions.

Beazley remains reluctant to comply only because he fears such a policy could lead to conflict with the ACTU. For its part, the ACTU opposes Howard's IR laws not out of concern for workers' rights and conditions, but because they give preference to individual, non-union work agreements (Australian Workplace Agreements) over collective bargaining. This serves to undermine the unions' position as the sole labour bargaining agencies.

For now, Beazley is trying to convince big business that Labor, in collaboration with the unions, will be far more effective than the Howard government in implementing its dictates.



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