

# Australia: Support the socialist alternative in the Victorian state election

**Statement of the Socialist Equality Party (Australia)**

**25 October 2010**

The Socialist Equality Party calls on working people and youth to support our campaign for the Victorian state election on November 27 and our candidate Peter Byrne for the Melbourne electorate of Broadmeadows.

The SEP advances a socialist program to fight for the interests of the working class. We oppose the parties of the political establishment—Labor, Liberal and the Greens—and aim to unite working people in Australia and internationally to put an end to the profit system responsible for an unrelenting assault on living standards and jobs, ever-deepening social inequality, militarism and war, attacks on democratic rights, and environmental disaster.

The Victorian election campaign takes place amid an escalating offensive around the world against the social position of the working class. Governments everywhere are seeking to make ordinary people pay the price for the enormous debts and deficits generated by the emergency bailouts of the banks and various stimulus measures in response to the global economic crash of 2008. This global austerity agenda means the permanent reduction of workers' living standards through massive spending cuts on healthcare, education, welfare, pensions, social infrastructure, and public sector jobs and wages.

What began in Greece, where real wages have been driven down by an average of 30 percent, is now the model across Europe and internationally. In Britain, the government is implementing unprecedented cuts, including the destruction of half a million public sector jobs. Already working class resistance is emerging. In France, legislation to raise the retirement pension age by two years has triggered explosive struggles of workers and young people, including high school students.

In Australia, the political coup within the Labor Party in June that ousted Kevin Rudd and installed Julia Gillard as party leader and prime minister was aimed at shifting the government and entire political establishment even further to the right. The manner of Rudd's ousting—behind the backs of his own caucus, parliament and the population as a whole—exposed the fraud of parliamentary democracy. The real decisions on government policy and personnel are made behind the scenes by the corporate elite.

Gillard immediately pledged herself to implementing the pro-market agenda demanded by big business and emphasised her unambiguous commitment to the alliance with US imperialism. She has since promised to commit Australian troops to the brutal neo-colonial occupation of Afghanistan for at least another decade despite the overwhelming opposition of the population.

On assuming office, Gillard received her economic instructions in the "Red Book" prepared by Treasury. For all her minority Labor government's claims to have dodged the global economic crisis, the document emphasised the precarious position of the Australian economy due to the deepening international turmoil. Labor is required to speedily return the budget to surplus by cutting spending while at the same time reducing taxes on corporations. So-called structural budget "reforms" will include severe restrictions on public access to healthcare, including the Pharmaceutical Benefits Scheme, aged care, and welfare payments such as the disability pension.

The severity of these cutbacks takes a particularly acute form in the states, which are responsible for much of social spending, including on health and education. The South Australian Labor government delivered its annual budget in September, unveiling nearly 4,000 job cuts and \$2 billion less in spending over the next four years, affecting schools, hospitals, transport, environmental regulation and other basic services. None of these measures was raised during the state's election campaign in March.

A similar conspiracy of silence now dominates the Victorian election campaign. Neither of the major parties—nor the Greens, who have indicated their willingness to join either a Labor or Liberal government—can openly discuss their agenda after the poll because the overwhelming majority of voters would oppose the drastic inroads they intend to make into living standards. That is why the official campaign is dominated by diversions, "spin" and empty slogans.

## **The Brumby government and the social crisis**

The Victorian Labor government of Premier John Brumby has established itself as one of the most pro-business state governments in Australia. In office since 1999, Labor began by entrenching all the key measures enacted by its predecessor, the notorious right-wing Kennett government of 1992-1999. Since then, it has accelerated its free market agenda, and is now at the forefront of promoting private-public partnerships (PPPs) as a vehicle for the privatisation of public infrastructure and services. Business taxes have been slashed and many corporate sector regulations abolished.

Brumby has also taken the lead in promoting regressive measures aimed at undermining public services including health and education. The state's "casemix" activity-based hospital funding formula, which has driven down public spending and encouraged private health care, is being extended nationally. In education, his government has pioneered various right-wing initiatives such as performance pay for teachers, sacking "underperforming" education staff, and trialling the "Teach for Australia" program—in which unqualified people are sent to teach in working class

areas.

As a result of its policies, the government has presided over escalating social inequality and poverty. While Victoria has long been a key centre of Australian manufacturing, the sector is in deep recession across the country, generating an acute unemployment crisis. Since 2008 a string of factories in Melbourne and regional centres have shut down, throwing thousands of people out of work. Other factories have substantially scaled back production and cut hours and wages. At the beginning of 2009 manufacturing was the largest employer by sector in Victoria. It now ranks third behind health care and social assistance, and retail.

The constant governments and media boasts of continued economic prosperity in Australia are nothing but a cruel joke for numerous working people. Victoria, for example, now has the worst youth unemployment rate of any state—officially 28 percent.

Premier Brumby's own electorate of Broadmeadows is a particularly sharp expression of the social crisis afflicting many working class areas. The unemployment rate stands at 15.9 percent, up from 10.7 percent in the middle of 2009. The real proportion of jobless is far higher than the official rate, with widespread underemployment and many workers simply dropping out of the labour market. Closures or mass layoffs have taken place at Pacific Brands, South Pacific Tyres, Ford, and many car component companies. In every instance, the trade unions pre-emptively suppressed any struggle to defend jobs and conditions.

Broad layers of workers and the middle classes are under enormous financial pressure. The cost of water and electricity is set to rise further in the next period due to the government's privatisation and deregulation agenda. Housing is becoming increasingly unaffordable, with Melbourne among those Australian cities now in the midst of a speculative property price bubble. The median price of a home in the state capital skyrocketed 20 percent between 2008 and 2010, to \$480,000. Those unable to take on a half a million dollar mortgage are forced to compete against each other on the private rental market.

The government has imposed real wage cuts and worsened conditions for teachers, nurses, ambulance paramedics and other public service workers. At the same time, in collaboration with the trade unions, it has ruthlessly suppressed attempts by different sections of workers to fight back. Last year the premier called out riot police to violently confront a construction workers' picket outside the West Gate Bridge project. The incident demonstrated the real target of Labor's decade-long boosting of police numbers and their repressive powers. This entire record has ensured that key sections of business remain committed to Labor's re-election.

Among working people and youth, there is mounting disaffection and outright hostility towards the Labor government. In response, the Greens have rushed to fill the political vacuum and divert nascent opposition into safe parliamentary channels. Loyal to the profit system and the political apparatus that serves it, the Greens have become an integral component of the Australian political establishment. At the federal level they serve as de facto coalition partners with the minority Labor government. Their blanket pledge to vote for Gillard's annual budgets means they are directly responsible for programs they claim to oppose, such as the Afghanistan war, the Northern Territory intervention, the incarceration of refugees, and the Australian Building and Construction Commission.

In Tasmania, the Greens attempted, after the state election there, to form a ruling "grand coalition" with both Labor and Liberal, but then settled for cabinet seats in a Labor government after the conservatives rebuffed their

entreaties. A similar situation will develop in Victoria in the event of a hung parliament. As in Tasmania and Canberra, the overriding priority of the Greens will be to maintain "parliamentary stability" by propping up the deeply despised major parties.

#### **A socialist program for the working class**

The Socialist Equality Party advances the following socialist program as the means for working people to fight to defend their own, independent class interests. These include:

**\* The right to a secure job on a living wage.** To guarantee full employment, with well-paid, satisfying and secure jobs for all, a vast program of public works must be established to improve living standards for the entire population. To help create jobs and allow workers to participate in political and cultural life, the working week must be reduced to 30 hours, with no loss of pay. Those who cannot work—the disabled, the elderly, single parents, and the ill—must be provided with the equivalent of a living wage.

**\* The right of housing.** The running down of public housing must be reversed, new high quality homes constructed, and rents and house payments reduced so that no worker pays more than 20 percent of their income for shelter. Home repossession by the banks must be illegalised.

**\* The right to free access education, health care, and social services.** Billions of dollars must be poured into upgrading, expanding and staffing public hospitals, schools, universities and child care facilities to equip these services with the latest technologies that are freely available to all.

**\* The right to culture and the arts.** Funds must be poured into the arts and culture to give all working people access to theatres, orchestras, cinemas, museums, libraries, public television and radio, and art and music education free of charge or at a nominal fee.

**\* The right to a safe and sustainable environment.** Resolving the climate change crisis is impossible outside of the expropriation of the giant global polluters under the democratic control of the working class. Only then can a rational plan be developed to produce the energy required to meet social need, while protecting the environment. Corporate domination of government policy has produced environmental disasters at many different levels—including industrial pollution afflicting many working class communities. Residents bordering the Tullamarine toxic dump, for example, have had to fight a coordinated government and business cover-up to expose evidence of cancer clusters caused by inadequate safety measures.

The SEP insists that the above rights should be sacrosanct. We reject the claims of the powers that be that there is no money to implement them. The resources exist, but to free them requires the complete reorganisation of the Australian and world economy, so that the wealth created by the working class is used to satisfy the social needs of all. This means a direct confrontation with the agenda and priorities of global finance capital and with the profit system itself.

The SEP advocates the expropriation of the banks and the multi-billion dollar corporations including telecommunications, energy, mining and agriculture—with full compensation to small shareholders—and subjected to the democratic control of the working class. This program cannot be carried out through parliament. We fight for the formation of a workers' government—a government of, for and by the workers—that will, for the first time, permit working people to democratically determine the decisions that affect their lives.

To carry through such a struggle the working class must establish its political independence from all those parties and organisations that seek to tie it to the coattails of parliament and the capitalist state. This requires a conscious political break with the Labor Party and its various accomplices, including the Greens, the trade unions, and various pseudo-left, middle class organisations. The SEP urges the broadest mobilisation of the working class in defence of living conditions and jobs, and the formation of independent local and workplace committees to organise and unify the coming social struggles.

In close collaboration with our sister parties of the International Committee of the Fourth International, the world Trotskyist movement, the Socialist Equality Party fights for the international unity of the working class. We oppose all forms of nationalism and chauvinism. We defend the unconditional right of refugees to asylum and reject the entire reactionary framework of “border protection” promoted by every parliamentary party, including the Greens. We insist that all people must have the unconditional right to live and work in the country of their choice, with full citizenship rights.

The SEP opposes imperialist violence and demands the immediate withdrawal of all Australian and foreign forces from Iraq, Afghanistan, East Timor, and the South Pacific. We likewise oppose the bogus “war on terror” and the antidemocratic legal scaffolding for a police state that has been built up by successive Liberal and Labor governments over the past decade.

The Socialist Equality Party calls on workers and youth to support our campaign. Our candidate Peter Byrne is a longstanding party member, architect and son of a car worker, who stood in the August federal election for the seat of Calwell, which includes Broadmeadows. Due to antidemocratic state electoral laws designed to prop up the two-party system, Byrne will appear on the state ballot without being identified as a candidate of the SEP.

We call for the largest possible vote in Broadmeadows as a conscious stand against austerity, social inequality and war. We call on all those who support our policies to attend our public meetings, assist in and donate funds to our campaign, follow our coverage on the *World Socialist Web Site*, and above all to apply to join and build the SEP.

[Click here for the coverage of the SEP Victorian election campaign](#)

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