

Australia: Thomson's speech fuels political instability

Patrick O'Connor
22 May 2012

Craig Thomson's hour-long address to parliament yesterday, defending himself against allegations of corruption and embezzlement, has only added more fuel to the crisis confronting the minority government of Prime Minister Julia Gillard and the parliamentary apparatus as a whole.

The affair has been dragging on for several years. Thomson was Health Services Union (HSU) national secretary between 2002 and 2007, before being elected to federal parliament as Labor's candidate in the New South Wales seat of Dobell. In April 2009 the Fairfax press published allegations that Thomson had misused HSU funds, paying for prostitutes on a union-issued credit card, making large and unaccounted cash withdrawals, and then using union money to fund his 2007 election campaign. The allegations emerged from within the HSU bureaucracy, where Thomson's equally lavishly paid factional enemies were fighting for control of the union and manoeuvring to secure Labor Party nominations to parliament. (See: "Thomson scandal exposes decay of Australian 'labour movement'")

Thomson denied the accusations and initiated defamation legal proceedings against the Fairfax press in 2009, only to settle the case last year. The issue only became prominent in the aftermath of the 2010 federal election, when neither of the major parties won a majority, reflecting widespread disgust among ordinary people with the entire political establishment. Gillard subsequently negotiated a minority government, dependent on the Greens and independent MPs. With the hung parliament on a knife-edge, Thomson's position suddenly became critical to Labor's ability to remain in office.

The scandal has served as a convenient diversion from the Labor government's May 8 budget, which marked a decisive shift to austerity measures directed against the working class, in line with the program being dictated in Europe and the US by international financial markets. Thomson's address to parliament has also overshadowed Gillard's current trip to the US, focussed on finalising arrangements for a long-term Australian military presence in Afghanistan. The prime minister's meeting with US puppet leader Hamid Karzai

yesterday was relegated to the back pages of today's newspapers, with countless columns instead devoted to Thomson.

The opposition Liberal-National coalition wants to use the issue to bring down the Labor government. Like Gillard, it is seeking to advance a right-wing, pro-business program, centred on sweeping public spending cuts, eliminating welfare programs, and slashing workers' wages and working conditions. But, also like Gillard, opposition MPs are trying to avoid any public airing of this agenda, because it is deeply opposed by millions of ordinary people. Instead, official politics is centred on the Liberals' machinations against Thomson, or any other vulnerable Labor MP they can find.

The opposition's campaign has underscored the extent to which basic legal and democratic norms have been undermined within ruling circles. Liberal Party leader Tony Abbott has demanded of Gillard that she refuse to accept Thomson's vote in parliament, despite the fact that the MP has not been charged with anything, let alone convicted. Abbott's demand for Thomson's removal also flies in the face of the constitution, which specifies removal of MPs only if they become bankrupt or are convicted of a jail sentence of a year or more.

The opposition has already pronounced Thomson guilty. The *Sydney Morning Herald's* Phillip Coorey yesterday noted that the shadow attorney-general, George Brandis, initially warned his colleagues not to issue public statements that could prejudice a potential trial. According to Coorey, this "is no longer a concern for the opposition", and "Brandis recently stated Thomson, who has been charged with nothing yet, had committed crimes." Thomson also told the parliament yesterday: "It should be of great concern to all Australians that the leader of the opposition has said that I am not entitled to the presumption of innocence because I am clearly guilty."

A growing stench surrounds the role of the Liberal Party in the entire sordid affair. Yesterday it emerged that Kathy Jackson, the so-called HSU whistleblower who succeeded

Thomson as national secretary of the union, is pursuing legal action against the MP, with Harmers workplace lawyers providing her with pro-bono services. Harmers is the same law firm currently representing James Ashby, whose allegations of sexual harassment against the former House of Representatives speaker Peter Slipper have removed him from the speaker's position and further compromised the Gillard government's numbers in parliament. It is now known that senior Liberal MPs held discussions with Ashby, a Liberal Party member, before he raised the allegations.

In his speech, Thomson questioned the role of Jackson's partner, Michael Lawler, who is Fair Work Australia's (FWA) vice president. Current opposition leader Tony Abbott appointed Lawler to the post in 2002, when Abbott was workplace relations minister in the Howard government. Earlier this month, FWA issued a long-delayed 1,100-page report into alleged HSU corruption, detailing Thomson's alleged misuse of union funds. "The questions Fair Work has to answer are, what influence did he [Lawler] have in relation to the writing of the report?" Thomson stated. "What influence did he have in terms of the time line that it has taken? What relationship, if any, does he have with the Liberal Party?"

Thomson claimed that his efforts to reform the HSU had created enemies within the bureaucracy, who then worked to frame him in order to bring him down. He accused an HSU official in Victoria, Marco Bolano, of openly threatening to "ruin any political career that I sought" and to set him up "with a bunch of hookers", adding that now suspended HSU national president Michael Williamson later said, "This is the way we deal with people in the Health Services Union when we have problems." Thomson suggested his phone had been hacked and his credit card and driver's licence numbers stolen.

Such a conspiracy cannot be discounted, given the utterly corrupt and unprincipled factional operations that are rife throughout the bureaucratic trade union circles. Thomson's speech, however, left many questions unanswered.

Government-aligned independent MPs Rob Oakeshott and Tony Windsor have indicated they will not support the opposition's demand that Thomson be suspended from parliament. The two other independents, Bob Katter and Andrew Wilkie, have suggested likewise, stymieing, for now at least, Abbott's attempt to force the minority government out.

Concerns are nevertheless growing in ruling circles over the implications of Thomson's speech. The Murdoch-published *Australian* issued an editorial today, "Mr Thomson's account is simply not convincing", which warned that "the stench of scandal will continue to undermine the government's authority and credibility." It added: "The independents need to consider

the viability of the minority parliament."

The *Australian Financial Review* was more forthright. Its editorial, "Nation needs early election", stated that "If this tawdry episode has a silver lining it is that it could flush out the sleaze in Labor, the unions and possibly the Coalition... The best outcome would be a speedy election with a decisive result."

The newspaper expressed concern that Thomson had "cast an intolerable cloud over FWA [Fair Work Australia] because it has now been accused of being part of an elaborate union conspiracy to set up a member of parliament." The FWA is the industrial relations body that intervenes to ban strikes, stoppages and other industrial campaigns and enforce "arbitrated" work agreements that invariably slash jobs, wages and conditions. Held up by politicians, business and the unions alike as the "independent umpire", whose decision has to be respected, any undermining of FWA in the eyes of ordinary workers poses definite dangers for the ruling elite. In reality, it one of the key mechanisms of the capitalist state used to suppress the struggles of the working class.

The Thomson affair also threatens to even further tarnish the public image of the federal parliament. Senior Labor figures have threatened that, in the wake of the opposition's pursuit of Thomson and Slipper, Liberal politicians' private lives are now fair game. In recent weeks, Senator Bill Heffernan has been accused of a homophobic assault on a Liberal Party staffer, Liberal MP Craig Kelly has been referred to a parliamentary investigative committee for allegedly failing to declare company directorships, while a family inheritance dispute involving Liberal frontbencher Sophie Mirabella has been raised in parliament. Labor's leader of the House of Representatives Anthony Albanese even rehashed allegations made in 1978 that Tony Abbott groped a fellow university student.

The increasingly sordid machinations within the federal parliament underscore the immense gulf that exists between the current political setup and the lives and concerns of ordinary working people. The fear within ruling circles is that parliamentary democracy, which is nothing but a fig leaf for the dictatorship of capital, is becoming increasingly exposed at the very point where they require an unprecedented assault on the social position and basic rights of the working class.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact