

# Australian opposition leader under pressure after accusing PM of criminality

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Leader of the opposition Liberal-National coalition, Tony Abbott, is under pressure from within ruling circles to advance a policy agenda in tune with corporate demands after his attempt to oust Prime Minister Julia Gillard through a union scandal collapsed in parliament yesterday.

Abbott accused Gillard of criminal conduct when she served as an industrial lawyer 20 years ago, providing legal advice for the creation of a “slush fund” for a faction within the Australian Workers Union (AWU). He and other senior opposition figures suggested Gillard had breached sections of the Western Australian (WA) criminal code by providing false information to officials (a crime punishable by three years’ imprisonment). The Liberal Party’s parliamentary manager of business, Christopher Pyne, demanded that the prime minister resign immediately.

This followed the publication of previously redacted portions of Gillard’s 1995 exit interview from her law firm, Slater & Gordon, in which she acknowledged writing a letter to the WA Corporate Affairs Commission three years earlier confirming that the AWU Workplace Reform Association was not a trade union and could therefore be registered. The entity had been established by Gillard’s then boyfriend Bruce Wilson, an up and coming union apparatchik at the time, to promote the union election campaigns of Wilson’s factional allies. It was allegedly later used by Wilson and his associate Ralph Blewitt to siphon off \$400,000 in construction company kickbacks for personal gain.

Gillard had previously evaded questions about whether she had ever written a letter vouching for the

bone fides of the association. The prime minister’s office yesterday morning issued a statement insisting that the proof that she had written such a letter was irrelevant. Gillard has always maintained that she did nothing wrong, stating that she merely provided legal advice concerning the registration of the AWU Workplace Reform Association and had nothing to do with Wilson’s subsequent use of the fund. She insisted that informing the Corporate Affairs Commission that the fund was not a trade union was nothing more than a statement of fact.

In other words, there is no clear evidence that Wilson’s association was established in any significantly different way to the numerous other slush funds that are maintained by different factions of the trade union bureaucracy.

Yesterday, in the final parliamentary sitting of 2012, the prime minister suspended normal proceedings to demand that Abbott either substantiate the allegations of criminality or apologise. In the end he did neither. In a 15-minute speech, the opposition leader backed away from the charges of criminal conduct, merely accusing Gillard of being “at the very least a dodgy and unethical lawyer” and of “conduct unbecoming” a future prime minister.

Abbott’s address marked his recognition that he had again failed in his drive to force Gillard out of office and trigger an early election. Sections of the media were scathing in their assessment. The *Australian Financial Review*’s Laura Tingle accused Abbott of being “reckless under pressure,” concluding that “to tie the coalition’s political fortunes to claiming that [Gillard was corrupt], first with no evidence and second

without quietly retreating when the attack started to fail, is both politically reckless and grossly dishonest.”

Ever since Gillard negotiated the formation of the minority Labor government in August-September 2010, winning the backing of the Greens and rural independent MPs, Abbott has attempted to bring down the government through a range of corruption allegations. Official politics in Australia has been dominated over the past year by affairs involving former Labor MP Craig Thompson, the ex-speaker of the House of Representatives Peter Slipper, and the AWU scandal. In every instance, Abbott has failed to win the backing of crucial sections of the ruling elite for his campaign to remove the government. Even the Murdoch press—which has fuelled many of these affairs, especially the “slush fund” accusation, in order to put pressure on Gillard—has repeatedly insisted that the Labor government should serve its full term in office.

For its part, the Gillard government has responded in kind, waging a concerted campaign to paint Abbott as sexist and a misogynist, seeking to paint itself as “progressive,” even as it deepens its assault on the living standards of the working class. All of this is designed to divert attention from the reactionary agenda that the big business insists must be accelerated whichever party is in power, amid a deepening global economic crisis, above all the slowdown in East Asia and sudden end to the mining commodity price boom.

Abbott has refused to push the Gillard government on implementing European-style austerity measures, boosting productivity and accelerating the drive for lower real wages. Instead, he has sought to make a “populist” appeal to the widespread opposition to the spending cuts and pro-business measures implemented by Labor. When shadow treasurer Joe Hockey delivered a speech in April declaring an end to the “age of entitlement,” with the entire welfare state to be abolished, Abbott repudiated his senior colleague and condemned the government for undermining so-called middle class welfare. Abbott has similarly refused to heed big business demands for an alternative industrial relations agenda, involving further attacks on workers’ entitlements, conditions, wages and ability to take industrial action.

On some key issues, the Abbott-led opposition is simply at odds with powerful sections of big business and finance capital. On education, for example, the Liberal-National coalition has recently attacked the government’s NAPLAN and MySchool standardised testing regime that is being used to promote school privatisation and the subordination of children’s education to the productivity demands of business. On the carbon tax, Abbott’s populist scare campaign has fallen flat, as business has swung behind the government’s policy, now that it is in operation. Businesses subject to the tax have been heavily compensated by the government, while the banks and financial markets are keenly anticipating the integration of the Australian emissions trading market into the lucrative European carbon credits market.

The Labor government is promoting itself as the most reliable and ruthless representative of the Australian bourgeoisie, against the Liberal-National coalition, which is rent by divisions, based on its dependence on rival sectional business and agricultural interests. Abbott’s performance over the “slush fund” affair has brought the opposition’s crisis to the surface. He has this week pledged a “reboot” over the summer break, with new “positive” policies to be announced early next year. His ability to remain as opposition leader is likely to depend on whether the corporate elites assess his new policies as sufficiently credible and far reaching.



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