Australian Senate pushes through budget appropriation bills

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In the face of intense public opposition to the Abbott government's budget, not a single vote was cast against its core appropriation bills when they passed through the Australian Senate last week. The vote was virtually buried in the mass media, so as to keep working people in the dark as to the significance of what occurred.

While the opposition Labor Party and the Greens pledged to oppose specific budget measures, mostly contained in separate legislation, they insisted that the budget's central provisions must pass to avoid a constitutional and political crisis. They all agreed that calls to "block the budget" must be firmly rejected.

The vote, conducted last Wednesday morning, underscores how Labor and the Greens are falsely posturing as opponents of the budget's harshest measures in order to keep the mass hostility that the budget has provoked confined to the parliamentary arena.

A set-piece "debate," which lasted barely two hours, was littered with references to unprecedented "community anger" over the budget's assault on welfare entitlements and sweeping cuts to health, education and other social programs.

Despite holding a majority in the retiring Senate, which expired on June 30, Labor and the Greens assisted the government to get the package of five bills through parliament just before handing over to the new Senate elected at last September's federal election.

The passage of the appropriation bills does not end the political impasse over the budget. Spending cuts worth an estimated $11.4 billion in 2014–15 still face defeat, imperiling the government's budget strategy as a whole unless the government strikes bargains with an array of minor party senators elected last September, including the Palmer United Party of mining magnate Clive Palmer, a right-wing populist.

Pushing the bills through, however, ensures that the Abbott government remains in place, for now, and can pursue the underlying agenda of the corporate elite. The bills rubberstamped by the Senate include substantial cuts to public sector jobs and services, particularly in education, vocational training, public hospitals, housing and the public broadcasters, the ABC and SBS. They also commence the slashing of health and education funding to the states by $80 billion over 10 years.

Significantly, although not a single senator mentioned this, the appropriation bills feature an acceleration of military spending in order to meet the commitments given by this government, and its Labor predecessor, to play a central part in the Obama administration's preparations for war against China.

While declaring that there is "no money" to pay for pensions, welfare benefits, healthcare and education, the Abbott government is boosting defence spending by $9.6 billion over the next four years, on top of a $9.9 billion increase announced by the Gillard Labor government in last year's budget.

Much of the rise is due to purchases of war planes, ships and other military hardware, and base expansions in Australia's north and west to meet Washington's requirements for Australia to become a strategic platform for a confrontation with China.

Annual military spending will soar by nearly 20 percent to $27.6 billion by 2017–18—just below the total federal education budget of $32.7 billion.

During the debate, opposition senators warned of public outrage over the budget. South Australian Labor Senator Anne McEwen reported that anger had "bubbled up and spilt off the pages" of regional newspapers in her state. "It was unlike anything I had seen before in South Australia," she said. Greens leader Christine Milne noted: "We have people ringing our

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offices constantly, telling us about the hardship that they are experiencing because of this budget."

But the central thrust of their speeches was that the Senate must not block the budget. After describing the annual appropriation bills as the "core of any budget," Labor's former finance minister, Penny Wong, declared: "Consistent with longstanding principles, the opposition will not oppose the passage of these appropriation bills."

Wong primarily criticised the government for allegedly sending the wrong message to the international financial markets, and damaging business and consumer confidence, by talking about a budget "emergency."

Another Labor Senator, Catryna Bilyk from Tasmania, further spelled out Labor's pitch to the financial elite—that Labor could more effectively implement its demands for deep-going austerity and cost-cutting. She emphasised that Labor "does accept the need for savings" and repeated Labor leader Bill Shorten's claim to have delivered a total of $180 billion in savings during Labor's six years in office.

Having begun the assault on welfare, including by extending income "quarantining" from Aboriginal communities to other working-class areas and stripping benefits from sole parents, Labor has already promised to support many of the Abbott government's further inroads, including cutting family tax benefits and seniors' health card entitlements.

However, Greens leader Milne was the most explicit in warning of the political dangers posed by a crisis over the budget. After echoing the Labor senators in vowing to vote against the government's "cruel" budget measures, she denounced calls for the blocking of the budget, declaring: "[W]e are not going to cause a constitutional crisis."

Milne specifically raised the spectre of the "major constitutional crisis" in 1975, when the Liberal-National Coalition refused to pass the budget's financial supply bills in the Senate, triggering the dismissal of the Whitlam Labor government by Governor-General John Kerr.

Milne warned that by such actions "far right wingers"—a reference to the Coalition leaders and Kerr—"create instability and uncertainty in the community." While she invoked the prospect of essential services grinding to a halt and public servants going without pay, her comments reflected deeper concerns in the official corridors of power.

In 1975, the anti-democratic removal of the Whitlam government sparked a mass outbreak of strikes and protests in the working class. Whitlam and then trade union chief Bob Hawke had to work might and main, supported by the whole Labor and union bureaucracy, to prevent the development of a general strike. Hawke, who became Labor's next prime minister in 1983, said he feared "the unleashing of forces the like of which we have never seen."

Today the situation is even more precarious for the ruling class. The Labor and union leaders are already despised in the eyes of millions of working people after decades of enforcing a pro-business offensive against jobs and social conditions, starting with the Hawke government. The Greens are also widely discredited after forming a de facto coalition to prop up the minority Gillard Labor government from 2010 to 2013.

Milne made clear that the Greens aim to function as an essential safety valve for popular disaffection. "The Greens are here as a very strong and reliable people in this parliament," Milne stressed, claiming that the Greens would "take it up to this government," as it had done in previous state and federal parliaments.

The Greens and the Labor Party are determined to keep the groundswell of popular opposition to the budget confined to the arena of parliament. Both parties are desperately promoting the illusion that protests, petitions and appeals to various MPs and parliamentary manoeuvres can prevent the implementation of the worst of the budget measures.

Their fear is that the opposition in the working class will begin to move outside the safe channels of parliamentary politics and take a more independent form, posing a threat to the political establishment and the capitalist system it defends.

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