

# NSW election: The fraud of Labor's opposition to privatisation and austerity

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The Labor Party launched its New South Wales (NSW) election campaign on Sunday, at a rally in the Sydney south-western suburb of Campbelltown. The entire affair, presided over by the recently-installed state Labor leader Luke Foley, was a farce and a fraud. It was predicated on the lie that Labor opposes privatisation and austerity cuts to public health, education and other services.

Foley's speech plumbed new lows in dishonesty. He asserted: "[F]or NSW Labor, the last four years has been a journey back to the people, a journey back to our origins." He declared: "Labor will keep our electricity network in public hands." He made various promises to improve access to childcare and health services and criticised cuts being imposed by the federal Liberal-National government.

Foley attempted to cover up the record of successive Labor governments, both at the federal and state level. The trade unions are doing the same, with nationwide protests on March 4, which, in NSW, are little more than campaign rallies for the re-election of Labor.

Workers should recall what those in attendance at Sunday's campaign launch carried out, including former Labor Prime Minister Bob Hawke and ex-NSW Labor Premiers Bob Carr and Kristina Keneally, along with current federal opposition Labor leader Bill Shorten.

From 1983 to 1996, the Hawke and Keating governments epitomised the transformation of the Labor Party. Under the impact of globalised production, it repudiated any claim to be able to reform capitalism in the interests of the working class. Labor set in train wholesale privatisations, the destruction of working conditions and the undermining of wages to make Australian corporations "internationally competitive." That record has been viewed ever since

by the corporate elite as the model for pro-market restructuring.

In NSW, the state Labor government, which lasted from 1995 until it was thrown out of office in 2011, was a ruthless pro-business administration that presided over a vast growth of social inequality. Nowhere was this more so than in Sydney, as property prices soared and took home ownership out of reach of young working-class families. Labor was notorious for its relations with investment houses and corporate developers. When Bob Carr resigned as premier in 2005, he took a \$500,000 a year "part-time" position with Macquarie Bank, which greatly benefited from Labor's privatisations and private-public partnerships.

Foley's claim that the Labor Party opposes privatisation is absurd. After promising in the 2007 election it would not sell assets, the Labor government proceeded to privatise the retail and generator sections of the power industry. All the Liberals have left to sell are the poles and wires. State Labor governments also worked with their federal counterparts under Rudd and Gillard to impose the NAPLAN performance ranking system in the schools and "efficiency pricing" cost-cutting in hospitals—both of which are designed to promote private schools and hospitals at the expense of the public systems.

Foley's demagoguery about Prime Minister Tony Abbott's cuts was no less cynical. Bill Shorten and federal Labor, along with the Greens, voted for the budget appropriation bills last year that slashed \$80 billion from education and health funding over the next decade. Before it lost power in September 2013, the federal Labor government initiated sweeping cuts to public sector jobs, raised the retirement age to 67, cut single parent benefits, tightened eligibility for disability support pensions and stepped up the persecution of the

unemployed. Its Fair Work industrial relations legislation enabled employers, in collaboration with the unions, to continue to push growing numbers of workers into casual, part-time and contract jobs.

If Labor were still in office in Canberra, it would be seeking to slash spending no less than the Liberals. In his first official statement this year, Labor's treasury spokesperson Chris Bowen, who was sitting in the audience of the NSW election launch, declared that "Santa Claus politics" were over and Labor would impose "tough decisions... which won't be universally popular."

Following the 2007 election in NSW, the state Labor government underwent a succession of leadership changes that did nothing to revive its standing. Kristina Keneally led the party to a debacle in the 2011 election, at which it received its lowest share of the vote since 1904. Most significantly, it lost working-class electorates it had held for decades.

The only reason that Labor can even hope to regain office is because of the crisis of leadership and perspective in the working class.

Many workers are angry over the conditions they face. There is widespread opposition to corporate demands for the slashing of social welfare, the reduction of penalty rates and wages, and cuts to health and education. Global tensions and instability, and the eruption of conflict and war, are generating immense concern. The attack on democratic rights, on the pretext of terrorist threats, is viewed with suspicion by large sections of the population.

The alienation has led to unprecedented volatility. The recent Victorian and Queensland state elections saw first-term Liberal governments thrown out and Labor re-elected. A factor in both results is the hostility in the working class toward the austerity policies of the Abbott government, which is staggering toward becoming the first one-term federal administration since 1931.

The return of Labor, however, is not a step forward in any way for the working class. In both Victoria and Queensland, Labor is simply continuing with the agenda of the financial and corporate elite. In NSW, if Labor is elected on March 28, it will likewise take up the pro-business agenda where the Baird Liberal government left off.

The source of the relentless attacks on the social and

democratic rights of workers is not the personalities of individual politicians, but the failure of the profit system on a world scale. It is incompatible with the interests of the vast majority of the population. Pro-business governments everywhere are seeking to make the working class pay for the economic breakdown that began in 2008. Only a tiny layer of the ultra-rich has benefited—its wealth has soared alongside growing poverty and unemployment.

In order to fight for its own interests, the working class has to establish its political independence from Labor and the trade unions, and all those who defend capitalism, which includes the Greens and various pseudo-left organisations and single-issue protest groups.

The Socialist Equality Party's campaign in the NSW election is aimed at building a new political leadership based on a socialist perspective. The only way to end the assault on living standards and democratic rights and the dangers of war is to end the source of the global crisis—the capitalist system and its outmoded nation-state divisions.

We urge workers and young people to carefully read our NSW election statement and contact the SEP about our history and program and how to apply to join.

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