

Australian Labor leader delivers pitch to big business at party conference

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Australian opposition leader Bill Shorten yesterday opened the Labor Party's three-day conference with a speech centrally aimed at winning the backing of key sections of the ruling elite by pledging to enforce "tough" pro-business policies, including cuts to public spending.

Ahead of a federal election due to be held by next year, Shorten is seeking to capitalise on the widespread frustration of big business and finance capital with Prime Minister Tony Abbott. The government has proved unable to fully implement the demanded austerity regime, involving US- and European-style cuts to wages, working conditions, and spending on basic social services such as health and education. Shorten has pledged that if he is installed as prime minister the Labor Party, working closely with the trade unions, will be able to accomplish what the Abbott government has not.

After saying that "the Liberals have got our economy wrong—they have damaged confidence [and] doubled the deficit," Shorten declared, "Labor understands fiscal responsibility."

"We are prepared to make hard choices, and back fair savings," he continued, adding, "Modern Labor believes in the operation of markets, in competition and profits." He denounced "the politics of soft options," adding that "boosting productivity" was "hard economics."

The Labor leader did not offer any detail of what he meant by "hard choices," "hard economics" and "fair savings"—all euphemisms for austerity.

Shorten is acutely aware of the hostility within the working class towards any cuts to public services, and is similarly sensitive to the disgust with which the Labor Party is viewed by ordinary people. His own standing in the polls has slumped to record lows. He

began his speech yesterday by referring to a "restless moment in our national mood"—an oblique reference to the bitter anger with the entire parliamentary setup.

Speaking out of both sides of his mouth, Shorten attempted to appeal to public opposition to the Abbott government's right-wing policies, including cuts to Medicare, pensions, and the university system. He insisted that "never has the contrast between us and our opponents [in the Liberal Party] been more clear."

In reality, there is bipartisan agreement between the major parties on every significant issue, above all, the need to drive down working-class living standards to maintain Australian capitalism's international competitiveness amid a deepening global economic crisis. Labor has already given bipartisan support to key spending cutbacks in this year's and last year's budget.

Shorten's speech coincided with a public warning issued by the New York-based Standard & Poor's that maintaining Australia's AAA credit rating required more "conservative budgetary policies," that is, deeper cuts.

Only tactical issues on how austerity is to be carried out separate the Labor and Liberal parties. Shorten emphasised the role of the trade unions in enforcing the dictates of big business. He pointed to his own record as the former chief of the Australian Workers Union, which has enforced savage wage cuts in its deals with business (see: "Australian Labor leader defends 'modern' union deals to boost corporate profits").

Shorten declared, "We work with business, we understand the mutual interests of employers and employees. We are builders of consensus, and practitioners of co-operation... A Labor government will work with businesses and unions to look after workers affected by modernisation—helping with re-training and re-skilling for new opportunities in new industries, as

Australians find new ways to live.”

The fraud of these pledges was graphically revealed yesterday by a striking coincidence. The Labor Party conference was held in one wing of the Melbourne Convention Centre, while another room in the building was used yesterday to host a “careers expo” for several hundred General Motors Holden auto workers. They are among the tens of thousands of workers who are having their livelihoods destroyed with the elimination of the Australian car industry that is being enforced by the trade unions, with the Labor Party’s backing. Bogus promises of “retraining” are being used to prevent the emergence of any opposition among car workers to the destruction of jobs.

Revealingly, neither Shorten nor any other Labor figure mentioned the destruction of the car industry. Their utter indifference to the unfolding social catastrophe in working-class communities only underscores the Labor Party’s hostility to the interests of working people. Shorten heads a political party that is in reality nothing but a hollowed-out bureaucratic machine that serves the interests of the ultra-wealthy elite.

Shorten wrapped his entire presentation in reactionary nationalist colours under the slogan “Advance Australia,” declaring his determination to fight for “Aussie jobs”. The Labor leader also foreshadowed a chauvinist anti-Chinese public campaign over the government’s free trade agreement with Beijing, in part as a sop to the trade unions. He also insisted that the navy’s new submarines had to be constructed in Australia.

The Labor conference is today discussing the party’s refugee policy. Shorten previously declared support for the Abbott government’s policy of ordering the military to conduct secret operations forcibly ejecting refugee vessels from Australian waters, in blatant violation of international law.

The so-called Labor “left” faction has made a show of opposing this measure at the national conference. The “debate” is nothing but a farce from start to finish. The *Australian* reported today that the Labor shadow cabinet had already signed off on the new refugee policy.

The previous Rudd-Gillard Labor governments went far further than its Liberal predecessor in attacking the basic rights of refugees to flee persecution and claim

asylum, reinstalling brutal refugee camps in Nauru and Papua New Guinea while denying detainees the opportunity of ever settling in Australia. The unions, the Labor “left” and their pseudo-left accomplices continued to support the government as it did so. These forces are now posturing as supporters of a more “humane” policy only in a desperate attempt to placate widespread revulsion against the barbaric treatment of asylum seekers, packaging Labor as a more progressive or at least a “lesser evil” alternative to the Liberal Party.

Shorten, however, is using the refugee issue as a symbolic means of demonstrating to the ruling elite his determination to shift Labor policy even further to the right. This orientation, rather than Shorten’s “progressive” gestures—calling for more women as Labor conference delegates and an environmental policy based on more renewable energy—will dictate Labor’s program and policies.

Nevertheless, the media response to Shorten’s speech was critical. An editorial in the *Australian* today called for policies to boost productivity and growth and called on Labor to “detail how it will repair the budget.” While Shorten’s pledges to fiscal responsibility have been noted, a greater commitment to austerity is being demanded.



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