

# Australian Labor leader makes a cynical populist pitch

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With an election due in Australia this year, each major party is gearing up for the campaign. A new sense of urgency and crisis has been injected by Prime Minister Malcolm Turnbull's moves last week to trigger an early "double dissolution" poll for all seats in both houses of parliament on July 2.

Opposition leader Bill Shorten laid out the broad outlines of the Labor Party's campaign in an address to the National Press Club on March 15. The speech centred on a cynical populist appeal to win over disenchanted voters by condemning the Liberal-National Coalition for ruling in the interests of the wealthy elite at the expense of working people.

The remarks were delivered in a wooden monotone that speaks volumes about Shorten's indifference to, and ignorance of, the lives and concerns of workers and young people. While he was at pains to stress his working-class roots, Shorten inhabits the same affluent world as the former merchant banker Turnbull. Trained as a lawyer, Shorten chose the trade unions as his stepping stone to a political career, rising to the top of the well-paid Australian Workers Union (AWU) bureaucracy as its national secretary.

Every aspect of Shorten's speech smacked of hypocrisy and contempt for voters. "Many people are feeling the rough edges of economic change," he declared. "Whole regions and the communities built around them have their backs to the wall. Family budgets are feeling the strain of flat wages, rising living costs and harsh government cuts. Despite a quarter century of economic growth, inequality in Australia is at a 75-year high. More and more Australians from all walks of life, and every field of endeavour lack security of work. More and more of us worry what our children will do in the future."

Every sentence stands as an indictment of the Labor

governments that have been centrally responsible for the social crisis facing working people. Between 1983 and 1996, Labor prime ministers, Bob Hawke and Paul Keating, presided over the greatest redistribution of wealth from the working class to the richest layers of society in history. As the share of wages in national income fell from a high of 62.4 percent in 1975 to 56 percent in 1992, the share of income of the wealthiest 1 percent of taxpayers nearly doubled.

Business commentators today laud the Hawke-Keating governments as the golden age of pro-market reform, during which the Australian economy was opened up and deregulated, the wave of privatisations was initiated and deep inroads were made into working conditions, social services and living standards.

Shorten and the Labor Party are now proposing very modest changes to taxes on superannuation contributions and to "negative gearing" for property investors—measures that have been rorted by the wealthiest layers of society. However, the most significant changes to the tax system that benefitted the rich took place under the Hawke-Keating governments. They slashed the corporate tax rate from 49 to 30 percent and the top marginal income tax rate from 60 to 49 percent. Labor is not going to reverse these changes.

Under Hawke and Keating, the trade unions were instrumental in suppressing the resistance of workers and imposing corporate dictates—a role that continued under subsequent Coalition and Labor governments. As AWU national secretary, Shorten was involved in imposing enterprise agreements on some of most poorly-paid sections of workers—such as cleaners—that eliminated penalty rates—that is, higher pay—for weekend, public holiday and night shifts.

In his National Press Club address, Shorten repeated the mantra that Labor will be for "jobs, health and

education.” He pledged that a Labor government would guarantee “full employment” with “every Australian working to his or her full capacity.” He later clarified that he did not mean jobs for all, but rather reducing the jobless rate to 5 percent—meaning hundreds of thousands would still be out of work.

Previous Labor governments in collusion with the trade unions have presided over the devastation of the Australian manufacturing industry and the destruction of hundreds of thousands of jobs. As employment and workplace relations minister in the Labor government led by Prime Minister Julia Gillard, Shorten collaborated with the unions to set in train the closure of the entire car industry in Australia.

Under conditions of a sharp reversal in the Australian economy precipitated by the collapse of the mining boom, a Labor government is not going create full employment but will deepen the assault on jobs and essential social services such as health and education. Shorten signalled to big business that he is fully committed to its austerity demands. He declared Labor had a “clear, costed, responsible plan,” emphasising that, “I do not see budget repair as an optional extra.”

Shorten lambasted Turnbull for caving in to the right-wing agenda of Tony Abbott—the man Turnbull ousted as Liberal Party leader and prime minister last September. “In the last six months the Liberals have changed their rhetoric, leader, etc., but not their mind. Their hit list remains intact,” Shorten declared, pointing to new moves being made to undermine Medicare, education and welfare services.

All the regressive measures carried out by the Abbott and Turnbull Coalition governments were begun under the previous Labor governments of Gillard and Kevin Rudd. In 2012–13, its last year in office, the Labor government carried out the biggest reduction in public spending on record—slashing it by 3.2 percent in real terms. The cuts fell most heavily on education and health care, despite rising student and patient numbers, as well as welfare.

The Gillard government targeted some of the most vulnerable layers of the working class, stripping single parents of parenting payments and forcing them onto poverty-level Newstart unemployment benefits. As employment minister, Shorten opposed any increase in Newstart payments, declaring that the employed might “no longer have an incentive to work” if they were not

in desperate poverty.

One final point is worth noting. Throughout his National Press Club speech, Shorten declared again and again that he led a united Labor Party, in contrast to the evident turmoil of the ruling Coalition, which is torn by infighting between Abbott and Turnbull. It is an attempt to obscure the upheavals of the Rudd/Gillard years in which Shorten played a central role.

In 2010, Shorten was one of the handful of factional powerbrokers, later exposed by WikiLeaks as “protected sources” of the US embassy, who orchestrated the overnight inner-party coup that ousted Rudd and installed Gillard. Rudd had earned the enmity of Washington by calling on the US to accommodate China when the Obama administration was preparing to aggressively confront China. Shorten fully backed Gillard as she supported Obama’s “pivot to Asia” and integrated Australia into the Pentagon’s war plans. He switched sides at the last minute in June 2013 to reinstall Rudd in a desperate attempt to minimise the landslide against Labor in the September election.

Absent from Shorten’s speech was any reference to the extreme tensions in Asia produced by the accelerating US military build-up in the region again China. Labor is once again coming to the fore as the party of war, with Labor’s defence spokesman, Stephen Conroy, berating the Turnbull government for failing to follow the US in militarily challenging Chinese claims in the South China Sea.

The speech is a sign of what is to come in this year’s elections—whenever they are held. With his phony populist rhetoric, Shorten is preparing for another campaign of hypocrisy and lies to cover up the Labor Party’s real agenda—austerity and war.



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