

Australian Labor and union leaders seek to head off workers' discontent

Mike Head
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With the Liberal-National government wracked by infighting, the Labor Party and trade union leaders are anxiously trying to reverse their own hated reputations in the eyes of workers and push for the return of yet another pro-business Labor administration.

One year after it barely survived last July's election, the Turnbull government is showing signs of imploding, unable to impose the full assault on education, healthcare, welfare and other social spending demanded by the corporate elite. Key measures remain stalled in parliament because of MPs' fears of the deep popular hostility toward them.

The problem for the Labor and union bureaucrats, however, is that the disaffection throughout the working class extends to them as well because of the role they have played over the past four decades in enforcing an escalating offensive on jobs, wages and social and working conditions.

It was in the context of this intensifying political crisis that Labor Party leader Bill Shorten addressed an Australian Council of Trade Unions (ACTU) 90th anniversary dinner last week. He pledged to overturn the Fair Work Commission's (FWC) recent cut in workers' Sunday penalty pay rates and "reverse the tax cuts for millionaires."

Shorten displayed breathtaking hypocrisy. A key minister in the last Labor government, from 2007 to 2013, he was the author of the FWC's mandate to slash the wages of 700,000 of the country's lowest-paid workers in the retail and hospitality industries—a cut that began to take effect this July 1.

Earlier, as Australian Workers Union national secretary, Shorten led the way as the unions worked hand-in-glove with major employers, including contract cleaning firms and the big supermarket chains, to impose enterprise agreements that tore up penalty rates.

Vying for business support during last July's election, Shorten vowed that a Labor government would implement whatever penalty rate ruling the FWC handed down. Despite populist pitches about defending health care and education, Labor's lower house vote at that election remained at 34.7 percent—its second lowest level in a century—even though the Liberal-National government suffered a heavy swing.

As for millionaires' taxes, the previous Labor governments of Bob Hawke and Paul Keating outdid any other government in reducing the super-rich's tax rates, both for income and company taxes. Shorten himself has opposed a push by some in the Labor leadership for a token "Buffett rule," ostensibly designed to ensure that millionaires pay at least 30 percent income tax.

Now, by adopting more demagogic vows on penalty rates and taxes, Shorten is calling on the unions to step up their efforts to revive Labor's fortunes. He framed his address to the ACTU as a "call to arms" for the union movement, declaring: "Every Australian unionist has to pass on better conditions to the people that come after them."

With real wage levels continuing to fall and the share of income going to workers already at the lowest recorded since World War II, Shorten is trying to rewrite history and peddle illusions that a union-backed Labor government will not deepen the corporate offensive.

Shorten's duplicity was matched by Wayne Swan, who was the last Labor government's Treasurer from 2007 to 2013, and Deputy Prime Minister from 2010 to 2013. During those six years, he was at the heart of Labor's bail out of the banks, finance houses and major corporations after the 2008 global crash, at the expense of the working class.

Addressing the ACTU's organising conference, Swan postured ludicrously as an opponent of inequality. "In Australia over the past 40 years the rich have taken the lion's share of the benefits of growth," he stated.

What he did not say was that the Labor governments from 1983 to 1996 and 2007 to 2013, working closely with the unions, contributed most to the massive redistribution in favour of the wealthy.

Swan, who still sits in parliament, warned of potential political explosions. "Inequality," he stated, "has rendered politics polarised and dysfunctional, leaving many with the view there is little they can do to improve their lives."

In effect, Swan pleaded for a more "progressive" face to head off the working class disaffection. He supposedly "defied" Shorten by reiterating the call for a Buffett tax to help "make the tax system more progressive."

Fresh from a trip to the US, Swan tweeted a photo of himself with former US Democratic Party presidential contender Bernie Sanders, with the caption: "Our Revolution is not just for America. Talking global politics & our visions for a fairer society with @SenSanders #ProgressiveAlliance."

Sanders' "revolution" consisted of posing as an opponent of Wall Street in order to draw young people, in particular, back into the arms of the Democratic Party, only to ultimately endorse Hillary Clinton. Her nomination, as the open favourite of the financial elite and the Pentagon, assisted Donald Trump to win the US presidency by posturing as a political outsider.

The fraudulent character of the talk of "revolution"—which claims that the US Democrats and the Australian Labor Party, two parties of big business, can be transformed in favour of working people—was underscored when Swan also held talks at the International Monetary Fund, one of the primary enforcement agencies of global finance capital.

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ACTU secretary Sally McManus, who was installed in the union movement's top post in March to give it a new "militant" face, put on a desperate performance. She told the ACTU gathering that unions had "made things better for working people, for all Australians" by "saying no to the greed of the few for a long time."

McManus then contradicted herself stating:

"Inequality is at a 70-year high. Wage growth hasn't been this low since records started being kept... 40 percent of the workforce is in insecure work. A generation of people do not know what it is like to have a paid sick day or holiday... Our minimum wage does not keep people out of poverty... The richest 1 percent of Australians owns more wealth than the bottom 70 percent of Australian citizens combined."

From now on, McManus insisted, the unions would say "no" to pay cuts, bullying, sackings, unsafe conditions, privatisation and longer working hours.

But none of the attacks she itemised would have been possible except for the unions. They have policed every aspect of the process, which has accelerated since the ACTU imposed its corporatist Accords with the Hawke government during the 1980s to suppress the resistance of workers, all in the name of making Australian employers "globally competitive."

The ACTU's ongoing collaboration with the employers and government has driven down strike levels to historic lows and triggered a historic collapse in union membership, from almost 50 percent of the workforce in 1983, to just 15 percent, according to the Australian Bureau of Statistics.

Knowing that Shorten and the Labor leaders are widely loathed in the working class, McManus made no mention of a future Labor government. However, her rhetoric was clearly focused on returning Labor to office in partnership with the unions.

McManus was silent about the ACTU's promotion of nationalism and anti-immigrant chauvinism through its campaigns against foreign workers entering Australia on temporary visas. Nor did she say a word about the peak union body's total support for Labor's military alignment with the United States against China.



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