

# Australian Labor Party leader offers false hope of “fair go” in budget reply

Mike Head  
5 April 2019

Bill Shorten, the Australian Labor Party leader, made a cynical pitch of “fairness” in his budget reply speech in parliament last night, combined with assurances to big business that a Labor government would take the “hard decisions” needed to deal with worsening “global shocks.”

Acutely aware of seething working class discontent towards the entire political establishment, Shorten sought to promote the illusion that the same corporate profit system that has produced unprecedented levels of social inequality can be reformed to make it less brutal.

With the Liberal-National Coalition government about to call an election, Shorten used the word “fairness” no less than 16 times in his half-hour presentation, capped off by labelling Labor’s policies a “Fair Go Action Plan.”

Based on the same, completely unreal, 10-year economic projections as the Coalition, Shorten made bogus promises that Labor would not only outspend the Coalition on every social program, from health and education to disability services, but would also cut income taxes and boost wages for working class households.

At the same time, however, Shorten committed a Labor government to producing bigger budget surpluses than the Coalition because of the “foreboding we see in the global environment.” He referred to just some of the crises wracking world capitalism: “Brexit, trade wars, the write-downs in global growth, the massive increase in global debt, the drop in the 10-year bond yields.”

This is a warning. Once the election is out of the way, whichever party heads the next government will unleash a new wave of austerity and profit-boosting measures to make the working people pay for the developing slump.

Feigning concern for the poorest members of society, Shorten offered to extend the Coalition’s token income tax cuts to the 2.9 million workers earning less than \$40,000 a year. For most it will amount to about \$7 a week, barely enough for a cup of coffee. It will do nothing

to reverse the impact of the soaring cost of living, falling real wages, insecure casualised employment and plunging house values.

For all the rhetoric about fairness, Labor matched the government’s callous policy toward welfare recipients, particularly the 700,000 unemployed workers trying to live on the sub-poverty Newstart allowance. Like the government, Labor has refused to increase the rate of less than \$40 a day, which is intended to coerce jobless and under-employed workers into cheap labour.

Nor did Shorten oppose the government’s plan to gouge \$2.1 billion out of welfare recipients over the next five years by yet another Centrelink “data matching” crackdown on people trying to augment their pitiful benefits by working in low-paid casual, temporary or part-time jobs.

Most of Shorten’s promises simply recycled, in slightly expanded terms, programs implemented by the last Labor government of 2007 to 2013, in which he served as a senior minister and powerbroker. After bailing out the banks and finance houses during the 2008-09 global financial crisis, that government presided over deteriorating schools, hospitals, social housing and other basic services.

Shorten cynically sought to exploit the suffering of disabled people and their carers under the National Disability Insurance Scheme (NDIS) that the last Labor government introduced. By denying or delaying access to assistance packages, the NDIS “underspent” about \$3 billion this financial year and will do the same next year—almost totalling the government’s projected \$7.1 billion surplus for 2019–20.

Shorten made no promise of extra funding to reverse this cut, however. Instead, he offered to lift a cap on NDIS staffing, as if that were the only problem. Labor would “get the NDIS back on track,” he declared. But the NDIS itself, for which Shorten was the first minister in

2007, is based on privatising and outsourcing disability services to profit-driven companies and NGOs, which are desperately competing for government contracts by offering lower costs.

No less cynical was Shorten's "Medicare Cancer Plan" to allocate \$2.3 billion over four years to supposedly "slash out-of-pocket costs for cancer patients." This deliberately vague pledge includes an undertaking to extend Medicare cover from 200 MRI scanning machines to 600. This is reminiscent of similar empty promises made by the last Labor government.

Just as fraudulent is Labor's bid to make the election a "referendum on wages." Real wages have fallen since 2012, while corporate profits and the fortunes of the billionaires have soared. Shorten spoke about restoring weekend penalty pay rates for hospitality workers, ending "sham contracting" and changing the "minimum wage" to an unspecified "living wage." But he assured the corporate elite that Labor would consult with employers and other "stakeholders" before making any move.

Shorten was careful to include in his speech Labor's pledge to increase military spending to 2 percent of gross domestic product. This is in line with commitments made to Washington to bolster Australia's readiness for a war against China or any other power that threatens US global hegemony. Already, the annual military budget has risen to almost \$40 billion, nearly double the money spent on Medicare.

The key to understanding Shorten's dual pitch to business and workers lies in the anxious appeal that he and other Labor and trade union leaders issued at last December's Labor Party conference. They warned of explosive political disaffection that went far deeper than the disintegration of Prime Minister Scott Morrison's faction-racked government.

At that conference, Shorten declared: "Our deeper opponents are distrust and disengagement, scepticism and cynicism." Labor had to "restore meaning to the fair go" in order to "breathe new life" into "the idea that government has the power to bring meaningful progress into people's lives."

Labor had to hold out the "hope" of reducing the worsening inequality, job destruction and social devastation that millions of working people have experienced for decades.

Only a Labor government, Shorten warned, could deliver the "unity" and "discipline" that the existing social order would need to survive the coming "global shocks" and "economic uncertainty." Shorten repeated

this message, almost word for word, in his budget reply.

With the Liberal and National parties in turmoil, significant sections of the ruling class are moving toward backing a Labor government to stifle and suppress the brewing unrest in the working class. At last night's "Labor Business Forum" budget reply night function, more than 500 corporate executives and lobbyists paid up to \$1,700 to have dinner with Shorten and the shadow ministry or join the post-speech festivities at Canberra's Convention Centre.

Among those represented were the Australian Banking Association, the Australian Hotels Association, Virgin Australia, Johnson & Johnson, Amex, Carlton & United Breweries, Ola and Blackmores.

In a recent interview with the *Australian*, Shorten specifically invoked the record of the Hawke and Keating Labor governments of 1983 to 1996. Working closely with the trade unions, these governments spearheaded the imposition of the global corporate agenda of deregulation, privatisation and destruction of full-time jobs and working conditions.

Shorten praised Bob Hawke's "consensus and connection with the electorate" and Paul Keating's "forensic advocacy" of policy. This won praise from the newspaper, whose editorial hailed Hawke and Keating as "excellent models of action."

The praise is not surprising given that the Hawke and Keating governments presided over the largest redistribution of wealth in history to the richest layers of society. Far from delivering a mythical "fair go," a Shorten Labor government backed by the unions would continue the assault on the social position of the working class.



To contact the WSWP and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**