

# Australian Labor Party leader steps up pitch to big business

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Anthony Albanese, who was installed unopposed as Labor leader after the party's disastrous May 18 election defeat, went even further in setting out the party's pro-business drive in an "economic vision" speech delivered in Brisbane last Friday.

Attacking the Liberal-National Coalition government from the right, for not doing enough to boost business and extract greater productivity from the workforce, Albanese declared: "I want to see business confidence restored and investment renewed." He accused the government of being "asleep at the wheel" and presiding over a "productivity recession."

Albanese lauded the Hawke and Keating governments of the 1980s and 1990s for their pro-market restructuring, which destroyed the jobs and conditions of millions of workers in the interests of the financial elite, and he committed Labor to implementing the next wave of such "reform."

"Labor has learned the lessons from our recent mistakes," Albanese said, reiterating the junking of Labor's phony pre-election populism that claimed a Labor government would give a "fair go" to workers against the "big end of town."

Significantly, like his first "vision" speech last month, which called for a refashioning of workplace relations to fit the new "gig" economy of casualised labour, Albanese's speech was delivered to a carefully-selected audience.

Last month's address in Perth was made to business executives, convened by the Committee for Economic Development of Australia. Friday's event was hosted by Per Capita, a trade union and business-backed think-tank.

In between these two speeches, Albanese refused to attend or speak at Labor's own state conference in Victoria, dodging a staged trade union walkout that reflects the splintering and turmoil gripping the Labor and union apparatus in the wake of the election debacle.

One year before Labor's next national conference, to be held in Canberra in December 2020, Albanese has already laid down the pro-big business and anti-working class program that a Labor government would seek to impose.

Whatever the rifts between Labor's factional powerbrokers, there is no dissent over this agenda, just evident nervousness, reflected in the Victorian conference walkout stunt, that the nakedness of Albanese's pitch to the corporate elite will further shatter the remnants of Labor's support in the working class.

Albanese's speech mostly consisted of generalities and was noticeably short on specifics, but its thrust was clear. He presented Labor as the only party, working hand-in-glove with the trade unions, that could re-start the offensive launched by Hawke and Keating.

Citing the government's own Productivity Commission, Albanese said it had confirmed that "today's prosperity is due in large part to the micro-economic reform program undertaken by Hawke and Keating. From liberalising financial markets, removing tariffs and reducing protection, through to competition policy, the micro-economic reform program of Hawke and Keating was unprecedented.

"What they gave Australia was the national leadership that is an essential ingredient in improving our productivity performance in a globalised, competitive world. Through the sheer power of their actions, they reminded us all that there is a natural and central role for the state. But we have now reached the limits of the Hawke-Keating reforms. And new challenges require new impetus."

There was a glaring contradiction in Albanese's speech. He claimed to oppose the ever-greater social inequality being produced by global capitalism, noting that, as Thomas Piketty outlined in *Capital in the Twenty-First Century*, the wealth of the bottom fifth of households in Australia has not risen from the average of \$35,000 since

2003-4, while the wealth of the top fifth has skyrocketed from \$1.9 million to \$3.2 million.

At the same time, the Labor leader praised the Hawke-Keating “reforms” that paved the way for the massive transfer of income and wealth from the working class to the corporate elite over the past three decades.

The supposed “power” of the Hawke-Keating offensive lay in two factors. First, it represented the dictates of the ruling capitalist class, which were imposed globally, enforced by governments such as those of President Ronald Reagan in the US and Prime Minister Margaret Thatcher in Britain. Second, it was policed by the trade unions, which forged a series of Accords with the Hawke and Keating governments.

Albanese called for a new such collaboration. “I want to lift our productivity horizon—and do that in partnership with business, unions and civil society.”

Albanese repeated Labor’s calls for even greater tax concessions to business, on top of the multi-billion dollar cut in the company tax rate from 30 to 25 percent for many businesses from 2020-21. With the economy mired in slump, he urged the government to “introduce an upgraded investment guarantee as part of a measured economic stimulus package.”

The Labor leader flagged a closer relationship with the corporate sector to deliver the IT, transport and other infrastructure required for Australian capitalism to compete globally. He recycled the never-delivered pledge of the last Labor government, in 2007, to provide a “high-speed broadband network.”

Labor would “encourage” Australia’s retirement superannuation funds, many of which are jointly run by unions, to invest in such projects. Albanese urged the lifting of the rate of compulsory superannuation—essentially taken out of workers’ pay packets—from 9.5 percent to 12 percent to broaden the investment pool “in our national interest.”

Albanese said Labor’s fiscal policy would be guided by “prudence and mutual obligation.” A Labor government would rule with “a soft heart and a hard head.” In other words, while still occasionally paying lip service to opposing social inequality, austerity budgets would continue to cut welfare and social programs to deliver the cheap labour and fiscal surpluses demanded by the financial markets.

Summing up, Albanese said he wanted to lead a Labor government that was “fiscally responsible,” had its “eye firmly fixed on productivity” and supported “wealth creation” and “micro-economic reform.”

Albanese and the rest of the Labor leadership have claimed that Labor’s loss of an election it was expected to win against the widely detested Coalition government was a popular repudiation of Labor’s feigned concern for “fairness.”

In truth, Labor’s vote plunged to a new century low of 33 percent, with the heaviest falls in suburban and regional working-class electorates because many workers and youth drew the conclusion, drawn from years of bitter betrayals at the hands of Labor governments and the unions, particularly since Hawke and Keating, that such pledges were a fraud.

Just before Albanese spoke, more rifts emerged in the Labor and union machine.

The Electrical Trades Union (ETU)’s divisional council voted last Wednesday to withhold financial support from the Labor Party—worth almost \$1 million in the lead-up to the May 18 election. It accused the party of “selling out” workers and “our national sovereignty” by voting for the government’s three recent “free trade” deals with Indonesia, Hong Kong and Peru. The Construction Forestry Maritime Mining and Energy Union has made similar threats.

ETU officials told the media their members felt “tired of having their employment impacted by imported labour and the offshoring of manufacturing.” In line with the mounting media campaign against China, they added an anti-China prong to their agitation, denouncing the government for approving the sale of a milk formula business to a Chinese company.

Facing a collapse of their own membership, the unions are seeking to divert, in a reactionary nationalist and protectionist direction, the hostility of workers and youth toward Labor and the entire political establishment. Their diatribes against “imported labour” and “foreign workers” serve to divide workers in Australia from their fellow workers internationally, even though they confront the same enemy—globally-integrated capitalism and its political servants, such as the Labor Party.



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