

Australian national cabinet exploits pandemic for economic restructuring

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Despite continuing COVID-19 deaths, especially in Australia's chronically-underfunded aged care facilities, yesterday's meeting of the bipartisan ruling "national cabinet" focused on further reopening the economy for the benefit of corporate profit.

The federal, state and territory government leaders paid lip service to the aged care catastrophe, which had claimed 302 lives by today, and to the hundreds of infections daily in the state of Victoria.

However, the cabinet's priority was clearly to exploit worsening unemployment and financial distress facing working people to ram through the further restructuring economic and workplace relations.

The meeting's media statement, issued by Prime Minister Scott Morrison, decreed the need for a "coordinated focus from all levels of government on three key areas"—all of them designed to boost corporate profits.

These consisted of extending the JobKeeper wage subsidy scheme for employers, pouring billions of dollars more into business-related infrastructure projects and "greater ease of doing business through lower and efficient taxes and less regulation."

Another prong announced in the business "recovery" program was the resumption of the Seasonal Worker Programme and Pacific Labour Scheme, which enable agricultural employers to exploit workers from nine impoverished Pacific Island countries and East Timor as cheap crop-picking labour. These highly vulnerable workers will be offered temporary 12-month visas, exempt from a general ban on international arrivals.

Yesterday's meeting further demonstrated the unified front being maintained by Morrison and his Labor Party counterparts in their de facto coalition government in the face of rising discontent over the toll of death, disease and job destruction being inflicted on

working people.

Citing unnamed sources, the *Australian Financial Review* reported a "fiery" discussion inside the meeting on the demands of big business for the removal of state border controls, as part of the "reopening" drive. But at the post-meeting media conference, Morrison emphasised the level of agreement between the leaders. He again went out of his way to praise Victorian Labor Premier Daniel Andrews, whose government has presided over the worst resurgence of the pandemic so far.

All the leaders duly agreed to take steps toward lifting or relaxing border controls to meet the needs of big business, starting with agricultural exemptions and a narrowing of restrictions on people residing in COVID-19 "hotspots."

The meeting committed to expanding the stimulus packages that have already handed billions of dollars to the corporate elite. According to the media statement, the federal packages now total more than \$314 billion, with another \$48 billion provided by the states and territories.

During the meeting, the states and territories were called upon to contribute another \$40 billion over two years in "purposeful" expenditure designed to "achieve the maximum economic dividend." Over coming months and years, these colossal sums will be clawed back through deep cuts to essential social spending, including on health, aged care and public education.

The real "purpose" of these packages was underscored by the revelation, in today's *Australian Financial Review*, that some of the country's largest companies received hundreds of millions of dollars from the JobKeeper wage subsidies, while axing thousands of jobs and fattening their profits.

At the top of the list was Qantas, the former

government-owned airline. It obtained \$267 million from JobKeeper by June 30, despite standing down 20,000 workers and yesterday announcing the dismissal of another 4,000 of them.

So far, companies listed on the stock exchange have reported receiving at least \$625 million in JobKeeper payments. In some instances, companies reported profit booms based almost entirely on these subsidies.

The newspaper reported: “Profit growth across Domino’s Pizza, Southern Cross Austereo, K&S Corporation, Adairs, ARB, Ingenia, and Korvest has averaged 70 percent and yet they have reported a combined \$57.5 million in JobKeeper payments.”

Morrison defended these bonanzas as the intended outcome of the JobKeeper scheme, “for the benefit of those workers.” In reality, as the figures confirm, the lion’s share of the benefit goes to employers, not the workers trying to survive on wage subsidies of just \$750 a week, only to find that many of their jobs will disappear.

Another expression of the national cabinet’s indifference toward working class lives was Morrison’s defence of Aged Care Minister Richard Colbeck at the post-meeting media conference.

Colbeck had been unable to even tell a Senate committee that morning how many people had died in the federally-funded aged care homes and how many infected residents remained. Yet Morrison declared that Colbeck was doing a good job, supposedly in preventing “far worse” from occurring.

The 302 deaths of aged care residents represent more than 60 percent of the national death toll. Most of the deaths have occurred in recent weeks in Victoria—a direct product of the rush to lift safety lockdowns, compounded by years of government under-funding, privatisation and casualisation of the poorly-paid staff.

Horror stories of elderly people being left to die, some even denied meals and basic care, have resulted from the refusal of the federal and state governments to arrange alternative workforces to replace the thousands of aged care workers who have become infected or had to quarantine, or who quit for fear of infection.

During his Senate testimony, Colbeck confirmed he had received a report in April on one of the first deadly outbreaks, at Dorothy Henderson Lodge in Sydney, which noted that almost all care staff had been furloughed. On April 12, he had issued a press release

falsely claiming that the government had “plans in place” for such “worst-case scenarios.”

In a damage control operation, yesterday’s cabinet meeting announced a token “Aged Care Emergency Response Plan.” This consists of just \$171 million in spending over coming years, making a total of \$1 billion announced since April—a pittance compared to the business handouts.

Most of the new funds are allocated to “increase nation-wide workforce surge support for aged care providers.” This includes already promised “workforce retention payments” to try to convince workers to return to the infected facilities, which have nearly 1,700 active cases linked to them.

Morrison’s praise of Colbeck was a graphic example of the “return to work” offensive being mounted by the national cabinet as a whole. It was in line with Morrison’s claim that Australia was better off “than anywhere else in the world” because “we have this optimistic way of looking to let’s keep this place open.”

The insatiable corporate greed behind this “optimistic” push to fully “open” the economy was voiced by Qantas chief executive Alan Joyce. He called for the lifting of travel restrictions to restore the airline’s profits, even as he unveiled more job cuts and restructuring.

Equally revealing was Tourism Accommodation Australia chairman Martin Ferguson, a former Australian Council of Trade Unions president and Labor Party cabinet minister. He told parliament’s COVID-19 committee it was crucial to get people moving around the country right now to revive the tourism industry.



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