

# SEP demands billions for health and education, not for war

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The New South Wales (NSW) state election next month is being held amid an unprecedented crisis of the public healthcare and education systems, in the state and across the country. Decades of funding cuts, and now the consequences of bipartisan “let it rip” COVID policies, have brought the public schools and hospitals to a breaking point.

Public school classrooms and entire schools are chronically overcrowded, while overworked teachers are leaving the profession in droves. The situation in health is deteriorating by every metric, with ambulance and emergency wait times at record levels, and nurses forced to work gruelling shifts while being denied decent pay amid a cost-of-living crisis.

In this election, Labor and the Liberal-National Coalition are making various phoney funding promises. But even if met, they will not resolve what is increasingly an existential crisis for these key social services. Moreover, after the election, the agenda of whichever parties form government will be to slash spending further, in line with a growing budget deficit that already sits at over \$200 billion.

While there is supposedly no money to meet the most fundamental needs of the population, spending on the military and war has reached record proportions. While that is primarily at the federal level, it impacts developments in all the states.

The federal Labor and Coalition governments, while allocating vast sums to the war machine, have been reducing or keeping stagnant their funding contributions to education, health and other areas of social spending. The drive to slash spending at the state level, moreover, contributes to the process whereby an ever-greater proportion of total government funds are allocated to the military.

In the NSW election, and more broadly, the Socialist Equality Party (SEP) is alone in raising the call, billions for education and health, not for war!

The SEP’s election campaign is fighting to help develop an international anti-war movement of the working class against the US-led conflict with Russia in Ukraine and preparations for a catastrophic war against China, both of which are supported by Australian governments. The fight against war must be connected to the struggle for the social rights of the working class, including high-quality, free public healthcare and education for all, and decent jobs and wages for all staff in both

sectors.

Both Labor and the Coalition are committed to military spending of at least \$575 billion this decade, a figure they are already on track to meet. But with plans for the acquisition of nuclear-powered submarines, hypersonic missiles and other advanced weapons systems, that figure is only an initial downpayment.

The sharp contrast between the vast sums handed to the military and the pitiful spending on essential social services was summed up in the federal Labor government’s October budget.

It boosted defence spending by 8 percent on the previous financial year, to \$52.2 billion. But amid an ongoing global pandemic and health crisis, the budget revealed that federal funding for public hospitals would decrease by \$755 million this financial year and \$2.4 billion over four years. The budget lowered the federal share of healthcare funding from 50 to 45 percent and reinstated a 6.5 percent annual cap on federal hospital funding, under conditions where official inflation was already above that level, there is an ageing population and increased demands on the hospital system due to the impact of the COVID pandemic and Long COVID.

The extent of the crisis, that this funding reduction will exacerbate, was demonstrated by a recent Australian Medical Association (AMA) report, which found that only three of the country’s 201 public hospitals were providing most care within a recommended timeframe.

Before the pandemic began, Australia’s hospital system had an average of 3.9 beds per 1,000 people, compared with the OECD average of 4.7. Despite various pledges during the COVID crisis, virtually nothing was done to increase staffed hospital beds.

Thus, in October 2021, a *Medical Journal of Australia* report found that the number of staffed intensive care beds had actually declined during the pandemic by 200, or 8 percent, since March 2020. The reduction in NSW equated to 45 beds lost.

In what it describes as a first step in reversing chronic underfunding, the AMA has called for the federal government to resume its 50 percent funding of health, up from 45 percent. This, of course, would do little to resolve the healthcare crisis.

But Labor has rejected even that appeal.

As the AMA noted, the 5 percentage point increase would represent an investment of “\$12.7 billion over four years.” That is, it would represent, over four years, some 24 percent of what Labor has allocated to military spending this year alone.

In the first three weeks of the year, moreover, federal Labor earmarked over \$4 billion for new military acquisitions, including HIMARS, naval strike missiles and sea mines, all aimed at war with China. That spend alone is more than the yearly sum that would be required to increase federal health funding from 45 to 50 percent.

The healthcare crisis extends beyond the hospitals. General practitioners are also at a breaking point. After years of an effective funding freeze, many are ending bulk-billing, whereby consultations are fully subsidised through the government Medicare program. Amid this situation, federal Labor has developed a Strengthening Medicare Fund of just \$750 million. That is less than 2 percent annual military spending.

For their part, Labor and the Coalition at the NSW state level have made various pledges to increase the number of hospital beds and staff. But they have rejected the fundamental structural improvements that would be required to facilitate an expansion of the health system. Both reject nurse-to-patient ratios, meaning staff will continue to be forced to care for a dangerous and unviable number of patients at a time. And they reject any pay rises in line with, let alone above inflation, which will drive more nurses out of the profession.

The same is the case in education. As the SEP recently explained, amid chronic overcrowding and an inadequate number of schools, the \$575 billion in military spending this decade would “would be enough to build nearly 20,000 new secondary schools, or twice as many primary schools.”

Instead, funding cuts are on the order of the day. Funding is based upon the Schooling Resource Standard (SRS), a regressive program which ties monies allocated to schools to testing performances. Its own benchmarks are woefully inadequate, but even they are not being met.

In December, the federal Labor government and all the state education ministers agreed to roll over current funding arrangements until 2024, meaning an effective funding freeze. That means public schools will only be funded at 87 percent the level recommended by the SRS for the coming years. In NSW that equates to a funding shortfall of approximately \$1.95 billion.

NSW Labor leader Chris Minns recently pledged to establish a \$400 million fund to supposedly address the underfunding. Virtually no details were provided, but the figure alone is woefully inadequate, potentially equating to some \$40 million a year. The Coalition immediately hit back by noting that reaching 95 percent of the state funding for the SRS would cost \$750 million a year, something that neither party would commit to.

The chasm between the funding for the war machine and

social need extends to virtually every area. Amid the worst housing and cost-of-living crisis in living memory, the federal Labor government has pledged \$10 billion to construct 30,000 “affordable” and social housing dwellings over the next five years. Experts estimate that there are as many as 437,000 households in immediate need of access to social housing.

The \$10 billion is scarcely 20 percent of annual defence funding, but spread over five years. It is less than half the estimated cost of each of the nuclear-powered submarines that the government is planning to acquire. With the above figures, each dwelling is calculated to cost \$333,333 to build. A HIMAR missile alone, not including the rocket launcher, is estimated to cost approximately \$150,000 (\$US100,000). Two missiles therefore could build a house.

As is always the case, it is the working class that is made to pay for war, both in terms of the fighting itself, and in bearing the burden of the immense expenses involved. The defence outlays thus far involved are only a fraction of what will eventually be allocated. In a speech this week, Albanese proclaimed that “national security demands a whole-of-nation effort.” That is, every aspect of society is to be subordinated to the war drive.

That demonstrates the urgency of workers linking their growing struggles against the onslaught on wages, jobs and conditions, to the fight against war. In this fight, the watchwords must be: “Lives before profits! Billions for health and education, not the military.”

The spending underscores the need for workers to take up a new political perspective aimed at reorganising society. The military-intelligence apparatus must be dismantled, and the banks and corporations placed under public ownership and democratic workers’ control. That is the only means of ensuring decent health and education and ending war. It is an international fight, requiring the unity of the international in a common revolutionary struggle for the socialist reorganisation of the world.

**Contact the SEP today to join the campaign!**

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