

“Left” posturing on tax and housing laid bare at Australian Labor Party conference

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The Australian Labor Party’s national conference in Brisbane last week exposed the desperate role being played by the trade union bureaucrats, especially the so-called “lefts,” in seeking to divert growing discontent of workers back into Labor’s arms.

Time and again, union chiefs postured as defenders of workers’ interests, while joining hands with Prime Minister Anthony Albanese and his ministers as they committed the Labor Party’s policy platform to an agenda of war and austerity amid a spiralling cost-of-living and housing crisis.

One of the most graphic cases was that of Construction, Forestry, Maritime, Mining and Energy Union (CFMEU) national secretary Zach Smith. Outside the conference last Thursday morning he addressed about 1,000 building workers, whom the CFMEU had pulled off city construction sites for a march and rally to put on a show of militancy, mainly for the media.

“Make the big end of town pay for social and affordable housing,” Smith declared demagogically. He said the CFMEU was fighting for a corporate super-profits tax to fund the half a trillion dollars needed over the next two decades to overcome the country’s social and affordable housing crisis.

Smith said the Labor government had to address the shortfall, which was already 750,000 homes. “We can’t let the Labor Party forget they were founded on the working class,” he said. “We need government working for people and not the other way round.”

CFMEU officials led chants of “What do we want? Public housing! When do we want it? Now!” They vowed to campaign for the new tax, to hit companies with turnovers of more than \$100 million a year.

Speaking to the media, Smith warned of the anger that the union leaders are trying to head off.

“[Australians] know something’s not quite right in our economic system,” he said. “They know that these things don’t align when we have banks recording these massive profits and CEOs taking a big lick off the top ... yet workers can’t afford a house, or they’re being told to exercise wage restraint, or they’re watching their grocery bills or their mortgages increase time after time.”

Of course, Smith did not name those calling for wage restraint. All the unions, including the CFMEU, have been imposing sub-inflationary deals on workers, enforcing the demands of the Reserve Bank of Australia and the Labor government itself.

Inside the conference, Smith made no such demand for a super profits tax. Instead, he moved an agreed motion proposing to “increase government investment in social and affordable housing with funding from a progressive and sustainable tax system, including corporate tax reform.”

In a bid to keep alive illusions in Labor and the unions, Smith claimed that this essentially meaningless motion was “a very significant first step.” Noticeably, he was later voted onto Labor’s national executive as part of the Left faction’s ticket.

Smith’s token amendment was seconded by “Labor for Housing” convenor Julijana Todorovic, a lawyer and former Labor staffer whom the Nine newspapers described as “an emerging leader in the Labor Left faction.”

Like Smith, Todorovic warned of mounting popular anger. “Everyone knows someone who was affected by this housing crisis. Everyone who lives in a Labor electorate has walked past someone sleeping rough outside their supermarket, and if you haven’t, you need to open your eyes.”

Yet Todorovic welcomed last Wednesday’s Labor-

controlled National Cabinet housing announcements, while cautioning they were “not enough.” In fact, the measures will do nothing to alleviate the worst rental crisis in decades. Instead, they will pour in billions more dollars to boost the profits of the property developers, banks and other financial institutions that dominate the housing market.

Another attempt to channel unrest back behind Labor was made by United Workers Union (UWU) national secretary Tim Kennedy, a key Labor Left powerbroker. In the lead-up to the Labor Party conference he told the Australian that the Albanese government should use the event to review the planned “Stage Three” income tax cuts.

But neither Kennedy nor any other delegate proposed an amendment to scrap or even modify the tax cuts, which will overwhelmingly benefit the wealthiest layers of society and cost \$313 billion over a decade, starting next year.

There is widespread hostility to the tax cuts. Someone taking home more than \$180,001 a year will enjoy an annual tax cut of \$17,700 by 2030-31. For a dual-income household, that would mean \$35,000 a year. By contrast, the poorest 20 percent of the population, some 5.3 million people, will get nothing because their incomes are projected to remain less than \$45,000 a year.

This will accelerate the growth of social inequality—the ever-greater accumulation of wealth in the hands of the most affluent 10 percent, above all the super-rich 1 percent, while workers and youth confront intolerable rent increases, growing numbers seek aid from foodbanks, and households see mortgage payments rise by \$1,500 a month or more.

Kennedy was not even advocating scrapping the tax cuts, just tinkering with them. He suggested “skewing” more of the benefits to people on incomes of \$45,000 to \$120,000 a year. Nor was he planning to move an amendment at the conference. On the contrary, he pleaded: “What we’d really like is for the government to say we’re going to do this. The conference is really the mechanism by which it gets talked about.”

In the end, no one even mentioned the tax cuts at the conference! That is because Albanese and Treasurer Jim Chalmers have repeatedly refused to reverse them, after Labor voted for them under the previous Liberal-National government. Chalmers doubled down on that

stand on the eve of the conference, insisting that the government’s position “hasn’t changed.” So much for the pretence of healthy democratic debate at the conference.

With the “Left” now in power, it is becoming increasingly difficult for “left”-talking union bureaucrats to prevent a social explosion. Anger and disgust are not enough. What is required is a political movement against the Labor government and all its accomplices. That means building a genuine revolutionary socialist leadership—the Socialist Equality Party.



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