

Key minister deserts unravelling Australian Labor government

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Bill Shorten, the ex-Labor Party leader, now National Disability Insurance Scheme (NDIS) and Government Services Minister, announced last week that he will resign in February to become the vice-chancellor at the University of Canberra, where he will pick up an annual salary of more than \$1 million.

Shorten, 57, who led Labor for six years, to defeat at the 2016 and 2019 federal elections, became the third and most important cabinet minister to call it quits in the past six weeks.

Given his prominent record as a trade union and Labor leader, in which he was often touted as a future prime minister, Shorten's sudden departure is a further signal of an historic crisis engulfing not just Prime Minister Anthony Albanese's government but the entire political establishment.

A desperate ministerial reshuffle in late July had already seen the orchestrated retirement of two others jumping the sinking ship—Indigenous Australians Minister Linda Burney and Skills and Training Minister Brendan O'Connor.

Standing alongside Albanese, Shorten declared he was tired of politics and had one more career left in him. In reality, he had clearly sniffed the political wind of mounting working-class hostility to the government, and decided to get out while he could still make some big money.

The discontent with Labor has intensified since it barely scraped into office in 2022, with a near-record low vote. That vote—just 32.5 percent—reflected the already significant disaffection with the pro-business attacks of Labor governments, particularly since the Hawke and Keating governments of 1983?96.

Labor's support has increasingly imploded, especially over its backing for the US-backed Israeli genocide in Gaza and the US-NATO war against Russia, its escalation of the AUKUS military pact against China and the worsening cost-of-living crisis—all of which Shorten has participated in.

This alienation has been now compounded by the government's attack on building workers via the imposition of state control over the CFMEU construction trade union, and deep cuts to the NDIS disability services—over which Shorten has personally presided, teaming up with the Coalition and far-right elements, including Senator Pauline Hanson's anti-welfare One Nation party.

Media polls indicate the growing likelihood that Labor will be reduced to a precarious minority government after the next election, which Albanese must call by May. Labor's pro-war and pro-business agenda could even pave the way for the return of the right-wing Liberal-National Coalition under the widely reviled Peter Dutton.

An electorate-by-electorate survey, conducted for the *Australian Financial Review* (AFR) by Accent Research and RedBridge Group,

indicates that Labor's prospects have faded since a similar survey earlier this year. Labor could lose up to 10 seats, with 14 more too close to call, especially in outer suburban working-class areas. The Coalition was estimated to be on track to win about 68 House of Representatives seats, with Labor on track to win 69—leaving them both well short of the 76 needed to form a majority government.

Pollster Kos Samaras told the AFR: "Now we are firmly in the 100 percent minority government space, with more than seven months to go. Labor better hope it does not leak too much."

Accolades were heaped on Shorten by the parliamentary and media establishment. These provided a measure of the nervousness in ruling circles at the loss of a figure who played a pivotal role in the suppression of working-class struggles and political dissent by the Labor and union apparatus, and was groomed to become prime minister.

The AFR's national affairs columnist Jennifer Hewett wrote: "Along the way, he exhibited a star quality as well as a prodigious skill in marshalling the numbers that propelled him into public prominence—first as a union official and then as a politician heading for the top."

The AFR's political editor Phillip Coorey stated: "After 17 years in parliament, Shorten will join the pantheon of former Labor leaders who never achieved the highest office."

Notably, Opposition leader Dutton praised Shorten's supposed contribution to public life. Shorten's record shows that he could have equally joined the Liberal Party, but saw Labor as the best option to pursue his ambitions.

Shorten's corporate-backed rise to prominence

With the assistance of some of the richest capitalists in the country and with a close relationship with the US ruling elite, Shorten had a rapid and meteoric rise, from a particularly employer-friendly union bureaucrat in 2006 to a king pin in the Labor Party, with the clear intention of becoming prime minister.

Like another aspiring prime minister, Bob Hawke three decades earlier, Shorten was initially recruited into the union hierarchy, soon after finishing law school in 1989, by the Australian Council of Trade Unions (ACTU) leadership.

Shorten's first sponsor was ACTU secretary Bill Kelty. Kelty was a primary architect of the ACTU Accords with the Hawke and Keating governments. These agreements policed the destruction of thousands of jobs, slashed real wages and conditions and busted up shopfloor workers' organisations—all in the name of making Australian capitalism "globally competitive."

Shorten clawed his way up to become the Victorian state secretary of the Australian Workers Union (AWU) by 1998, and the national

secretary by 2001, at the age of just 34.

Shorten's record at the head of the AWU consisted of him and his officials collaborating with employers to cut wages, tear up penalty pay rates and scrap basic conditions for low-paid workers, such as construction workers, casualised cleaners and labour-hire mushroom farm labourers.

At Cleanevent, for example, one of Australia's biggest cleaning contractors, thousands of poorly-paid and super-exploited casual workers were stripped of penalty wage rates as a result of AWU-negotiated agreements.

As part of these deals, Cleanevent secretly enrolled its employees in the union and paid for their union dues. Many of the workers "recruited" in this sham process did not even know they were union members.

As well as extra funds, falsely-inflated union membership statistics gave the AWU bureaucracy bigger voting blocks in union congresses and the Labor Party, providing a power base for Shorten.

While building a factional right-wing AWU-Labor platform, Shorten cultivated close relations with leading Liberal Party and business figures, notably his first wife's father, wealthy Liberal MP Julian Beale, and Visy paper products billionaire Richard Pratt.

In fact, Shorten was first dramatically elevated into the public limelight when Pratt lent him his \$50 million private jet in 2006 so he could fly to Beaconsfield, Tasmania where a mine collapse killed a coal miner and trapped two others underground for two weeks. Shorten exploited the media coverage of the tragedy to falsely present himself as a workers' champion.

With the aid of fund-raising at Pratt's Melbourne mansion, Raheen, and ruthless factional deals, Shorten then quickly, within months, secured Labor pre-selection for a seat in parliament. When Labor took office in 2007 under Kevin Rudd, following the collapse of support for the Coalition government of John Howard, Shorten obtained another rapid elevation. He was immediately appointed as a parliamentary secretary for disabilities, in effect a junior minister.

After less than three years in parliament, Shorten was one of the Labor powerbrokers who secretly worked with the US embassy to oust Rudd in mid-2010.

As was raised by the *World Socialist Web Site* at the time of this backroom coup, and was later documented by leaked US diplomatic cables published by WikiLeaks, Washington was intent on removing Rudd because he had sought to mediate between US and Chinese strategic interests in the Asia-Pacific. Shorten and "protected sources" in the Labor machine backed his replacement, Julia Gillard, who fully lined up behind the Obama administration's "pivot to Asia" drive to diplomatically and militarily encircle and confront China.

One US cable in June 2009 was devoted to a profile of Shorten, based on his discussions with the US Consul General in Melbourne, Michael Thurston, who vetted Shorten. Thurston, a high-level US State Department officer, reported favourably that Shorten collaborated with US union leaders and was "widely known for his pro-US stance."

Shorten became a key minister, and Gillard's political lieutenant, as her government fully committed to the escalating US preparations for confrontation with China. It also imposed a destructive market-based "revolution" on universities, slashed single parents' benefits and other welfare spending, and kept propping up the banks and finance houses in the wake of the 2008-09 global financial crisis.

As a result of the rising working-class hostility to her coup and program, Gillard's government imploded. After nearly losing the

2010 election, it formed a minority administration—a de facto coalition with the Greens—but did not waver from its right-wing, pro-US militarist course.

In a desperate, last-ditch, but calculated bid to cling to office, Shorten switched back to reinstall Rudd as prime minister in June 2013. After Labor's landslide election defeat three months later, Shorten mobilised his factional powerbase to seize the Labor leadership.

Shorten was so distrusted by wide layers of workers and youth, however, that Labor failed to win the 2016 and 2019 elections, even as the Coalition went from crisis to crisis under Tony Abbott, then Malcolm Turnbull and finally Scott Morrison.

For the 2019 election, Shorten adopted a fake populist pitch, promising "fairness" and limited tax increases on the wealthy. After decades of Labor governments imposing the dictates of big business and the banks, few people believed him. Labor could make no credible appeal to workers and young people, allowing the widely-detested Morrison to survive until 2022.

Today, Shorten's desertion from the Albanese government underscores the depth of the political turmoil. Like Albanese, who is still desperately holding onto office, Shorten epitomises the entirely pro-capitalist character of the increasingly discredited Labor and union bureaucracy, even if in a particularly grasping, self-serving form.

The Australian ruling elite has long relied upon the Labor Party, in every period of capitalist crisis, to work with the union apparatuses to stifle working-class opposition.

Labor was called into office during the carnage of both world wars, in the Great Depression of the 1930s, and amid the global upsurge of protests and strikes from 1968 to 1975. It was recalled again to implement pro-market restructuring amid the vast globalisation of production in the 1980s and 1990s, and impose the burden of the global financial breakdown of 2008⁹.

Over the past four decades, the basis for Labor's previous program of national reformism has been shattered by the globalisation of production, which has undercut all forms of national economic regulation. Labor, like social democratic parties and trade unions internationally, renounced its old program of extracting limited concessions from the ruling class, and turned to dismantling the past gains of workers to satisfy the demands of globally-mobile capital.

This political crisis will only intensify as the Albanese government and its trade union partners ramp up their efforts to impose the growing burden of the bipartisan agenda of war and austerity onto the backs of workers and young people.

This underscores the necessity to draw the lessons from these experiences and build the Socialist Equality Party (SEP) to provide the revolutionary socialist alternative. We urge all our readers to use the form below to sign up as electoral members of the SEP so that our party's name will be on the ballot for the coming federal election.



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