

Australia: False bipartisan Medicare promises underscore political crisis

Mike Head**23 February 2025**

With a federal election looming, both Labor Prime Minister Anthony Albanese and Liberal-National Coalition leader Peter Dutton yesterday issued utterly fraudulent promises to repair the deteriorating Medicare health insurance scheme by 2030.

At an election launch-style event, Albanese claimed that his government would allocate \$8.5 billion over four years to enable 90 percent of patients to see GPs who would “bulk bill” for their services. That is, the doctors would bill the Medicare scheme directly and in full rather than charging an additional upfront fee.

Even before Albanese had finished speaking, Dutton rushed out a media release vowing to match Labor’s “dollar for dollar,” underscoring the fraud of such promises. Dutton said the Coalition would fund the promise by slashing 36,000 public sector jobs elsewhere.

Similar pledges, to “save Medicare,” have been made in every election for decades, only to be broken by Labor and Coalition governments alike once the polls closed.

Moreover, even if the promises were kept by 2030, they would not reverse the gutting of the Medicare system, let alone the wider crisis of the public health system. Discontent is growing among patients and their families over ward closures, staff shortages, over-run hospital emergency departments and cuts to disability and mental health services.

Doctors have already warned that the small, promised rebates for doctors who bulk-bill, and incentive payments of up to 12 percent, if all doctors in a medical centre bulk bill all their patients, will not be enough to halt the decline in bulk-billing by clinics, which operate as profit-making businesses.

The reality is that seeing a doctor without paying an expensive upfront fee has become an increasing impossibility, especially for working-class families in outer suburban and regional areas. This has forced growing numbers to either avoid seeking medical treatment or to wait for hours at overcrowded public hospital emergency departments.

According to the official figures, the percentage of patients being bulk-billed, rather than charged upfront, has fallen sharply under the Labor government since 2022 from 88.5 percent to 77.5 percent, despite Labor’s constant promises and claims to be reversing the damage done under the previous Coalition government.

Even those statistics hide the true extent of the Medicare crisis. Between October 2024 and January 2025, the healthcare directory website “Cleanbill” called 6,925 GP clinics across Australia and found that only 20.7 percent bulk-billed for standard consultations. In some areas, the rate was even lower.

Research conducted by the New South Wales (NSW) Council of Social Services and the University of Canberra concluded that the proportion of patients not going to see a doctor in NSW because it was too expensive more than trebled from 2.8 percent in 2020 to 9.5 percent in 2024.

At the same time, the 15 million people—more than half the population—who have bought private health insurance to try to ensure access to proper medical care face another increase in their already exorbitant premiums from April, amid early signs many are abandoning the most expensive levels of coverage.

Access to Medicare has been under attack by successive governments. In fact, former Labor Prime Minister Bob Hawke began the offensive in 1991. His government tried to impose a \$3.50 upfront fee (equivalent to almost \$10 today) for patients to see doctors, before retreating in the face of public outrage.

In 2013, the Gillard Labor government froze the Medicare rebate paid to doctors to bulk-bill. The ensuing Coalition governments maintained that freeze after Dutton, then the health minister, unsuccessfully tried to impose a \$7 upfront fee. This freeze lasted until the onset of the COVID-19 pandemic in 2020, when the Morrison Coalition government was initially forced by public alarm to initially allow the bulk-billing of COVID tests and vaccinations.

The Albanese government’s May 2024 budget continued the chronic under-funding of public health, as well as

education and housing, spearheaded by cutting access to the National Disability Insurance Scheme (NDIS) to reduce spending forecasts by \$14 billion over four years.

Last September, desperate to please the corporate elite, Albanese's government unveiled its second consecutive annual budget surplus, crowing about outdoing the previous Coalition government in imposing "spending restraint" to do so.

Medicare, and its predecessor Medibank, introduced in 1975, have never provided free, universal health care. Many essential services, such as dental care, are not covered. Long waiting times for treatment in public hospitals have forced millions of people into taking out private insurance. This has produced a two-class health system, with highly profitable private hospitals flourishing alongside chronically-underfunded, under-staffed and over-stretched public hospitals.

Nevertheless, for working people, Medicare's two most important features were their ability to see a doctor without charge, via bulk-billing, and to obtain free treatment at a public hospital. Both have been increasingly killed off by governments at federal and state levels.

Today's bipartisan vows to rescue Medicare are more misleading than ever before, being made desperately to garner votes in the context of a deepening crisis of the entire political system.

More polls published today show a further collapse in support for the Labor government, despite last week's slight interest rate cut by the central bank. At the same time, there was no corresponding swing to the Coalition, producing the likelihood of an unstable minority government.

The corporate media, speaking on behalf of the financial elite, has described this as a "nightmare scenario." It would mean an unstable Labor or Coalition government reliant on the parliamentary votes of the Greens and/or various independents, amid widespread political discontent and the global turmoil triggered by the fascistic Trump administration in the United States.

A Resolve poll in the Nine Network newspapers estimated that Labor's primary vote support had crashed to 25 percent, a drop of 7.5 points since the Albanese government scraped into office at the 2022 election. But the Coalition's vote had climbed just 4 points to 39 percent, producing a post-World War II record low result of 64 percent for the two traditional parties of capitalist rule. The level of disaffection and instability was highlighted by 39 percent of respondents saying their vote was "uncommitted."

This political discontent has been driven by the cost-of-living and housing affordability crisis, producing the greatest cut in working-class living conditions since the 1950s. That has been combined with hostility to the bipartisan support

for the US-backed Israeli genocide in Palestine and for US militarism more broadly, including the massive spending on AUKUS submarines and other preparations for war against China.

Regardless of which party wins the next election, which must be held by May 17, the resulting government will only intensify the attack on the working class in line with the Trump administration's massive assault on jobs, immigrants and core democratic rights.

In an early warning of this, corporate media editorials today denounced the bipartisan Medicare promise. The Murdoch media's *Australian* branded it "an irresponsible performance by both sides of politics," while demanding an increase in military spending from 2 percent to 3 percent of gross domestic product.

The *Australian Financial Review* declared that such social spending was "not sustainable when international credit rating agencies are already warning of likely downgrades on the public debts of federal and state governments."

Amid this historic political crisis, the Australian Electoral Commission last week rejected the Socialist Equality Party's application for official party registration which is needed to stand candidates in the party's name. That refusal, despite the SEP submitting more than 1,500 names and details of party electoral members, serves to obstruct the fight for a genuine socialist and revolutionary perspective, against war, genocide, Trump-style authoritarianism and austerity.

As part of its program, the SEP calls for a complete socialist reorganisation of society to secure the social rights of all, including free, high-quality, readily-accessible health care. Instead of the ever-greater subordination of health care to the capitalist market, billions of dollars must be dedicated to upgrading, expanding and staffing public hospitals, medical clinics and a full range of modern health services, many of which Medicare has never covered.



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