

Vanguard

For an Independent Australia and Socialism

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Smash Abbott's 'class war' budget!

Build unity in struggle!

by **Bill F.**

Australians have been shocked and angered by the federal government's vicious budget. In only a few days tens of thousands around Australia poured onto the streets to demonstrate their determination to tear down this budget and the government that lied its way to power in order to implement austerity attacks on the people.

On behalf of the "Big Business" Council of Australia, the foreign and local corporate monopolies, the banks and mining corporations, the government stepped up its brutal 'class war' attacks on the working class, the unemployed, the poor, the aged, the youth, the sick, people with disabilities, Indigenous Australians, in fact anyone except a handful of parasitic corporations and banks bloated with the stolen mega profits created by the labour power of workers.

Cut to the bone

Public anger and disgust are spreading as more hidden details of the budget are exposed.

The people are incensed at the blatant lies they were fed prior to and during the election campaign. (See budget details on page 3)

The Australian people are appalled by the extent and savagery of the cuts to health, education, social welfare benefits and government jobs, by the attack on young people already struggling to find jobs, by the plan to increase the retirement age, by cuts to Indigenous services and environmental programs, by the brazen attack on people with disabilities and the outrageous medical co-payment scheme and increases in costs of medicines and medical tests; all measures that will inflict more hardship, poverty and suffering.

These attacks are only a prelude to more coming from the Commission of Audit: extending the GST, abolishing the minimum wage, individual workplace agreements, pushing down wages and conditions, scrapping penalties, eliminating job security, crushing unions, deregulating the labour market



and financial institutions even further, more privatisation.

This is an attack by international monopoly capital that is beset by a major economic crisis not seen on a global scale since the Great Depression of the 1930s.

The winners in the budget

This budget unashamedly declares its complete service to interests of the big end of town. The Abbott government has taken its cue from the big business Commission of Audit to move more public funds from public health, education, and people's services and spend more on infrastructure that facilitates the profiteering by mining and construction corporations - roads, ports, and railways, for the transport of freight.

Simultaneously, preparations are made to crush the people's resistance to the savage austerity. Hard won democratic and workers' rights are systematically taken away.

What next?

These attacks, together with the lies and deception that preceded them, will not be forgotten or forgiven by the Australian people.

The Coalition government will pay, and there is some chance that their budget measures will be bogged down in parliament and that they may even be kicked out if a double dissolution election is held later in the year.

While Labor and the Greens may

hope things go this way, it will not prevent further attacks on the people.

This is because the unelected architects of Abbott's budget will still be there - the corporate monopolies in the "Big Business" Council of Australia who fashioned the razor-gang Commission of Audit, the big business apologists in the Productivity Commission, and the mass media barons who beat the drum of globalisation, de-regulation, privatisation and union-bashing.

This gang want further attacks on wages, penalties and working conditions.

They endorse the US-sponsored TPP trade deal that will destroy any vestige of economic independence and further increase the cost of living for the people, destroy jobs and public services.

They support the US military 'pivot' that threatens to drag Australia into a disastrous war with China.

They pull the strings while Abbott and Hockey are their puppets.

No choice but struggle

For the people's movement to grow and be really effective, ultimately it will need to take on the puppet-masters behind the attacks, it needs to be broad-based and capable of drawing in all sections of the people.

It must not be claimed or dominated by any particular group but must embrace as many as possible around the common goal of smashing this evil budget and take the next step of demanding and fighting for a decent life for the working people.

As *Vanguard* stated back in February, "Waiting for a Labor government is no good. Working people will have to make a stand. They will have to find ways to get conversations going in their workplaces and communities, to get people organised to protest and to put demands on the government and the big business bosses. Demands not just to "back off", but to "get out of our way".

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How the Commission of Audit targets women

by Verity M.

There is no suggestion that the Commission Report is deliberately structured to discriminate against women.

However, any reforms that are designed to protect privilege and ensure the working class pay for the mismanagement and profligacy of the rich, will impact unevenly on women, whether it's restrictions on aged care, pensions, health or education, in fact almost any area of public spending.

Just being female in Australia carries a greater risk of being impoverished by social structures such as fewer employment opportunities, gendered divisions of labour and lower paid work

Women make up the bulk of those in aged care; if they don't have disabilities themselves, they are caring for those who do, either parents or children; they are the low wage earners or part-time workers, or subsisting on part-work part-welfare, or are on single parent benefits or are the majority of aged pensioners; they are the lowest category of superannuation recipients because of disrupted paid work due to child and family caring.

In almost all of the disadvantaged demographics women are over represented.

As child bearers and carers women are dependant, as they should be, on community services.

They rely on good schools, accessible



health care for themselves and their children, on affordable child-care.

Any cuts in public services whether it is child-care, health, education, disability support or aged care, impact on many aspects of women's lives.

Any privatising or outsourcing of public services will benefit capital, but it will disadvantage women and raise the cost and limit those services on which low paid women and their children depend.

For single-parent women low-paid work, part time work, or no work means a continuous and debilitating struggle to pay rent, pay school fees or extra education costs such as excursions, camps or out-of-school sport or maintain a car, resources considered essential requirements for the average Australian family but from which many women and their children are locked out.

Older women, housing crisis

Older women are amongst Australia's poorest demographic and feature increasingly in homeless figures.

The Australian Institute of Health and Welfare quotes a figure of 4800 Victorian women seeking homeless assistance, an increase of 34% in 2012-13 over the previous year, a figure that can only be relieved by increased social housing, something we are not going to see any time soon.

Another recent report "Older Women's Pathways out of Homelessness In Australia" (women over 55) commissioned by the Mercy Foundation and conducted by Queensland University attributed their homelessness to the high cost of rental, unemployment, broken relationships or partner death or family violence but underlying all causes was lack of secure housing.

Australian house prices have risen by 150% whilst incomes have risen by

57%. City rentals have risen by twice the rate of inflation and the report found there was a national shortage of around five hundred thousand houses.

At the same time, demand is rising. In the five years to 2011 the number of older women renting privately jumped by 70%. All of this is compounded by women's limited access to superannuation.

The medium level of superannuation for women is \$48,000 – if they have it at all.

Australia is a low taxing economy and spends less on social security than almost all similar economies. In Australia we spend 8.6% of Gross National Product on social security compared to an OECD average of 13%.

Social action for social change

The International Monetary Fund (2013) found that Australia collected between 70% and 74% of its tax capacity, so compared to others we (and primarily the rich and the corporations) are paying less tax than others and providing lower levels of social services for community well-being.

A meaningful mining tax and a tax on banks and other super profits could help relieve the situation for the short term.

But we know that in all capitalist countries a trend that will intensify, according to almost all economists, is a continuing increase in the gap between the rich and the poor.

In fact, fear of social unrest is driving bourgeois economists to write books about the dangers of too much inequality, whereas social unrest to generate social action is just what is needed to drive fundamental social change and a redistribution of wealth to eliminate poverty and growing inequality.

Vanguard

Vanguard is a national monthly newspaper which expresses the viewpoint of the Communist Party of Australia (Marxist - Leninist), the CPA (M-L). Readers are encouraged to comment on, criticise or contribute material to *Vanguard*. Articles, digital graphics, cartoons, clippings, comments or a few lines are all very welcome. All material should be sent to:

**Vanguard Editorial Staff
PO Box 196, Fitzroy, Vic. 3065**

Vanguard strives to provide a Marxist analysis of Australian society, economy and politics. An important aspect of developing this analysis is an intimate knowledge of and close involvement in all aspects of Australian struggle.

The cost of producing a national newspaper is considerable. Readers are encouraged to contribute whatever they can by sending donations to the above address.

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Federal budget dismantles welfare rights, hands over government finance to corporations

by Max O.

In line with the trend throughout the Western capitalist world, the Hockey-Abbott budget is implementing the demands of international finance capital by tearing down the poor and workers' welfare rights, as well as the nation-wrecking sell-off of government assets.

Using the spin that readers have become all too familiar with, ('end of the age of entitlement', 'pain with purpose', 'nation of lifters not leaners'), the government has used a manufactured 'debt crisis' to justify the enormous cutbacks to government welfare and vital public institutions.

The real purpose of the budget cuts is to shift billions of dollars over the next couple of years from the less well-off to the wealthy, large corporations and financial institutions.

It will also have an ideological function of instilling fear and misery into the poor and working class.

Hockey's budget announcements, in the main coming straight from the Business Council's and Audit Commission's wish list, amount to the following:

- It will now prevent people who are aged 30 or younger from getting Newstart (unemployment benefits) unless they've done an "employment services activity" for six months.
- The under 25 will have to scrape by on the pitiful Youth Allowance because they will no longer be eligible for Newstart.
- The pension age to be increased to 70 by 2035.
- From 2017 the age pension and the disability support pension will be indexed to inflation, rather than average weekly earnings and so fall behind the cost of living.
- Family payments are to be cutback by \$8 billion!
- Sole parents and stay at home parents are to be penalised. Parents (essentially women) with children over the age of six, with no regard to their circumstances, will be pushed and poked back into work.
- Through the use of co-payments Hockey has attacked the universal nature of Medicare. The sick will be hit with a \$7 charge to see their GP, or get a pathology test and for X rays.
- There will be a \$5 increase to the cost of every single prescription drug. This in effect is double

dipping with the 'user pay' philosophy, because people already pay for their Medicare through the 1.5% tax levy.

- Reintroduction of the six monthly fuel excise indexation will raise \$2.2 billion. This will go to fund road infrastructure, with public transport being overlooked.
- In fact there's plenty of handouts to the construction companies and property developers, with \$12 billion from the government thrown their way to build infrastructure for the benefit of big business - more and bigger polluting roads (like Melbourne's East West link), ports, railways and airports.
- University funding will suffer a massive cut, but Hockey will now allow vice chancellors to charge students whatever fees they like.
- Government contributions to HECS will shrink and repayments will start earlier and at a higher rate.
- Over the next decade the budget tears out \$80bn funding to the states for hospitals and schools. This is an arrant attempt by Hockey and Abbott to push the states into agreeing to increase the unpopular GST.
- The Coalition have now blatantly reneged on the promised Gonski funding, aggravating the widening gap between private and public schools.
- A deficit tax will be levied for three years of 2% on incomes of over \$180,000. This to feign the impression that all (rich and poor alike) must share the burden of the debt crisis, and predictably was disapproved by the likes of Tony Shepherd from the Audit Commission and Business Council.
- To make co-payments more palatable finance raised from them will go to a dubious Medical Research Future Fund, which will receive \$20 billion by 2020.
- Company tax to be reduced down to 28.5%, a 1.5% reduction.
- \$10,000 subsidy over 24 months for businesses who employ over 50s.

Make the rich pay!

There is money to be had, but it is in the wrong hands. Governments could quite easily redress their revenue problems by making the RICH PAY!

Editorial

www.cpaml.org

New website launched

Vanguard is pleased to announce the launching of a new dynamic website to carry articles and downloads of leaflets, booklets and posters from the Communist Party of Australia (Marxist-Leninist).

The new website at www.cpaml.org will be updated at least weekly, to ensure that it is topical and responsive to events. It will carry Marxist analysis of local and international struggles against imperialism, and will uphold the leading role of the working class in the struggle for a socialist Australia.

Our current website www.vanguard.net.au will operate until the end of August, to ensure a smooth transition to the new site.

Vanguard will continue to be published and distributed as a monthly hard copy newspaper while the new website is consolidated to improve and expand the political and ideological work and influence of the Party.

Features

The latest articles are posted on the Homepage, but are also grouped into various categories for easy reference later:

- Class struggle and Socialism
- National Independence
- Fighting imperialism around the world
- Community and Environment
- Political Economy
- People's Issues
- Study and Comment

There are also sections on the CPA (M-L) Programme and 13th Congress, Party Statements, Marxism Today articles, and a Downloads menu where leaflets, booklets and posters are available. Over time, the various categories and menus will be more comprehensive as older archive material is added, along with ongoing current items.

Readers and supporters are encouraged to explore the new website at www.cpaml.org and send in their comments.

For example a proper Super Profit Mining Tax of 40% on all minerals, with a fixed state royalty and a change to depreciation would collect \$35 billion straight away.

They could also look at permanent options like trusts, superannuation tax concessions and negative gearing. The forgone tax revenue cost the budget this year \$34 billion rising to over \$50 billion in 2016/17.

Let's not forget the deceitful scheme of profit shifting to tax havens by multinational corporations. This is wealth produced from workers' labour power that is sneaked out of the country instead of being used here to fund social programs.

More austerity attacks to come

But of course this won't happen, because our 'parliamentary democracy' is in fact a covert capitalist dictatorship, a social and economic system that only exists to serve the needs of capital accumulation/profitteering for Australia's comprador capitalist class.

The Abbott Coalition government

have just started stage one of their austerity attacks.

Following stages will include increasing and extending the Goods and Services Tax (which hurts the poor and workers), more nation-wrecking privatisation and further outsourcing of public sector services, and vicious attacks on minimum wages and worker rights.

Rely on the people!

By now many people don't have faith in parliamentary parties and are beginning to lose faith in parliament itself because of its perpetual service to capitalism and the continual neglect of their needs.

Resistance to this budget and other attacks on the working class can best be sustained through workplace and community based organisation.

Mass/participatory democracy is the weapon that ordinary people can use in their workplace, suburbs and the streets to start the fightback against this budget and parliament that has declared class war on them.

The Commission of Audit report: orders from finance capitalism

by Max O.

Like Dracula getting hold of the blood bank, the Commission of Audit report is a plan of blatant theft by finance capital of public welfare and property! The 'Age of Entitlement' for capital is expanding into an era of austerity for the Australian working class.

The Commission of Audit's 86 recommendations aim at dismantling the Medicare health scheme, abandoning pension, disability, family, child care, unemployment and other welfare entitlements.

Other targets include social programs, such as assistance for the homeless, with education and tertiary students also suffering increased fees through the deregulation of the university system.

Tony Shepherd, the Audit chairman and the Business Council's prize-fighter, spins the reactionary time-worn argument in the commission's report: "In recent years, Commonwealth spending has outpaced revenue collections... This is the sixth consecutive budget deficit. We have spent beyond our means for too long..."

The report, as determined by the its terms of reference, only considers government spending and not income in examining the budget debt and consequently is nothing more than a class attack on workers and the poor. As required by finance capital it is about reducing government's role in providing welfare.

The plan of attack

The key recommendations require the demolition of essential services:

- Compel a \$15 co-payment for doctor and hospital emergency visits; severe cuts to subsidised medicines and medical services; and deep cuts in funding public hospitals. This heralds the beginning of the end to the Medicare health system.
- Place a ceiling on funding schools at 2017 level; handover all the financial responsibility for education to the states; cease commonwealth funding for vocational training and education; raise fees for tertiary education by a third to cover 55% of costs. 'User pays' privately run education increasingly replaces a free publicly funded education system.
- Lift the retirement age to 70 by 2035; means test the value of the family home for pensions; index pensions to average weekly earnings rather than to male average weekly earnings;



and seniors health concession cards be further restricted. This is a significant step in ridding government of this signature welfare provision.

- Eliminate or reduce eligibility for family tax benefits for parents who don't work; and childcare benefits be means-tested; do away with or cap Abbott's paid parental leave at average weekly earnings.
- Privatised government bodies such as the Centrelink, Snowy Hydro, Australia Post, Australian Hearing Service, Australian Rail Track Corporation and NBN



Co. These sell-offs and closures would see around 15,000 public service jobs done away with.

If this is not bad enough the Audit Commission really bares its fangs, going outside its terms of reference, by calling for a 12% cut (\$150 a week by 2033) to the already miserable minimum wage.

It also wants a 12 month loss of the dole for unemployed young workers if they are unwilling to move to areas where there is available work.

The report asserts that Australia has a "high by international standards" minimum wage. It urges a cut of 1% a year for a decade until the minimum wage bottoms out at 44% of national

weekly earnings.

The Audit Commission's intention, on behalf of finance capital, is quite clear and that is to make Australian workers a low wage work force. Whether it is wages, conditions or welfare rights they are determined by the comparative might of the contending classes, and the ruling class presently feels emboldened to make wretches of the Australian people.

A ferocious attack has been launched by corporate and finance capital against our working class. It can only be overcome with widespread and co-ordinated resistance by workers and their allies.

Social inequality is a fine thing!

by Nick G.

A new regime of fines enforcement is hitting working people in SA.

Some might say it is not a class issue, but a \$500 fine represents a different order of penalty to a person on the Newstart allowance compared to a professional or business couple with a combined income of three or four hundred thousand a year.

As someone said, "the majestic impartiality of the law..."

The SA Labor government has been bashed around the ears by the big end of town for the allegedly high level of state debt.

It is clamouring for ways to reduce the debt and get back into the good books of Standard and Poors and Moodys.

So, corners have to be cut.

Recently a young woman who had been contesting a dog expiation notice from her local Council received a "warning of enforcement" notice from the SA government Fines Unit.

It transpired that the Magistrates Court no longer deals with negotiations around late payment of fees or appeals. That's too time consuming and costly. Instead, the Fines Unit, which has a website but no identifiable physical location, makes arbitrary determinations about payment of fines.

Complaining to friends on Facebook,



the woman said: "And 'due to high volume of calls' you cannot even speak to a human being...can only correspond via email...(good luck if you're too poor to have computer access!). Suddenly, I'm blocked from registering my car or renewing my license, cos of a paltry Council fine when my neighbour let the dog out of the house!!! ..this is GUARANTEED to create criminals out of the poor!"

She is currently planning to transfer ownership of her car to a family member so as to reduce her seizable assets and was distressed to find that in addition to the original fine, she had now been hit to pay a "victims of crime" levy as a "criminal".

A person who responded to her angry message and who works in the public service claimed to have been dealing with "HEAPS of people with this at work lately" and offered to get someone from

the Fines Unit to call her. He added that the Fines Unit phone line doesn't even have a hold and wait function.

"There's nothing quite like 'being politely 'hung up on' - by a ROBOT!" observed the woman.

This is the system of capitalism.

Fines of unequal social severity cause immense hardship to working people and the unemployed, who are then deprived of legal recourse to appeals and negotiations around payment terms, and subsequently find themselves dealing with robots who determine that they are criminals because they can't afford to pay their fines.

Meanwhile, the ruling class and its sycophants and servants in the lucky part of the country are free to burn their frivolous wealth in the casinos of the stock exchange without a care for the morrow.

Or so they think.

The art of enforcing Capital's regimes

by Nick G.

Artists participating in the Sydney Biennale stacked on a blue recently when it was announced that Transfield Holdings subsidiary, Transfield Services, had won a \$1.2 billion contract to manage the Manus Island concentration camp.

Reflecting community outrage over the policy of offshore detention and the murder of Reza Barati, the artists have forced the Biennale board to reject sponsorship from Transfield Holdings.

Luca Belgiorno-Nettis, an executive director at Transfield Holdings, had to resign as chair of the festival.

A bit of Transfield history

Transfield was the creation, in Sydney, of two ex-officers of Mussolini's fascist army, Franco Belgiorno-Nettis and Carlo Salteri.

Marxist historian Humphrey McQueen quotes Franco Belgiorno-Nettis as saying "The choice of friends, selection of enemies is part of management today. We camouflage this with a veneer of civilisation".

Arts sponsorship is one such veneer.

Far from the bloody workplaces where a boss's deadline all too often becomes the workers' line of dead, black tie events are held where companies like Transfield use the arts as PR.

For them, the arts are the camouflage with which they keep concealed their true role as exploiters of labour, despoilers of the environment, and in Transfield's case, enforcers of government policy.

Writing of the founding days of the company, McQueen records that "Transfield kept its labourers isolated in camps as an anti-strike device. If they did stop, Transfield closed the camps and refused to readmit their spokesmen.

"In May 1962, forty builders labourers on the Vales Point power station struck against having to pay for their board and keep. Conditions in the Transfield camps were more like the military than a village, the site managers behaving like NCOs. To break up a stop-work meeting, one foreman threw some labourers into the back of a truck before threatening to drive over the rest."

McQueen says that exploiting cheap labour rather than investing in capital equipment allowed Transfield to kill off competition. It also ran the risk of killing off workers, but they are cheaper to replace than heavy equipment.

"Transfield sent men up 200m television towers without safety equipment," wrote McQueen. "Its supervisors claimed that protective



gear added to the danger by limiting mobility."

"We didn't have the cranes," he quotes a Transfield linesman. "So my mate and me had to carry a channel 10 feet by 4 feet, up 15 feet, position it, which is usually the crane's job, and then put it together. On the ground, two men would never do such a thing, but we did it high in the air. Of course it was dangerous."

Transfield proud of its legacy

No wonder Transfield Service's new chair, Diane Smith-Gander was able to claim of Transfield's suitability for the Manus Island job that the company "has a 60-year legacy of doing this sort of work in remote locations and difficult conditions."

Quoted in a puff piece for the Financial Review's BOSS magazine (yes, that's its name!) Smith-Gander said "...we have experience in this sort of work".

Replete with portraits of herself channeling Annie Lennox with a mouth full of lemons, Smith-Gander claims working class ancestry and compassion for the "tens of millions of displaced persons in the world".

But she is also depicted as arbitrary and authoritarian, as someone "quite happy to issue instructions to all and sundry".

Profits used to paint over reality

The corporate empire that is Transfield has arisen from the theft from its labourers of value created by them after their labour power has covered their wages.

Maybe they worked three or four hours a day to produce the value that Transfield converts into the price of their labour power, but the remaining four, five or six hours of each day they worked for no pay, creating the value that Transfield redeems as profit realised through payment for completion of a project.

Then those unpaid hours of profit are used by the corporation to sponsor art and to engage in other activities far removed from the actual site of profit creation in order to prettify their

operations, to conceal the pressures placed on their employees, to cover over the injuries, the maiming and the deaths that occur in the normal course of their operations.

We honour the Biennale artists who have refused this company's

Abbott government attacks cleaning workers



by Ned K.

On 20 March 2014 the Abbott Government announced that it was abolishing Commonwealth government procurement guidelines and regulations that required contractors to pay cleaners above award wage increases.

A cleaner employed on a Clean Start Union Collective Agreement by a contract cleaning company in, for example, the High Court building in Canberra or Parliament House itself, will receive a wage cut from 1 July 2014 of between 14% and 20%, and over the next four years, another 8%.

The Abbott Government's cold-hearted attack on cleaners' wages comes at a crucial time during cleaners' struggle to win a second Clean Start Agreement.

The Agreement is being strongly resisted by the big commercial property owners and their mouthpiece, the Property Council of Australia. No doubt they were gloating at the Abbott announcement to cut cleaners' wages in government buildings.

However, their gloating may be short lived as cleaners re-group with even more determination to hold on to what they have won through years of struggle and to win moderate wage increases to

sponsorship.

And we give the final words to McQueen:

"The next challenge is for all of us to shout NO whenever corporations attempt to patronise art, education, health or sport with the proceeds of their crimes.

"The finest and noblest art forms will be our envisaging the kind of society that we can build as our collective efforts enrich individual creativities.

"Placing the highest moral and aesthetic value on social labour opens pathways to a time when corporate blood money will no longer be a distraction because 'human being' and 'artist' will again be synonymous."



keep up with the rising costs of day to day living.

Since Abbott came in to administer capitalism on behalf of the ruling class he has deliberately attacked the wages of some of the lowest paid workers in Australia – child care workers, aged care workers, and now cleaners.

All these workers are covered by United Voice union which has coverage of many non-trades service industry workers. It has developed innovative strategies to organise these workers who are often isolated and in precarious insecure work.

It is these workers that the Abbott Government on behalf of the Business Council of Australia (BCA) is determined to keep on poverty wages.

These workers are what the BCA consider to be "non-core" workers and they need to keep these workers on very low pay so they can bribe or buy off their higher paid "core" workers without eating into their thirst for rising profits.

As thousands of people yelled on March In March day recently, the attack on workers' wages is "Not In Our Name".

Next on the BCA and Abbott agenda for a low wage country is abolishing weekend and shift rates.

Resistance from workers is sure to grow.

Marxism Today

The housing problem in Australia: caused by capitalism and capitalist social relations

by Alex M.

A previous article on housing in Australia published in the 'Marxism Today' section of *Vanguard* in November 2010 referred to a report by the Australian Housing and Urban Research Institute (AHURI).

The report examined the benefits and risks of home ownership for low to moderate income households.

Fast forward to earlier this year and AHURI have made a submission to the Senate Economics Reference Committee, which has been given the task of investigating affordable housing in Australia.

The Senate Committee took submissions from a number of interested parties, from individuals to organisations, amongst them AHURI. The Committee is due to report its findings to the Senate in late June.

What has triggered the inquiry into housing affordability is the inexorable rise in house prices and rents and the consequent rise in housing related poverty, people being priced out of homeownership and increasing numbers of the homeless.

What often gets overlooked in these sorts of Parliamentary inquiries are the main beneficiaries of house price inflation; landlords, real estate agents, property developers and financial corporations.

Inevitably, what is overlooked are the class aspects of the provision of housing in Australia. Nonetheless, it is possible to get important insights and information from such inquiries.

Factors that have influenced housing affordability in Australia AHURI's analysis

The AHURI submission identifies a number of conditions that are currently influencing housing affordability in Australia and are worth noting here. These are:

- Insufficient supply of new housing to meet underlying demand.
- Real house prices rising faster than incomes – estimates of the ratio of average/median



house prices to average/median incomes vary between 5 and 7 depending upon which measures are used.

- A preference for larger, higher quality dwellings, despite relatively small household sizes – from 1994 to 2009, the average size of a new house in Australia increased by 30% from 189 to 245 square metres, average household size fell throughout [the] 20th century from 4.5 to 2.5 persons in 2006, yet the median price of housing in Australia rose 1994–2009 by 240% cent from \$125 000 to \$425 000.
- Falling rates of home ownership amongst 25–44 year olds. In 1981 61% of 25–34 year olds and 75% of 35–44 year olds were home owners. By 2011 these figures had fallen to 47% and 64% respectively.
- A change in the secure 'tenure for life' status of home ownership with 22% of Australian home ownership careers characterised by either dropping out

permanently (9%) or churning in and out (13%) of home ownership.

- Market failure at the bottom end of the private rental market with supply unresponsive to demand, despite a context of growth in the relative size of the private rental market – in 2006 it was estimated there was an undersupply of 298,000 private rental properties affordable and available to households in the lowest 40% of the income distribution. By 2010, this is estimated to be over 500,000 dwellings.
- Continuing high numbers of households in the private rental market in housing affordability stress – in 2007–08 60% of low-income private renters were in housing affordability stress.
- A change in the nature of the private rental market from a predominantly short-term transitional tenure, to one that has 33% of its occupants (in 2007–08) as long-term private renters who have rented for 10 years or

more continuously, an increase from 25% in 1994. Long term private renters (597,000) now outnumber households in public housing (365,000).

- The supply of dwellings in affordable housing programs (National Rental Affordability Scheme, community housing, public housing) is not keeping pace with population growth or the changing nature of Australia's population (e.g. more older households and more households with people with disabilities). The share of affordable housing program dwellings in Australia has fallen from 5.5% in 1998 to 4.7% in 2012.
- Growth in the numbers of people living in boarding and rooming houses and living in severely overcrowded dwellings from 46,991 in 2006 to 59,111 in 2011.

The AHURI submission to the enquiry is detailed (as are many other submissions) and does take a critical look at aspects of the taxation system such as negative gearing; the latter having contributed to the spike in house prices and rental increases.

However, as the submission is to a Senate Committee, then it is reasonable to assume that the final recommendations will be for reform to address the inequalities inherent in the housing market here. Fundamental change and views that support that change will most likely be marginalised.

The problem of inequality

Still, voices that highlight the inequalities inherent in the provision of housing under capitalist conditions in Australia persist, despite being marginalised.

Frank Stillwell, Professor of Political Economy at the University of Sydney, made a short submission. His submission gets to the heart of the matter:

"First we need to challenge the view, commonly conveyed in the media, that rapid housing price inflation is

- continued p7 -

- continued from p6 -

beneficial. The question should be: good for whom? There are losers as well as winners in a game such as this. Existing home owners and those owning rental properties may benefit in terms of capital appreciation. On the other hand, those who are seeking to become first homeowners must pay ever higher entry prices, making homeownership an increasingly unattainable goal for many households. Tenants meanwhile face escalating rents...

Furthermore inequality is an inherent part of the problem of housing affordability as well as being an intrinsic part of capitalism itself.

"The contrast between wealthy suburbs and areas with poor housing is the physical expression of a deeply divided society. Of course, people's capacity to service a mortgage or to pay market rent varies markedly according to their income. So it is very difficult to achieve the social goal of decent and affordable housing for all without addressing the economic forces that generate those inequalities. It is not just that some people derive income from capital while others only derive income from labour. Nor that some people benefit from inherited assets while others do not. These processes are compounded by the way in which housing inequalities interact with labour and capital market inequalities to create cumulative patterns of social advantage and disadvantage."

Stilwell's submission is critical of the role of what he calls the 'economic forces' which generate inequalities, in wealth and homeownership for example.

He avoids using terms such as class and capitalism, due most probably to the audience he is addressing.

We don't need to be quite so circumspect. The housing problem in Australia is a product of the profit maximising drive of capitalism. Particular class interests benefit from the way things are in the housing sector now.

What is also apparent is the decline of direct government involvement in the provision of housing at the Federal and State levels.

The November 2010 'Marxism Today' article on housing gave an overview of housing policy in Australia since the 1950s and the class aspects of housing and these sections from that article are worth repeating here.

Overview of housing policy in Australia

In the 1950s, in line with post-war reconstruction in general, home ownership was promoted.

A combination of housing and non-housing policies encouraged this ideal.

These policies included: 'exemption from capital gains tax, discounted/controlled interest rates for home mortgages, cash grants to first home buyers, provision of low interest home loans directly by governments and via intermediary organisations such as state banks, sales of public housing to sitting tenants, mortgage deductibility (for a short period only), development of "affordable" home ownership lots by state land developers, and planning policies which promoted detached housing, the house type desired by purchasers'.

It was clear that governments at Federal and State levels saw it as their duty to help people achieve the 'Australian dream'.

With modifications, the broad policy settings of Australian governments continued along the lines mapped out in the 1950s.

With the stagnation that accompanied the ending of the long boom of capitalism in the late 1970s-early 1980s, government policies regarding housing were re-assessed.

The 1990s ushered in 'a fundamental change in policy settings on home ownership with the elimination of some of the more explicit measures to promote home ownership.

In particular, governments no longer saw it as their role to assist the "marginal would-be home owner" in purchasing a home'.

Emphasis in government housing policies shifted from the promotion of home ownership for 'marginal' people to the provision of rental housing assistance for those with urgent housing needs.

Such a shift in emphasis was driven by neo-liberal ideology which saw the market as the most efficient resource allocator, with governments having the reduced role of safety net providers 'for some "at risk" households'.

The class aspect of housing

Clear from what has been outlined above about declining government involvement in and concern with housing policy is the power of particular class interests.

Finance capital in the form of banks, home loan brokers and others have big stakes in the housing market and some rental investors do too, though the latter do not necessarily have the same clout as the finance capitalists.

As has been pointed out before in the pages of *Vanguard*, the provision of housing and related government policies necessarily reflect the values of the dominant class.

That is, the provision of affordable



Frederick Engels

housing to low and middle income families, or working class families, is not a priority for governments, landlords or finance capitalists.

For the latter two, their priorities are profit maximisation. For governments, beholden as they are here in Australia to capitalist class interests, the social reforms of the 1950s and the long boom years are things of the past.

Markets are alleged to be the most efficient mechanisms for distributing commodities such as houses.

In his work *The Housing Question*, Frederick Engels wrote rather

presciently about the attitude of capitalist states to the issue of working class access to affordable housing.

"It is perfectly clear that the existing state is neither able nor willing to do anything to remedy the housing difficulty. The state is nothing but the organised collective power of the possessing classes, the landowners and the individual capitalists (and it is here only a question of these because in this matter the landowner who is also concerned acts primarily as a capitalist)..."

"If therefore the individual capitalists deplore the housing shortage, but can hardly be persuaded even superficially to palliate its most terrifying consequences, then the collective capitalist, the state, will not do much more."

Housing in Australia will continue to be fraught with problems of affordability for working class families, and finance capitalists and landlords will continue to rake in the profits.

This is the stuff of capitalist social relations. The only solution to such inequity and inequality is the creation of a more just and equitable society, that is, an independent, socialist Australia.

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Labor: modernisation is beside the point

by Nick G.

Labor leader Bill Shorten delivered a speech some weeks ago under the title *Towards a modern Labor Party*.

The speech presented what purported to be a “vision” of a membership-based and community-based “modern, outward-looking, confident and democratic party”.

Essentially, this turned upon an easier “one-click” online joining model for new members, removal of the requirement that prospective members join a union, removal of the practice of affiliated unions exercising “factional, centralised decision-making”, giving local members 70% of the say in selecting their local candidate, giving local party members a “meaningful say in the selection of Senate candidates” and redrafting the first chapter of the party’s National Platform which contains its “enduring values”.

How values can be said to be “enduring” when they need to be redrafted was not explained.

A liberal bourgeois party

As for the rest, it really does reflect the direction that one would expect of a liberal bourgeois parliamentary party in the era of the complete domination of industrial capital by international finance capital, of the destruction of manufacturing by the greater attraction to investors of financial speculation, and of the numerical decline of the organised working class and its replacement by both precariously employed and largely unorganised semi-proletarians and service workers.

And perhaps the most frustrating obstacle to Bill Shorten in his desire to “modernise” the Labor Party is precisely that this party which all along has been a liberal bourgeois party cannot rebrand itself – in this advertising era of continual rebranding of “the image” – as the Liberal Party because the conservative party stole that name nearly seven decades ago and refuses to give it up.

Ties to unions or tying up unions?

There will be some in the organised union movement who will dispute the truth that the Labor Party is a party of capitalism, is a bourgeois liberal party.

“The unions gave birth to the Labor Party,” they will very correctly assert and will point to a succession of Labor leaders who have come up through the ranks of the union movement.

What they dare not admit is that these Labor polities born of trade union officialdom have been, even in the very



Bill Shorten

earliest days of the ALP, “everywhere the most moderate and ‘capital-serving’ element”, as Lenin observed in 1913.

Shorten is living proof that there has been no “modernising” of that aspect of the Labor Party.

A party of capitalism

Some will try to argue that the ALP is a social-democratic party of the working class because it has traditionally had a membership base in the working class.

But that is also true of the Australian Army, the majority of whose soldiers are drawn from the working class. That does not make it the Australian version of the PLA!

The ALP has always been a party of capitalism because it chose the political institution of capitalism, parliament, as the arena for the pursuit of its objectives; and because those objectives, even when expressed through social-democratic values, never went beyond the economic system of capitalism, beyond the reach of a market-driven system of economic activity.

“...the Liberal Party have always put the interests of powerful lobby groups ahead of the vulnerable,” asserts Shorten. “That is why they exist – it is what they live for – vested interests.

“By contrast, Labor is the party of

change, the party of optimism and opportunity for all.”

But capitalism itself continually revolutionises the conditions of production, its instruments, its technical components and its structural features.

The strongest and most reactionary components of the ruling class are indeed “vested interests” and they are well-represented by conservative parties around the world.

Labor has historically had the role in Australia of adapting the social superstructure of jurisprudence and processes to the latest ways in which the economic laws of capitalism determine the dynamism and resilience of the system.

A component of that has always been to offer working people some small measures of support in return for their compliance and co-option into that system.

Often that “support” has been more apparent than real, as for example in recent decades with wage indexation (and discouraging strikes for better pay), the Accord (discouraging strikes in return for social programs), and Enterprise Bargaining (restricting the legally protected scope of strikes, dividing the working class and preventing solidarity actions).

With changes like these, who needs conservatism?

It makes Labor no less a party of capitalism to claim that it is “the party of change, the party of optimism and opportunity for all”.

Why workers need a revolutionary party

Class conscious elements of the working class have always understood that Labor is a party of capitalism.

Grandmothers Against Removals fight to stop new stolen generation

-Contributed-

Last year a young Perth boy came home from school, crying. His grandmother asked what was wrong and he said he’d been taken from class to say goodbye to his sister, who was being taken away.

As she drove frantically to school, she saw her granddaughter’s friends, all crying and carrying flowers, to comfort her.

The girl was already in the air, flying to rural Queensland. There had been no prior contact from DOCs, the Queensland Department of Family and Community Services.

There are now more Aboriginal children in ‘out of home care’ than ever



before. In NSW, it’s 10% of Aboriginal children, a five-fold increase since 1997.

Instead of assisting families to support their children, families are found guilty of poverty, and ‘neglected’ children are removed.

But resistance is growing. Grand-

The most politically advanced sections of the working class have sought out and joined the revolutionary working class party, the Communist Party.

The Communist Party exists to lead the broadest ranks of the people, under the leadership of its living core, the industrial proletariat, to anti-imperialist independence and socialism.

It seeks, even in the most peaceful and non-revolutionary circumstances, to build the existing and ongoing movement for the revolutionary denial of the property rights of the capitalist class and the destruction of their political, ideological and military domination of society.

It exists to prepare the way for the elevation of the working class to a position of rule over the capitalists, over the global institutions and corporations of the world economic system, not through the existing bourgeois institution of parliament, but through new institutions that will prevent those overthrown forces from ever staging a come-back.

It challenges the ruling class with immediate demands that are required for the temporary amelioration of the hardships faced by the people, but challenges the people with the realisation that temporary improvements are only marginal and no substitute for abolishing the cause of hardship – capitalism – once and for all.

Class conscious workers have the choice.

Either, a party which seeks to perpetuate the hardships and injustices of an exploitative system through change and reform, or a party which whilst fighting for immediate demands, plans for the destruction of the system of hardship and social injustice.

mothers Against Removals was formed in Gunnedah NSW in response to a high number of unjust removals in the region.

On February 13, the anniversary of Kevin Rudd’s apology to the Stolen Generations, they protested outside NSW Parliament.

On Friday April 11, they rallied outside Tamworth DOCs office, to highlight ‘The Friday Afternoon Special’, the forced child removal just before the weekend, so families are unable to get assistance for three days.

As *Vanguard* goes to press, sixteen regional and capital city protests are taking place on National Sorry Day, May 26. *Vanguard*’s online version will include a full report.

A beacon of the future

by Louisa L.

In memory of Mick Christoforou, Ernie Matthews and the ordinary heroes of Cockatoo Island Dockyard, who dared to imagine the future.

Pause a moment. Imagine a fire and the night-time silhouette of a giant crane, the Titan, towering above a group of workers. Hanging from the Titan's huge arms are a Eureka flag and an Aboriginal flag.

For Shop Committee Secretary and rigger, Max, that image burns deep within.

For three months, from May 10 to August 14, 1989, Max and 1200 striking workers from seventeen unions reaffirmed their collective commitment to the occupation of an island in the heart of Sydney Harbour.

For Max, it's important that the workers themselves took the initiative. "The union officials, except the Painters and Dockers and the MUA, were very slow to react to the announcement of Cockatoo's closure.

"A lot of officials had mixed allegiances because they were ALP members. They felt an affinity with [Defence Minister] Beazley [who'd announced the closure] and [Prime Minister] Hawke.

"A lot had never been involved in major industrial disputes, because of the Accord. For them the role of unions became corporate, rather than building a movement involving all their members," says Max.

Meanwhile taxpayers gave Kerry Packer's ANI, which ran the dockyard, \$2.5 million during the dispute. Happily, the occupation catapulted Cockatoo into the public imagination, killing Packer's plans for a resort there.

Another beneficiary was Transfield, then owner of Australian Shipbuilding Industries (ASI). ASI began submarine refits previously done at Cockatoo. ASI dropped the first sub, causing \$300,000 damage, then wrecked the periscope. The sub sailed to Singapore for repair – on the surface.

Unfinished business

Noel, an electrician reckons his comrade, Claude, summed up the occupation as a lesson that needs to be followed everywhere.

Says Noel, "We have to get back to real action, for the whole of the working class. It comes down to the slogan, 'The workers united will never be defeated', but unless we extend our tactics to the occupation of places, and push further, to put political calls for revolutionary



change, it boils down to glorified reformism."

Only a handful of workers shared all Noel's views. Times are certainly tougher now, and revolutionary change is still not on the immediate agenda. But within immediate struggles, other tasks are.

"I think we need to point out that the working class are the only producers of real value in society, and we need to take control of that wealth instead of producing surplus value for a bunch of parasites, for capitalists. Profit is just unpaid labour," says Noel.

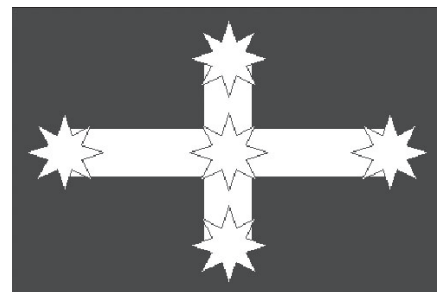
That task is ongoing business. But, for now, reflect a moment, on a fire that burnt on an island in Sydney Harbour. For the occupiers it was "a beacon of the

working class, to the working class, that there's a struggle going on, and it will stay alight till the struggle's finished."

And think of that day, twenty-five years ago, when a manager ordered workers to leave and they replied, "You get off! This is our island!"

Cockatoo Island Dockyard workers dared to imagine the future, a vision we as communists share and work towards each day.

**Information for this article comes from recent interviews and 'No Surrender; the story of the 1989 Cockatoo Island Dockyard Dispute' by L. Kelly, Australian Society for the Study of Labour History.*



Cockatoo '89

John's seen flying saucers across New Zealand skies,
And Packo, he sees football stars when he looks in his young son's eyes,
Cabs jokes he'll move a motion to stay out evermore
And Eddy's just gone fishin' – he'll get dinner for them all.

Well there's families and there's Beazley (a goat, we all know that)
They brought her out to eat her, but now she just gets fat.
There's one bloke got there swimmin', while dozens take the boat,
And Michelle, well she just lives there – they learn with each week's vote.

They might seem like a mixed bunch and I guess that may be so,
But they're out there for a reason and I'll tell it so you'll know.
They're out there 'cause they're fighters, with a cause that's just and true,
They know that in this system, if you don't fight you lose.

For we're an island nation, and we need our ships, you see,
But those backed by foreign money say that this must never be.
They'd like to see our nation become a vast resort
For the rich of other countries to come and have their sport.

So the workers of this island raise a flag of white and blue,
It flutters in the night's dark sky and in sunset's brilliant hue.
It's the flag of old Eureka where the miners took a stand,
It's the flag of independence of this great, and stolen, land.

And the workers of this island, they light a fire you see:
It is the fire of struggle to make our country free.

So the people of Australia watch the workers in this fight
And their hearts and minds are with them for freedom's in their sight.
When Australia's independent, from Yank dollar and from yen
We'll think back to those at Cockatoo and give some thanks to them.

Rich tax avoiders are sitting back and laughing

by Nick G.

The former Business Council of Australia (BCA) president Tony Shepherd's Audit Commission revealed the agenda that local and foreign corporations are pursuing through the Abbott Government.

Through a manufactured "budget crisis" they are putting the squeeze on working Australians.

The same BCA knows very well that its corporate membership is engaging in massive tax avoidance.

Towards the end of last month they co-hosted, with legal firm Clayton Utz, a seminar on the OECD and G20 decision to try and restrict base-erosion and profit-shifting loopholes that have scandalised Europe, with revelations that giants like Amazon Books and Google have paid next to nothing on huge profits in countries like the UK.

The seminar was told by Tax Office

officials that 233 multinationals in Australia were "under review" and had collectively sent around \$60 billion to related parties in tax havens outside this country in 2012.

That money, if taxed at the company tax rate in Australia, would provide revenue to the government that would allow it to fund social programs rather than cut them.

One of the mechanisms for avoiding tax on these billions of dollars was for a company to register a trading hub in a tax haven, transfer to it the Australian company's intellectual property rights, and then have the hub "charge" the Australian company for use of those rights.

Massive untaxed profits, exit stage right.

Reports from the seminar suggest that rather than chastising themselves for this dishonesty, business participants sought assurances that sections of the

transfer-pricing legislation introduced by the Labor government when it held office would not be used to try to recover these untaxed profits.

The Deputy Tax Commissioner Mark Konza assured business that the tax commissioner would not "go crazy with this power". In fact, he said, the powers would be "rarely implemented" because of associated legal difficulties.

Big business was further assured that Abbott's decision to slash 3000 jobs at the Tax Office would probably hamper what little effort the ATO may have been planning to put into the task.

At around the same time, it was revealed that the number of superannuation clients with funds of more than \$5 million had increased by 76% in the past three years, and those with over \$10 million in super had doubled, reflecting the increasing numbers of super-rich living off our

work.

Given the tax breaks and concessions associated with super funds, the super-rich are able to receive income (returns on investments made with their money by super funds) on which they pay zero to 15% tax, instead of the current top rate of 46.5%.

These disclosures prove once again that there is no basis for budget "crisis" warnings. The problem is not that there is insufficient money in this country to provide for the government's revenue.

The problem is that there is too much, and it's in the hands of corporations and individuals who can use profit-shifting and superannuation to laugh at the rest of us mug taxpayers.

These social parasites are past their use-by date.

Their unfairness and arrogance are intolerable.

We can and will intensify our efforts to get rid of them.

Aged care workers fight cuts to working hours and more onerous workloads

-Contributed-

Aged care workers across the country are fighting cuts to hours and onerous workloads.

Hours of work allocated for delivery of personal care and support services such as cleaning and food for residents have been highly dependent on federal government funding.

This funding is for 'operational needs'.

Funding for the building and expansion of aged care facilities comes mainly from bonds up to \$550,000 paid by residents when they enter the aged care facility.

Since the mid-1990s federal government funding for operational needs of aged care providers has been outcome based.

The timid regulation of staff to resident ratios as a condition of government funding that existed prior to the mid-1990s was abandoned by both Labor and Liberal Governments as 'self-regulation' by employers and 'the market' extended even into aged care.

Aged care providers were able to determine their own staff to resident ratios and how many labour hours of care they allocated to residents.

By 2014, the average number of hours of care per resident per day has steadily declined to 2.96 hours.

Aged care providers are categorised as 'private for profit' and 'charitable'.

The large 'private for profit' providers



in the industry have led the charge to the new industry 'benchmark' of 2.96 hours of care per resident per day by reducing hours of staff and increasing their workloads.

Some of the 'charitable' providers, mostly owned by church groups such as Anglicare and Uniting Church, have resisted the race to the bottom and maintained levels of care at as much as an average of 3.75 hours per resident per day.

Abbott government accelerates race to the bottom

However, the Abbott Government has accelerated the race to the bottom regarding hours of care for residents by reducing the amount of government funding for 'operational needs' over the coming financial year and the next decade.

The government is setting up a 'user pays' system whereby an increasing amount of money to fund even the disgraceful 'benchmark' of 2.96 hours

of care per resident per day must be paid by the residents themselves.

Consequently many charitable providers are now trying to implement cuts to staffing hours with devastating impacts on both staff income and workloads.

This is being strongly resisted by staff who are not only concerned about the reduction in the weekly incomes but also stressed by their inability to provide the standard of care residents need in the working hours they are provided.

Personal care staff represented by United Voice, HSU and AN & MF unions are demanding staff to resident ratios and security of hours of work provisions in enterprise bargaining negotiations.

They are also finding growing support from families of residents who can see when they visit their loved ones the day to day impact on the quality of care as staff and resources are stretched to the limit.

When aged care providers try to reduce staffing hours now, they are

confronted by angry people on two fronts – staff and residents.

So far the providers have been able to weather the storm by blaming (correctly so to a large extent) the federal government and saying that their hands are tied.

However this argument is wearing thin and the time is coming where staff, with the support of families of residents, will be taking joint action.

Resistance has occurred for a while in an individualistic way with many staff leaving the industry altogether, and an increase in outbursts of anger towards providers by frustrated and desperate family members.

However, many staff cannot afford to leave as jobs become scarce elsewhere, and because they do not want to 'abandon' the residents for whom they genuinely care.

Similarly, angry family members of aged residents do not have any real option of moving their loved one to another provider where the same type of problem is likely to exist.

The long term solution for the aged care staff and the industry as a whole is for the industry to be owned by the people as part of a well-resourced national public health system.

In the short to medium term, working hours and workloads of aged care staff will only improve with an industry-wide campaign by unions and communities for more funding of hours of care as a condition of government funding to aged care providers.

Some awful substance...

by Nick G.

The hypocrisy of the ruling class knows no bounds.

While Liberals champion the right to bigotry, a Federal Court judge has ruled that the WA Branch of the Maritime Union of Australia is in breach of the Fair Work Act because it had identified five scabs as scabs during a strike in 2011, and further, had defamed them and denied their human dignity by quoting the words of Jack London's famous statement, *The Scab*.

Scabs deny their own human dignity. That is the whole point of London's statement.

A US Supreme Court case in 1974, dealing with a similar case of the use of London's statement, ruled that "Jack London's... 'definition of a scab' is merely rhetorical hyperbole, a lusty and imaginative expression of the contempt felt by union members towards those who refuse to join", and as such was not libellous and was protected under the First Amendment.

Freedom of speech for whom?

The US First Amendment is a bourgeois right that has never been implemented in Australia. It protects the right to freedom of expression from government interference.

It is not an absolute right. The US government can restrict it. Nevertheless, it has its use and is a counter-balance to the restrictions imposed under definitions of defamation and libel.

We don't have a Bill of Rights and we don't have a First Amendment. Restrictions on freedom of speech by working class activists and their allies are more easily applied here as a result.

Thinking reflects class membership

Every type of thinking without exception is stamped with the brand of a class. There is working class thinking and there is ruling class thinking.

A scab does not think like a worker does. The worker thinks of unity and struggling until victory.

The scab thinks of personal gain at the expense of others and doesn't consider the consequences.

Scabs are just as likely to be fellow employees who are too selfish to forgo pay for the sake of improved wages and conditions, but always take the improvements that others have fought for.

Sometimes they are management personnel looking for brownie points from the boss by doing the work of others down the food chain.

Sometimes they are from outside



Mock grave of a scab

the workplace and are likely to be unemployed and in genuine hardship themselves.

They are still scabs.

The thinking of the ruling class is that it's fine to use scabs alongside police violence and the courts in order to intimidate and break the spirit of striking workers.

The workers think it is fine to call a spade a spade, to name and shame, and to intimidate and break the spirit of strike-breakers.

The Federal Court judge, using ruling class thinking, found that the MUA poster was "extreme, offensive, cruel and abusive".

We think as workers that scabbing



Jack London

during a strike is "extreme, offensive, cruel and abusive".

Our working class history is built on a righteous hatred of scabs and scabbery.

We proudly reprint the Jack London statement in tribute to the WA branch of the MUA.

The Scab

by Jack London, (1876-1916)

After God had finished the rattlesnake, the toad, and the vampire, he had some awful substance left with which he made a scab.

A scab is a two-legged animal with a corkscrew soul, a water brain, a combination backbone of jelly and

glue.

Where others have hearts, he carries a tumor of rotten principles.

When a scab comes down the street, men turn their backs and angels weep in heaven, and the devil shuts the gates of hell to keep him out.

No man (or woman) has a right to scab so long as there is a pool of water to drown his carcass in, or a rope long enough to hang his body with.

Judas was a gentleman compared with a scab. For betraying his master, he had character enough to hang himself. A scab has not.

Esau sold his birthright for a mess of pottage.

Judas sold his Savior for thirty pieces of silver.

Benedict Arnold sold his country for a promise of a commission in the British army.

The scab sells his birthright, country, his wife, his children and his fellowmen for an unfulfilled promise from his employer.

Esau was a traitor to himself; Judas was a traitor to his God; Benedict Arnold was a traitor to his country.

A scab is a traitor to his God, his country, his family and his class.

Privatisation disastrous for workers

by Duncan B.

The privatisation of Government-owned enterprises has resulted in higher prices, poorer service to customers, massive profits to the new owners and obscene salaries paid to their executives.

Workers have suffered job cuts and worsened conditions after privatisation of their enterprise.

An example of this is the rail transport operator Aurizon. This company was formed from the privatisation of Queensland Rail in 2010. Since then, Aurizon has got rid of more than 2000 jobs.

Now the company is seeking to get rid of a further 480 maintenance staff from its workshops at Redbank near Brisbane, and at Townsville.

Aurizon workers are considering industrial action after the company approached Fair Work Australia to terminate 14 enterprise bargaining agreements dating from when it was still a government-owned company.

The agreements prevent Aurizon from making forced redundancies and relocations and from taking away employees' free rail travel.

The company claimed that "these agreements are placing significant and unreasonable restrictions on the



More job losses and relocations for Queensland Aurizon workers

company that impact on efficiency, productivity and customer service, as well as imposing additional costs on the business."

Aurizon is in a good financial position and is making record profits. Aurizon's chief executive Lance Hockridge earned \$4.5 million, including benefits, during the 2012-2013 financial year.

Meanwhile, Aurizon's main rival Pacific National (itself formed from the privatisation of the Federal Government-owned National Rail and the Victorian and NSW Government freight rail companies) is also seeking to reduce staff numbers through redundancies in New South Wales due to a down turn in grain haulage. They are looking to get rid of about 70 train drivers in NSW. Forced redundancies have already occurred.

This is on top of redundancies taking place in operating staff and management due to restructuring of Pacific National's rail divisions.

The Victorian government has decided to sell the Port of Melbourne, by offering a medium-term lease to prospective purchasers.

Already, foreign-owned companies including Hong Kong-based Hutchinson Port Holdings have expressed interest in buying the port.

The sale of the Port of Melbourne to a foreign buyer does not require approval from the Foreign Investment Review Board as the port is owned by the state government!

Farm and industry groups are worried that as the port reaches capacity within the next ten years, a foreign buyer could restrict access and force prices up.

Budget anger mobilises mass protests



Melbourne



Perth



Adelaide



Brisbane

The people themselves develop the struggle

by Nick G.

After the great outpouring of anti-Abbott sentiment at the March in March rallies, the people again turned out in thousands to protest the Budget cuts and make their stand on other issues close to their hearts at the huge March in May rallies.

This is a great tribute to the capacity of Australians from many walks of life to engage in expressions of anger and outrage at the agenda of the rich and powerful.

It is a great tribute to the capacity of users of social media to circumvent monopoly media censorship and the indifference or opposition of established organisations and parties, to mobilise mass displays of rejection of unpopular budgetary and other measures.

People want to keep the action going

In Melbourne, in the space of a few days, the decision was made to organise the 18 May rally against the savage budget, and in only three or four days some 25,000 people took again to the streets.

This should make certain people who ridiculed and dismissed the earlier March in March national rallies sit up and take stock of themselves.

A senior ACTU figure spoke well to union representatives in Adelaide about the all-encompassing attack on unions being developed by big business and its political enforcers.

However, when asked what the ACTU's relationship was to the coming March in May rallies he made a fairly

indifferent reference to "the sort of people who go to those things... there were even people against vaccinations at the last one".

The ALP refused to support the March in March rally and directed its rank and file members planning to attend not to display any ALP signs.

That is why the eventual support for March in May by some unions who were reluctant to support the March in March was so important.

That is why ACTU President Ged Kearney's appearance at the Melbourne rally was very important.

That is why the speeches by union leaders at other rallies around the country were very important.

A movement beyond the control of apologists for capitalism

This is not a movement that can now be brought back under the ownership and control of people who want it to be restricted to demands for the return of Labor to office.

This is not a movement that needs endorsements from on high.

The March Australia movement and other spontaneous people's movements independent of parliamentary parties have their own momentum and mass base.

It is a broad church with a single enemy - Tony Abbott and his government.

That is both a strength and a weakness.

It succeeds for the moment in uniting the many.

It succeeds because people are responding to its genuine broad grass roots initiative, not the tightly controlled

political party affair from above. They sense that it is put on by people just like themselves with no agenda beyond having a go at Abbott. and collectively voicing their anger with the social and economic injustices.

But this was also the strength and the weakness of the Occupy movement.

In the end, and it took a long while to peter out, but in the end it could not be sustained simply because it was a movement that remained spontaneous and disorganised.

The post Occupy movement's successes are those where its participants did go out into workplaces and communities to consciously learn from the people and assist in organising the people's movement for the long term.

Mass line is key to lifting struggle

If the March movement is to succeed, it needs the active participation of people who understand the need to go beyond the spontaneous demands of its broad congregation of supporters.

It needs active class consciousness to develop as a people's movement similar to the first stage of the Your Rights at Work movement, prior to its nobbling by the ALP and its diversion from a workplace and community fight for rights to an exercise in voting for the same old parliamentary misleaders of the working class.

At the moment the movement has a healthy commitment to staying away from the quicksand of parliament.

Even when the demand is raised to "Block Supply before July" – an action that can only occur within parliament – it reflects people's eagerness for lifting

the struggle, for bringing on a crisis rather than for calming things down and taking the heat out of the immediate struggle.

That is why circumstances favour, in very careful and appropriate ways, the task of raising the understanding of people about the nature of capitalism and of raising the level of struggle against it.

This is why circumstances favour the continuing development of an independent agenda for the working class, an agenda around which other sections of the people can be rallied as the attacks by imperialism and conservative reaction take away even more of the people's rights.

Those who are familiar with Mao Zedong's explanation of the mass line will know that they cannot be content with echoing the spontaneity of the movement, but must listen to it, contextualise its causes, and reformulate its demands at a higher and more precise level of targeting the main enemy.

Every support must be given to the spontaneous movement of the people, and every effort must be made to lift it to ever higher levels.

Vanguard Blog

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