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*Labor ideas for a better Australia*

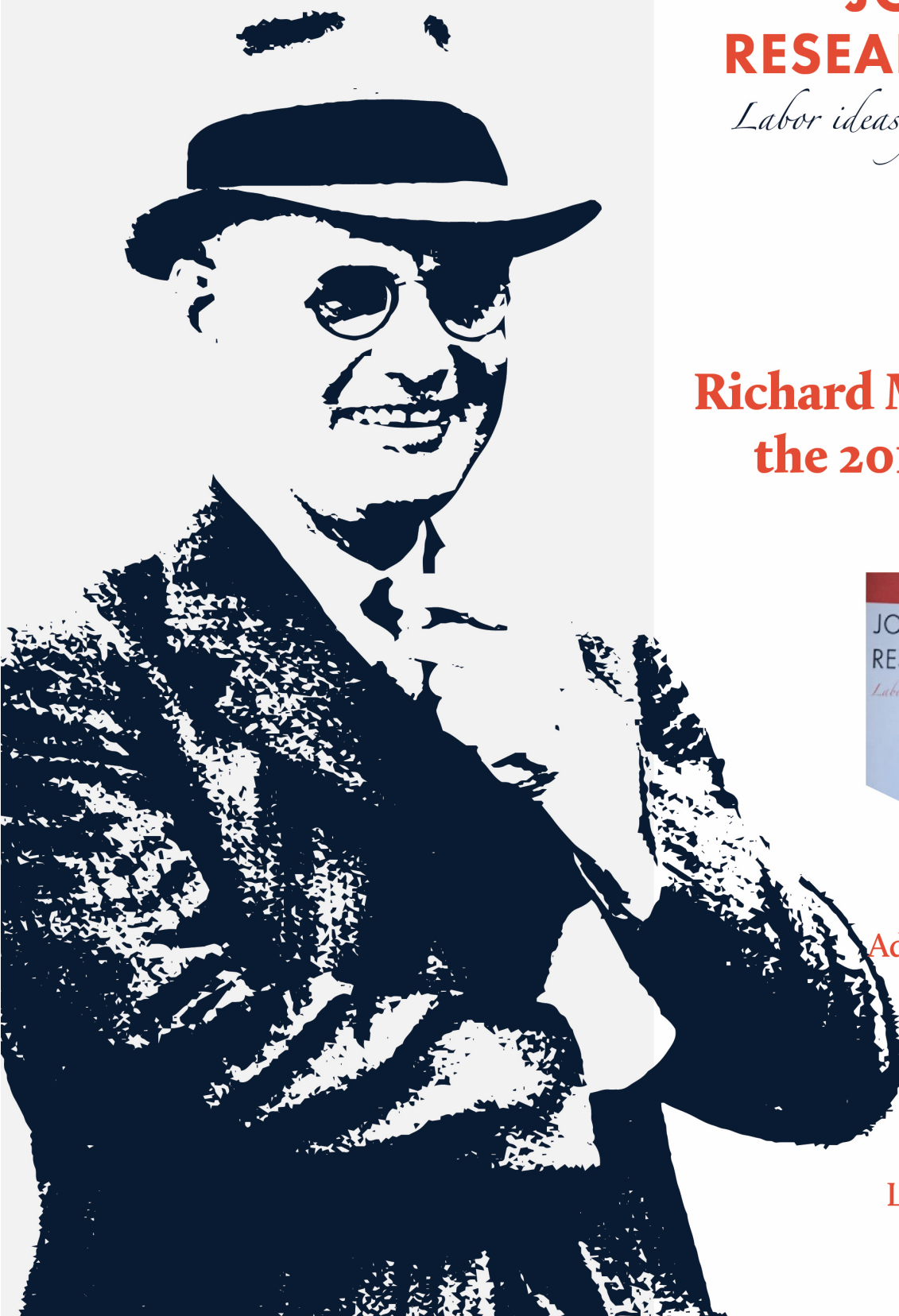
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# Editorial

Executive Director, Dr Nick Dyrenfurth

‘There has never been a more exciting time to be an Australian.’ It was a laughable statement when Liberal Prime Minister Malcolm Turnbull assumed the nation’s top job in September 2015. But for working Australians in 2018 it is nothing short of a sick joke. According to a recent Australian Council of Trade Unions survey, more than 70 per cent of workers say they are working harder for less, are expected to work longer hours, do unpaid overtime, while cost-of-living pressures increase. Nearly 60 per cent fear they will lose their jobs in the next few years; 90 per cent are worried there will be fewer permanent and secure jobs for their kids. Just one in 10 respondents think they will be able to enjoy a ‘secure, dignified retirement’. Turnbull’s chaotic government is, by contrast, focussed on itself, whether it is jobs for mates or minister’s girlfriends. It has no plan to do deal with Australian job security or wages.

By contrast, we at the John Curtin Research Centre have been hard at work in early 2018. In February, thanks to our supporters, the JCRC released its superannuation policy report *Super Ideas*, published in conjunction with Vision Super. We were honoured to have Labor’s Shadow Finance Minister Dr Jim Chalmers launch the report in Canberra. An extract of Jim’s speech and the report is reproduced in this the fourth edition of *The Tocsin*. On Australia Day Eve Labor’s Shadow Defence Minister Richard Marles delivered a very thoughtful 2018 Annual John Curtin Lecture. You can read Richard’s speech in this edition, along with Labor MP Dr Mike Kelly’s address to the centre this month on the future of Australia’s defence industry. In this edition you will also find a timely commentary by our Advisory Board member Adam Slonim on the 2017 Foreign Policy White Paper. Elsewhere, Michael Easson pays his respects to two NSW labour movement icons, former Labor Senator Steve Hutchins and union activist Andrew Casey, the latter a friend of mine and many others involved with the JCRC. May

Andrew’s memory be a blessing; I wish his family a long life.

Published in tandem with this edition the John Curtin Research is delighted to release a special discussion paper on Trumpism and the lessons for social democrats in the United States, with much food for thought for those of us down under. Written by our Advisory Board member Simon Greer it is essential reading for anyone concerned about the drift of working class voters to right-wing populist politics. But wait there is more! Labor MP Tim Hammond shortly releases his essay on resources policy, while this edition contains new details of our upcoming Leadership School. Watch out, too, for details for our 2018 Annual Gala Dinner. We are pleased to announce that the JCRC committee of management welcomes a trio of excellent new members: Labor veterans Mary Easson, Ken McPherson and David Cragg.

As 2018 unfolds, the JCRC’s mission – waging the battle of ideas on behalf of Labor and for working people – is even more important. Subscribing will help us fight for a better and fairer Australia through shaping the national debate, while providing exclusive access to *The Tocsin* and policy reports. To support our centre’s work go to:

[www.curtinrc.org/subscribe/](http://www.curtinrc.org/subscribe/)

In unity,



Dr Nick Dyrenfurth

**Editor of *The Tocsin***

**Executive Director, John Curtin Research Centre**



# 2018 Annual John Curtin Lecture

Speaking to a packed audience at Melbourne's Hotel Swanston on Australia Day Eve, Shadow Defence Minister Richard Marles argued for better defining Australia's national mission. An edited

version of Richard's lecture and the co-published Vision Super/JCRC report, *Super Ideas: Securing Australia's Retirement Incomes System* are below.

## Richard Marles: Our sense of national mission could be so much stronger

Paramaribo is a city the size of Geelong on the north east corner of South America. As such, for me, the streets feel manageable. They're busy, but none of the mass traffic congestion which characterises Sydney and Melbourne. The architecture is dominated by wood. Indeed, the magnificent Cathedral of Saints Peter and Paul is the largest wooden structure in the Western Hemisphere. Paramaribo is the capital of Suriname, a small country with a population of just over half a million. The country consists of a relatively thin strip of agricultural land producing mainly rice and bananas. But the majority of the land mass is pristine Amazon Jungle, a large part of which is now a World Heritage Site.

Paramaribo is about as far from Australia as it is possible to be: physically and perhaps culturally. And yet here in May of 2012 at the Foreign and Community Relations meeting of CARICOM, the peak body of Caribbean nations of which Suriname is a member, a decision was taken to endorse another nation in its candidacy for the UN Security Council. It was one of the only times CARICOM had ever taken such a step. And that nation was Australia. Representing Australia at that meeting, to receive such support, so far from home was humbling. And it said much about our standing in the world. In July of 2012 I represented

Australia at the 19th meeting of the African Union in Ethiopia. Over the course of three days I met almost every one of the foreign ministers of the more than 50 African nations. Again the feeling of goodwill toward our country was astonishing. We were seen as a developed country with expertise and resources. To be sure our unique friendship with a great power, the United States, carried weight. And yet we didn't bring to the table the complex issues of meeting with a great power. Nor did we have any of the baggage of the former colonial powers of Europe. We were friendly and easy to work with.

In January 2013 I spent Australia Day in Juba with our Defence Force personnel participating in Operation Aslan – Australia's contribution to the United Nations Mission in South Sudan. This is deepest Africa. And yet the role our service men and women have been playing here has built a genuine affection for Australia. My host, the Honourable Joseph Lual Acuil, then Minister of Humanitarian Affairs and Disaster Management had his wife and children living in Melbourne's western suburbs. Australia was literally his second home. And as it turned out there were many South Sudanese who had relatives in Australia. Indeed it was impossible to leave South Sudan without a sense that there is

a particular bond – a sense of family – between our two nations.

Given recent events it needs to be said that the African Australian community is critically important to our country. If you've read the incredible book *Songs of a War Boy*, the autobiography of Deng Adut the 2017 New South Wales citizen of the year, you realise the contribution this newest of our communities is already making to our nation. But in years to come, as Africa continues to rapidly emerge economically, and Australia seeks to benefit from this emergence particularly in the area of mining, our African community will be fundamental in realising this major opportunity. The potential for an Australian role in Africa is not one we talk enough about. Certainly cutting aid to the continent and failing to develop our diplomatic footprint is an epic fail. But central to this positive story will be our African community. When Government members seek to politicise local events they would do well to remember this.

As I campaigned around the world for our seat on the Security Council, from Montevideo to the Maldives, from Addis Ababa to Andorra, the essential theme of the positivity of Australia's global standing was reinforced time and again. It is a product of the more than a century of Australia's soldiers, sailors and aviators playing their part and making sacrifices to ensure the world is a safer place in which human rights are central. It is the product of a diplomatic community who perform an exemplary role in being the literal ambassadors of our nation, having our voice heard and giving a helping hand. And I believe it is a product of who we are as a people and the instinctive and practical way in which we collaborate and work with others. This goodwill and the high esteem in which Australia is held is a wonderful base upon which to plot our

path in the world; to develop our security and foreign policy. But it is not enough.

I believe our sense of national mission could be so much stronger. Beyond a sense of being friendly and helpful, exactly who we are and what we are on about in this world are questions that are rarely asked and rarely answered. We play well in a team, but when it is our turn to lead, and our turn to articulate a specific Australian view of the world, what is it? What America seeks to be is obvious. In Paris and London the sense of French and British identity is palpable. Even in Suriname, a quick visit reveals the most multicultural country on the planet. There is no dominant ethnicity and that is central to Suriname's clear sense of identity. And yet our sense of national mission is not.

The ambiguity about our national mission stems from our history. As a former colony Australia is unusual for not having an Independence Day. It is not tomorrow, nor is it the first of January. While the birthday of the Australian polity is 1 January, no one on 1 January 1901 believed they were creating an independent nation. Instead this was an exercise of turning six colonies into one colony driven significantly by a desire to improve trade within the continent. Real independence for Australia did not happen until 9 October 1942 with the signing into law of the *Statute of Westminster Adoption Act 1942*, an act of the Commonwealth Parliament brought about by the Curtin Government. As Prime Minister John Curtin understood that Australia's interests in World War II were starting to diverge from those of mother England and lay more in East Asia with the threat from Japan, the need for independent security and foreign policy became clear.

This is when we became independent. But there was no mass independence movement which led

**While Australia's sense of national mission is not as strong as it could be this is far from saying that our security and foreign policy has only been reactive. Since Federation there have been many examples of an activist Australian security policy, and while not the exclusive province of Labor, it has been largely Labor which has led the way ... formal Australian independence was an act of the Curtin Government. So too, the Alliance with the US – which is the cornerstone of our modern security policy – began with Curtin's 1942 New Year's message: 'Without any inhibitions of any kind, I make it quite clear that Australia looks to America, free of any pangs as to our traditional links or kinship with the United Kingdom.'**



to that moment. And each year 9 October passes quietly by without comment or acknowledgement.

As a New World Country which never had an independence movement we are a little unusual. While our indigenous community certainly have millennia of history, the immigrant nation which Australia has largely become does not have the centuries of history which characterises the likes of France and Britain, nations of the Old World. Our identity is not found there. And yet nor did we have a national discussion, such as occurred in the United States or in so many other smaller countries like Suriname, which can be a reference point for our sense of national mission. Who we are and what we are on about are questions which deserve to be asked and our security and foreign policy, acute expressions of our national mission, would be well served by some answers.

In the midst of our annual conversation, let me say for the record that I am a supporter of Australia Day. It obviously needs to be handled with enormous sensitivity to our indigenous community and Australia Day activities should and do celebrate indigenous Australia. But what I love most about Australia Day is the growing tradition of having large citizenship ceremonies on this day. It is the recognition of the final step in a journey of migration and speaks to one of the defining features of modern Australia: of any country in the world we have almost the largest proportion of our citizenry born beyond our shores. Migration is a huge part of who we are. And those who came to Australia on 26 January 1788 were the first wave of migrants.

While Australia's sense of national mission is not as strong as it could be this is far from saying that our security and foreign policy has only been reactive. Since Federation there have been many examples of an activist Australian security policy, and while not the exclusive province of Labor, it has been largely Labor which has led the way. As I've stated, formal Australian independence was an act of the Curtin Government. So too, the Alliance with the US – which is the cornerstone of our modern security policy – began with Curtin's 1942 New Year's message, delivered on 27 December 1941: 'Without any inhibitions of any kind, I make it quite clear that Australia looks to America, free of any pangs as to our traditional links or kinship with the United Kingdom.' The significance of these words at the time and ever since has been fundamental to Australia. The Fisher Government

was responsible for the establishment of the Royal Australian Navy and legislation creating the Duntroon Military College. In the aftermath of World War Two the Chifley Government prominently supported the independence of both India and Indonesia. Not only did Chifley support Indonesian independence he was an advocate for the unity of Indonesia rather than separate independence movements seeing the creation of a series of smaller nations.

The Chifley Government was critical in Australia's support of the Bretton Woods institutions which are at the heart of the global rules based order today. Doc Evatt's contribution to the creation of these institutions and the United Nations was acknowledged by his becoming the President of the General Assembly of the UN in 1948. It was during his tenure as the President that the General Assembly adopted the Universal Declaration of Human Rights. As Opposition Leader in 1971 Gough Whitlam took the incredibly bold step of visiting Beijing with a view to moving to Australian recognition of China. His bravery in this visit is highlighted by the fact that it actually pre-dated a visit with a similar agenda of Henry Kissinger. On taking office Whitlam negotiated an agreement with China within three weeks to establish diplomatic relations. During the period of the Hawke and Keating Governments, Australia played an instrumental role in the creation of Asia Pacific Economic Cooperation (APEC). Paul Keating greatly enhanced our defence cooperation with Indonesia in a way which gave practical expression to his eloquence when he said that Australia: 'has changed our thinking about our defence – on the basis that Australia needs to seek its security in Asia rather than from Asia.' During this time, Australia as an active leader in East Asia was demonstrated by Gareth Evans' role in Cambodia, a critical piece of Australian leadership in peacemaking which helped give rise to modern Cambodia emerging out of decades of conflict which included the appalling period of rule by the Pol Pot regime.

The Rudd/Gillard years also saw the Asian Century White Paper and our election to the UN Security Council. Kevin Rudd understood innately the importance of Australian activism and the tendency too often to shy away from it. In speaking to the East Asia Forum on 26 March 2008 he captured this sentiment beautifully:

'Australia intends to prosecute an active,

creative middle power diplomacy ... We believe this is the rational thing to do in pursuit of our own core economic and security interests. We also believe this is the right thing to do because Australia can be a greater force for good in the world. The truth is that Australia's voice has been too quiet for too long ... That is why ... the world will see an increasingly activist Australian international policy in areas where we believe we may be able to make a positive difference.'

To be fair the Liberals have also had significant security and foreign policy achievements. The involvement in East Timor, the Regional Assistance Mission to Solomon Islands and the Bougainville Peace Agreement come to mind. But when it comes to activism in security and foreign policy Labor has clearly led the way: this activism is central to the Labor policy tradition.

Yet if questions remain as to who are we and what are we on about then answers must be given to give direction to this activism in the future. In my First Speech to Parliament on 18 February 2008 I gave my thoughts about an Australian identity. I spoke about insecurities which have beset us and our need to face up to them as a nation. But I also spoke about the most wonderful Australian quality of mateship. I still believe that mateship is central to the Australian character. But beyond questions of character it is important that we embark on a more practical analysis of our global situation. Australia has the 13th largest economy in the world and the 12th largest defence budget. As such we are a middle power with choices. We can play big or we can play small. And what we should do is not obvious. As a middle power the relationships we have with great powers will be critical to our security and wellbeing. I believe this is an aspect of our strategic situation that we have understood well since the time of Federation. Back then it meant making the best of our relationship with Britain. Today it is about our Alliance with the United States, continuing to develop our relationship with China and seeing the potential in a bigger relationship with India.

We are situated in the East Asian Time Zone. Yet we are not a member of ASEAN. Unlike an African nation as a member of the AU or a European nation that is a member of the EU, we are not – to use a Labor Party term – in a faction. Of

course we are in an Alliance with the United States but that is different to sharing a perspective with a country sitting in the same geographic location. Your physical place in the world inevitably shapes your view of the world. We are actually a member of a regional bloc, the Pacific Island Forum. This is a part of the world which needs to occupy more of our attention. Immediately this demands that we must have a very contemporary sense of what is happening in the world. That more than anything else was the reason we needed to run for the UN Security Council and why we should continue to do so on a regular basis. The campaign over many years to win the seat plus the experience of the two years sitting in the seat has helped keep us up to date and sharp. You cannot sit in these forums and around those tables without playing big.

While I believe that there is more to do in thinking about who we are and the situation in which we exist so as to develop our national mission, our current approach is not a failure. We are a well-liked country which has a tremendous platform in place for an excellent security and foreign policy. But the absence of a stronger national mission has given rise to blind spots. A critical blind spot is our role in the Pacific. More than any other part of the world this is where Australia is expected to demonstrate leadership and take responsibility. While Australia has a significant presence in the Pacific in terms of defence cooperation, development assistance and our diplomatic footprint: our policy over decades has largely been characterised by maintaining a holding pattern. Australia's failure to articulate a vision for the Pacific bewilders our allies, and leaves the countries of the Pacific wondering more about our commitment than we would want. The countries of the Pacific have choices. That Australia





is the eternal partner of choice for our Pacific neighbours is far from inevitable. By contrast if we had a vision, our leadership would be deeply appreciated by our Pacific neighbours. It would also demonstrate to the United States that Australia as an alliance partner is not only dependable but willing to share the burden of strategic thought. This could only help in encouraging the US to remain an active presence in our region. If playing big and being taken seriously were at the heart of our national mission then fulfilling our expected role in the Pacific would be obvious and natural.

In a different context a clearer national mission would help in articulating a proper rationale for the development of a domestic defence industry. The development of this industry is now bi-partisan policy which is important. But establishing a defence industry is a huge undertaking pursued over decades underpinned by a deep national decision having been made by politicians, the bureaucracy and the military itself. The Government is making their case in terms of jobs. To be sure jobs are critical. This is Labor bread and butter. For the Coalition though this is less familiar ground. They are on it now as a reaction to their government's loss of the car industry. But if the argument goes no deeper it is hard to imagine a Coalition government of the future, that is not reacting to the loss of the car industry, maintaining a commitment to an Australian build of key defence materiel. A deeper argument is needed, based on a sense of our national mission, in order to make this national decision. Such an argument exists. A defence industry unlike any other has the potential to help project a nation's power. Part of the projection of American power are marine bases and aircraft carriers, but part of it is also being the home of Northrop Grumman and Lockheed Martin.

If being taken seriously were understood as being at the heart of our national mission then the development of an Australian defence industry

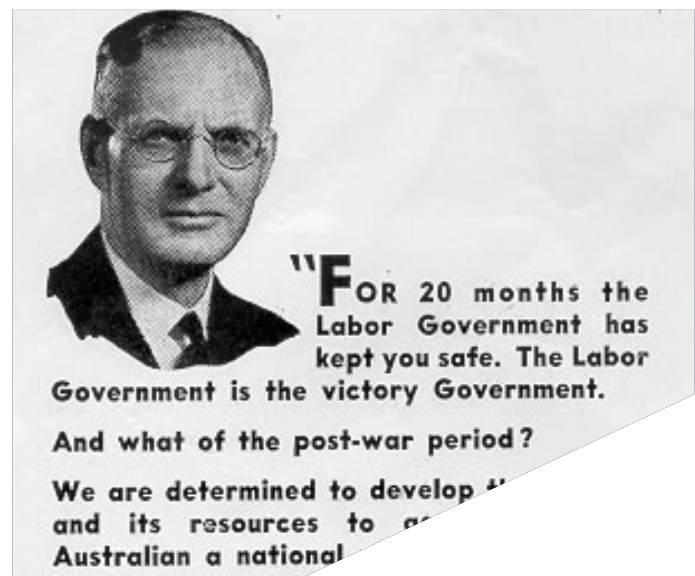
begins to make sense in terms of our security policy. But this in turn only works if we are exporting the product of our defence industry. It's important for jobs that we build as much of the ADF's kit as we can here. But the bigger benefit, including for jobs, is in leveraging these procurements to create export industries in Australia. While the Government may talk the talk on exports, some of its recent procurement decisions leave me wondering whether they truly have thought through how these export opportunities may be developed. If Australia is truly to develop a defence industry we need to have bi-partisan support for it not just now but for the next century. This national project needs to have the genuine buy-in of politicians, senior bureaucrats and the star ranks of the military. It needs a clear rationale underpinning it which will be impossible to develop without first having a clear sense of our national mission.

**Sailing these tricky waters ... cannot be achieved without a clear sense of national mission ... under a future Shorten Labor Government this is exactly what we do. It would enable us to deal with critical blind spots in respect of the Pacific and developing an Australian defence industry. It would help in navigating the increasingly complex region and world in which we now live. We need to develop our sense of national mission more. And were a future Labor Government to do it, our actions would be consistent with the activist security and foreign policy of our Labor forbears and accordingly be true to the grandest of Labor traditions.**

Having a clear eyed sense of our national mission will also be critical in negotiating the difficult and volatile world in which we now live. China is rising, economically and in terms of its defence projection in our region. This is legitimate and in large measure we ought to embrace it. China is not a modern incarnation of the Soviet Union. It does not seek to export an ideology. It has also presided over the largest alleviation of poverty in human history. While there are human rights issues to be raised with China, on the positive side of the ledger this is a human rights achievement of gigantic proportions. China deserves credit for it and too often I believe many can be too mean in failing to give it. At the same time China's actions in the South China Sea around the development of artificial islands at Fiery Cross Reef, Subi Reef and Mischief Reef is a cause of anxiety and has been found to be in breach of the UN Convention on the Law of the Sea. With the majority of Australia's trade traversing the South China Sea this is an issue at the heart of our national interest. We need to be honest and robust, as Labor has been, in expressing our views

to China about its behaviour in the South China Sea with a view to our own national interest. In supporting the rise of China we need to constantly urge China to take its growing place in the world as a supporter of a rules based international order. This is what has underpinned the security of East Asia over many decades and the ensuing economic growth.

Since World War Two the principal guarantor of that rules based order has been the United States. The shared commitment that Australia and the US has to this rules based order remains at the heart of the US-Australia Alliance. Yet for some time now, and pre-dating the election of Donald Trump, there is a discussion about the innate American commitment to its existing place in East Asia and the World. There are no shortage of analysts who emphatically make the case that the US is in retreat, and their first piece of evidence for this case is the American withdrawal from the Trans Pacific Partnership. I do lament the US withdrawal from the TPP, and it is clearly in our national interest that the US presence remains. We need to keep encouraging the US to continue its presence in East Asia. That said, we should not lose sight of the fact that in military terms the pivot to East Asia which began under President Obama has continued under President Trump. Indeed the US military presence in East Asia will be larger at the end of President Trump's first term than at the beginning. That is good. I take comfort from the comments of Secretary Mattis that, while maintaining the fight against terrorism, the US will ensure that it retains military primacy as a state actor. It does suggest to me an ongoing commitment on the part of the US to contribute to the shaping of the geopolitics of East Asia and the Pacific. In addition to the changing nature of China and the US in our region, North Korea remains the most immediate threat to peace and stability in the region and the world. Any conflict on the Korean Peninsula is unimaginable and horrendous. Yet way before any of that plays out, this crisis is occurring in the middle of our most important trade zone containing three of our five largest trading partners. Serious instability in North East Asia will inevitably affect livelihoods in Australia. And in the longer term the detrimental effect that a nuclear enabled North Korea will have on the cause of nuclear non-proliferation will be profound resulting in a vastly more dangerous world for our children.



The silver lining to this cloud, I hope, will be an increased co-operation between China and the US on security issues. We are not alone in the strategic circumstances that we face and one of the key strategic opportunities of our time is to grow our relations with those countries which share our place in the world. For many decades this has included Japan. Right now we have more strategic issues in common with India than we've ever had. The recent meetings of the Quad have been important and Labor welcomes the outcomes that these meetings promise. Making ASEAN, and Indonesia in particular, a bigger focus of our security and foreign policy is critical. More broadly, as I mentioned earlier, growing our relationship with Africa has so much to offer.

Sailing these tricky waters, and doing so without blind spots, is the challenge we must meet. And it cannot be achieved without a clear sense of national mission. I have little faith in the development of this sense of national mission under the current government. Nothing in their behaviour suggests either the inclination or thoughtfulness to even begin the conversation. I fervently hope that under a future Shorten Labor Government this is exactly what we do. It would enable us to deal with critical blind spots in respect of the Pacific and developing an Australian defence industry. It would help in navigating the increasingly complex region and world in which we now live. We need to develop our sense of national mission more. And were a future Labor Government to do it, our actions would be consistent with the activist security and foreign policy of our Labor forbears and accordingly be true to the grandest of Labor traditions.



# Launch of Super Ideas, a joint JCRC | Vision Super policy report

Speech by the Hon. Dr Jim Chalmers MP,  
Labor's Shadow Finance Minister

Thanks Henry for the introduction and Nick for the invitation to be here today. I acknowledge the elders and traditions of the Ngunnawal and Ngambri people on whose land we meet. I appreciate all of you – including a number of my parliamentary colleagues – for joining us to talk about the future of superannuation and to launch an outstanding piece of thinking from Nick, sponsored by Vision Super and published as part of the John Curtin Research Centre's essay series.

The Centre is a newish part of the progressive think tank scene but already making a splash on home ownership and employee representation on boards, and hosting successful events like Richard Marles' recent speech in Melbourne. I think what we're seeing is that the old criticism I became familiar with when I ran the Chifley Research Centre – that centre-left think tanks are too thin on the ground – no longer applies. There's now Curtin, Chifley, McKell, Per Capita, The Australia Institute, and others, all doing great work deepening and shaping and vastly improving the national economic policy conversation. That's what *Super Ideas: Securing Australia's Retirement Income System* is all about. I'm proud to help launch it.

I come at it from a range of perspectives: a former Shadow Minister for Financial Services; former chief of staff to Treasurer Swan; and having just published with Mike Quigley a book about the future of work,

*Changing Jobs: The Fair Go in the New Machine Age*. In that book we start with the premise that there is tremendous upside to technological change because it will help us produce more goods and services. But, as progressive people, we also care deeply about how the economic gains are distributed. Our core argument is that worsening inequality is not inevitable – that bursts in technology need not result in bursts of inequality, but leadership and foresight is required. Our fear is that Australia, like the rest of the developed world, is dangerously ill-prepared for either a serious decline in the number of jobs or hours, or, perhaps more likely, a step-change in the mix of jobs and the nature of work.

That is true of super especially so, and it brings me to the main point I want to make today: it's not enough to defend super; we need to refashion it and advance it for a time when underemployment and insecure and unpredictable work patterns are more and more prevalent. Last year I was in San Francisco with the Transport Workers Union and the ACTU meeting with the major gig economy platforms about ways to secure for workers basic entitlements like retirement savings. These conversations revealed that there's a long way to go. And that we can't keep pretending that a system designed in and for the 1990s will work in the new machine age. The union movement is onto this, I'm pleased to say, and it's

**Given the Liberals aren't interested in dealing with the real challenges, it's refreshing to see people like Nick and groups like the John Curtin Research Centre are.**

**Nick's essay pitches up some well-considered recommendations on how to address the issues we face in our super system, including:**

- 1. Unfreezing the Super Guarantee;**
- 2. Requiring that, by law, the full rate be paid to working women (and men) during the first six months of paid parental leave;**
- 3. Introducing financial literacy into the school curriculum; and**
- 4. Prosecuting a zero-tolerance approach on employers who short-change workers by not paying them the super they're entitled to.**

the essential challenge at the core of Nick's essay.

Labor's legacy, as so comprehensively outlined in *Super Ideas*, evokes an immense sense of pride for progressives like those of us in this room. Compulsory superannuation, alongside perhaps Medicare and our performance during the GFC, is one of the crowning achievements of modern Labor. We're proud to have put in place a system which ensures that working people can retire with dignity, a system which makes sure ordinary Australians and not just the well-off are looked after following decades of hard work. As Nick reminds us in his essay, superannuation was once entirely the "preserve of the elites". Consider just how far we've come since. Government-led inquiries and accords with employers and unions in the 1980s, combined with the emergence of enterprise bargaining in the early 1990s, laid the groundwork for our modern superannuation system with the introduction of a three per cent compulsory employer contribution to industry funds. Then came the introduction of the Superannuation Guarantee in 1992; the pivotal moment in the history of our super system.

As Nick points out, this is how Labor had built Australia's "three pillar" retirement income system: compulsory employer contributions to super funds on top of wages and salaries; further voluntary contributions encouraged by tax and salary sacrifice benefits; and, a safety net of means-tested government-funded age pension. It's now a system made up of a record \$2.5 trillion in assets under management covering something like 13 million people. That savings pool is projected to hit \$4 trillion in the next 10 years and \$7.6 trillion by 2033. So there's a lot to be proud of when it comes to our country's superannuation story and system. But it has its imperfections. Let me just touch briefly on four of them, which also feature in the essay. The first is inadequacy. According to MLC, almost six in 10 Australians don't think they'll have enough to retire on, and about a third think they'll have 'far from enough'. Australians anticipate they'll need around \$1.14 million, excluding the family home, to retire on comfortably. But they expect they'll only have about \$638,000 saved – a shortfall of half-a-million dollars. ASFA figures indicate that, as it stands today, men nearing retirement age – those aged between 60-64 - have just over \$270,700 in their accounts, while women have about \$157,000. The second issue, which is related, is the gender gap. Women are, on average, retiring with around half as much super as men. Even more troubling is the fact that just one in five single women retiring today has enough savings for

a comfortable retirement. These are the issues my colleague Senator Jenny McAllister highlights in her really important work chairing a Parliamentary Committee looking into the retirement income gap, and broader concerns around the gender pay gap and gender segregation in the workforce. Third, unfairness in the way super is taxed. There might have been some improvements in recent years, led as ever by Labor, but we still have a system that sees about half of all superannuation benefits flow to the top 20 per cent of earners. We still have the biggest concessions going to those who need them least. For our part in the Labor Party, we've committed to a range of measures that will impact a small amount of people at the top, but will make the system much more sustainable and provide a significant boost to the Budget bottom line - music to the ears of a Shadow Minister for Finance. The fourth imperfection is non-compliance. One in three workers aren't paid the super they're entitled to. The ATO reckons employers ripped-off workers by almost \$17 billion between 2009 and 2015 by short-changing them on their super. Many of them are low-paid and many of them are women, exacerbating the other challenges.

Nick has done a terrific job in his essay pointing out these concerns and highlighting others, including the challenge of accounting for an ageing, bigger population; the fallout from the Super Guarantee rate stalling; and the general lack of financial literacy among many Australian workers, particularly our youngest. But he's also highlighted a key emerging threat to people's ability to retire comfortably - the changing nature of work itself with the rise of the gig economy and the increasing casualisation of work. About 40 per cent of the professional workforce is predicted to become on-demand, freelance workers by 2025 - a huge shift that will have significant implications for retirement





savings. With all of these issues weighing on our world-leading, but imperfect, superannuation system, you would think the Liberals would focus their attention on addressing them. It's disappointing, but perhaps not surprising, that their efforts are instead centred on their ongoing ideological attacks on super. At each step, the Liberals have either stood in the way or tore at the foundations. They opposed universal compulsory super; voted against increasing the Super Guarantee above three per cent; tried to abolish the low-income superannuation contribution scheme; delayed the Super Guarantee increase to 12 per cent; and tried to weaken penalties for employers who don't pay the right amount of super, before we beat them back. More recently, the Liberals want to undermine super by allowing people to access their account for a house deposit. They never really believed in super, and they never really will. And after being dragged kicking and screaming to set up a Royal Commission into the banks, they've set their sights on industry funds there too, despite them having the best returns. Remember, industry funds returned 10.7 per cent in the year to June 2017, while retail funds only returned 7.8 per cent.

Given the Liberals aren't interested in dealing with the real challenges, it's refreshing to see people like Nick and groups like the John Curtin Research Centre are. Nick's essay pitches up some well-considered recommendations on how to address the issues we face in our super system, including:

1. Unfreezing the Super Guarantee;
2. Requiring that, by law, the full rate be paid to working women (and men) during the first six months of paid parental leave;
3. Introducing financial literacy into the school curriculum; and
4. Prosecuting a zero-tolerance approach on employers who short-change workers by not paying them the super they're entitled to.

He also recommends removing the \$450/month earning threshold for super contributions. Or, in lieu of that, a new model for the gig economy that would see workers paid super from each of their employers on a pro-rata basis if they earn more than \$450 per month working multiple jobs. All ideas worth further discussion and debate.

Obviously, I can't tick off on them on behalf of the Labor Party today. I wouldn't be doing my job as Shadow Minister for Finance if I didn't consider the Budget and the tight fiscal constraints we face. None of this is cheap, and I'm not about

to convene a meeting of the Shadow ERC in this room tonight to get what could be essentially billions of dollars of commitments ticked off. But I can, and do, applaud the thinking behind and the effort underpinning Nick's recommendations. Like all of us on the progressive side of politics, he understands that we can't be reliant on some kind of nostalgic complacency when it comes to delivering a comfortable retirement for ordinary Australians. We need new thinking to make sure that our super system built last century can deal with the challenges of a workforce and society in this one. Mike Quigley and I had a go at this in our book. We pitched up 33 ideas and policy directions on how government, our education system and individuals can prepare for the new machine age. Specifically on superannuation, we thought it was worth considering the introduction of a shared security system of portable entitlements. This would involve workers in multiple, insecure jobs accruing all of the benefits they might receive in a full-time job - sick leave, health insurance, employment insurance, annual leave, superannuation - in one centralised account that would move with them between jobs.

A bit like the proposal in Super Ideas, companies would make pro-rata contributions for each entitlement, helping workers save for employment and insure against sickness and other risks. We also talk more broadly about the pressing need to address the security of employee entitlements and making sure people are saving for their retirement in an increasingly casualised workforce. It's reassuring that friends in the wider labour movement have taken up this challenge too. We saw only recently a push from the TWU and AWU to raise the minimum wage for food delivery workers, and make platforms like Deliveroo, Uber Eats and Foodora provide drivers with super and minimum shift hours. For our part in the parliamentary wing, we need to ensure we have robust legislated worker protections across the board, especially in the gig economy, so workers don't miss out on, among other things, the retirement incomes they need and deserve.

I want to commend Nick, the John Curtin Research Centre - and Vision Super - for this really insightful report. It's more than a timely reminder that we should celebrate the triumphs of our superannuation system. It urges us not to dismiss or ignore super's imperfections. If we want to ensure all Australians can enter retirement comfortably, then we have to do more.

# Super Ideas

Nick Dyrenfurth

Australians love a winner. We revel in the accomplishments of our sporting stars globally, but one of the great Aussie success stories of the past 25 years didn't occur on any sporting field. Building upon the establishment of Industry Super funds in the 1970s, during the early 1990s Australia began to construct a system of compulsory superannuation contributions, which has become a pillar of our nation's retirement income system and economy. Over 95 per cent of workers – 12 million Australians – hold superannuation accounts, double that of 20 years ago. We have built the fourth largest pool of savings globally in just 25 years.

Yet, just as we would never rest on our sporting laurels, our super system must be fit-for-purpose in the twenty-first century. Australia's population size and age profile pose significant challenges to our system. We are getting older and are having fewer children. If not addressed by policy makers, an ageing population may affect both economic growth and the viability of our retirement income system. We need as many taxpayers as possible to fund our aged pensions, or, preferably, maximise the super accounts of workers.

It is incumbent upon government to deal with other challenges to our retirement system. Non-payment of superannuation is rampant. Workers

have been fleeced of \$17 billion since 2009; an average \$2.81 billion every year between 2009 and 2015. Some businesses are reducing entitlements for workers who choose to make voluntary contributions through salary sacrificing. Government must prosecute a zero-tolerance approach towards employers who don't pay super.

Our super sector is also increasingly failing employees because the system was designed in the early 1990s for individuals who worked in stable, full-time employment, not for multiple employers or as contractors. The traditional 9-to-5 jobs market been placed under severe strain by the emergence of a so-called 'gig economy', or 'uberisation' of the workforce, dominated by casual or part-time workers and contractors. A third of employees are engaged as freelancers and that number is set to rise dramatically over the next decade, while the number of independent contractors, sham or deliberate, is on the rise. This has encouraged a situation whereby a third of young people are not eligible for SG contributions because they earn below the threshold of \$450 a month paid by a single employer, or are working as contractors. Either way, they don't accrue super. This is not only unfair and bad news for individuals, but is bad for our national savings and bad for the budget bottom line in coming decades, as fewer people becoming fully funded or partially funded retirees will exert more pressure on the pension system, and on healthcare costs. The consequences are stark: government will be forced to pick up the tab; \$37 billion in lost taxes due to lower super contributions and higher pension payouts. Then there is the opportunity cost – we are missing out on \$100 billion to invest in job-creating infrastructure projects.

The gig economy can only increase the gender super gap - women are overrepresented in insecure work and more affected by parental leave and caring arrangements, meaning they accumulate less superannuation. The most recent ABS data (2013-14), shows that at retirement age, men's average super balance is \$322,000 compared with \$180,000 for women. This problem is accentuated because



employers are not required to make superannuation contributions for paid parental leave (PPL). If a woman takes between 2 to 4 years' parental leave, she potentially misses out on between 5-10 per cent of accumulated monies over the course of a typical 40 year working life.

We need a new way forward. Firstly, the SG rate must be increased to 12 per cent ahead of the current schedule and a timetable mapped out for to get to 15 per cent. Second, in line with the Senate Economics Reference Committee's report on super guarantee non-payments, the \$450 monthly threshold for super payments should be removed. The threshold was intended to reduce the administrative burden of paying superannuation to casual and part-time employees, but this is no longer an issue thanks to technology. If the Turnbull government baulks at abolishing the threshold, legislation should be introduced mandating a new pro-rata model for SG payments, where employers would effectively make payments on earnings below \$450 a month. Where a person was earning over the threshold with two or more employers, but not with a single employer, the SG would be paid on a pro rata or proportional basis by each employer, to be overseen by the ATO.

Third, we must tackle the gender super gap. Some employers have taken pro-active measures, such as annual superannuation bonuses for female employees. More concerted government action is required: women (and men) should be paid the full SG for the first six months of PPL.

Finally, it is imperative to improve the financial literacy of all Australians but especially younger workers increasing entwined in the gig economy. This can only be driven by education. There is a role for the Commonwealth and state governments. Younger Australians need to be educated on financial literacy, including retirement incomes, throughout their secondary schooling, university or TAFE training and when they first enter the workforce. Where possible, superannuation funds should play a support role (as far as permitted by the provisions of the sole purpose test). This holistic approach will see super take its place in our national vernacular alongside our sporting stars.

**This is an extract from Nick Dyrenfurth's policy report, *Super Ideas: Securing Australia's Retirement Income System*, a joint Vision Super|John Curtin Research Centre publication.**

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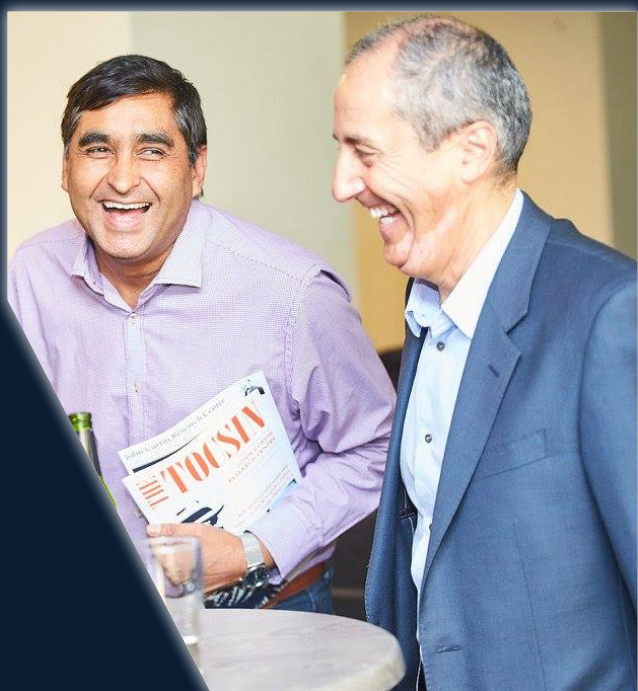


Authorised by Health Workers Union Secretary, Diana Asmar - Level 5, 222 Kings Way, South Melbourne, Victoria 3205



# In case you m

Take a look back at highlights from two c



## ◀ The 2018 John Curtin Lecture with Richard Marles





# u missed it...

from two of our key events in 2018 so far.



▲ **Launch of  
*Super Ideas*, a joint  
JCRC|Vision Super  
publication**



# Foreign choices

**Adam Slonim dissects the Turnbull government's recent Foreign Policy White Paper**

Australia's most significant foreign policy challenge is managing our strongest security relationship with a declining Western global power, the United States, while navigating our closest economic relationship with a rising global rival, namely China.

This conundrum dominates both the written and unsaid contents of the 2017 Australian Federal Government's Foreign Policy White Paper. This challenge underscores the geopolitical context in which the White Paper was developed, but misses the mark in guiding Australian foreign policy through the turbulent seas of the twenty-first century, possibly fatally.

The White Paper, initiated by Foreign Minister Julie Bishop, discusses at length the multiple challenges Australia faces, and the core foreign policy principles and objectives upon which our diplomacy and trade relationships must be based. While ostensibly agreeable and bipartisan, these key objectives – a prosperous and open Indo-Pacific, promoting Australian business, protecting our citizenry from terrorism, promoting international rules, and supporting Pacific nations – the real game-changer was missed.

In an address to the Lowy Institute in November 2017, Labor Shadow Foreign Affairs Minister, Penny Wong, spoke at length about the 'Age of Disruption' in international relations. Senator Wong, in the manner of the White Paper, listed the global disruptors shaping Australia's strategic and foreign policy calculus:

- Climate change
- Unstable political groupings
- Local and global security threats (e.g. terrorism and the nuclear-armed North Korea)
- Growing protectionism
- Subversive challenges to democracy

True to Labor tradition, Wong points to worsening economic inequality as a driver of social division. This is not surprising as such an understanding of the social and political consequences of economic, transnational disorder is absent in Liberal Party thinking.

However both Labor and Liberal pay attention to the increasing challenges to the rules-based international order. The White Paper and Wong's addresses over her time as Shadow Foreign Minister, emphasise the major trade and security consequences we face as the old order frays at the seams.

China's aggressive annexation of territory in the South China Sea is rightly highlighted; an action that has been challenged in International Arbitration and found to be illegal. China rejected both involvement in the arbitration and its decision. If countries do not resolve disputes through such mechanisms, the fear is that diplomacy may return to what that great Australian theorist of international relations, Hedley Bull, called 'the anarchical society'. Might is right as a governing concept is a guarantee of more North Koreas.





Wong properly identified the present causes of global disorder, something altogether missed by White Paper: the growing divergence between military power and economic power. As Wong noted in her Lowy Institute speech: “With China’s extraordinary rise, economic power can now have a strategic effect independent of military power.”

This is particularly relevant for Australia. Our exports amount to \$93.5 billion in goods and services annually to China, while we import \$49 billion. This dwarfs all other trade relationships by a factor of three. Australia is economically dependent on China. Hence the chorus of genuine China-first voices arising louder within the ALP (let us not take seriously the self-interested minority who are paid to work with, promote or serve on the boards of Chinese-government funded entities).

China stands opposed to our core principles of free trade unions, free speech, free assembly and judicial independence. From Labor’s point of view, this should disqualify an intimate relationship except that the opportunities within the economic relationship, and the soft power purchase of influence within both Labor and Liberal, means there is significant backing for downgrading the American alliance in favour of a China-led regional condominium.

Strategically, we are reliant on the ANZUS Treaty with the USA, and the close, fruitful alliance this produced. Born out of necessity during the darkest days of World War Two and six weeks before the fall of the strategically critical British Imperial naval base of Singapore to Japanese forces, then Prime Minister John Curtin changed our continent’s security orientation with just four words: ‘Australia looks to America.’ (In reality, Curtin wanted Australia to remain within the British Empire, but as a fully independent actor). ANZUS was signed in 1951 by the Menzies Liberal government as Cold War tensions bubbled to the surface. Today, Australia-USA political,

military, intelligence and security links are deep and intertwined.

The benefits Australia receives far outweigh the chaotic turbulence of the present, transactionally-focused and erratic US Administration of Donald Trump. For example, US investment in Australia amounts to \$860 billion – ten times the amount of Chinese investment. Two-way Australia-US investment totals a staggering \$1.47 trillion. While the budget requires more from China, the balance sheet suggests America is more important.

From a security perspective, no other nation comes close to delivering the tangible benefits Australia reaps from the Australia-US Joint Facilities in Pine Gap, nor the intelligence reaped as part of the Five-Eyes network. These two partnerships are now critical to Australia’s security. Consequently, a binary choice of USA or China would be a disastrous foreign policy decision.

We came close to making such an error with then Prime Minister John Howard’s decision to back then Japanese Prime Minister Shinzo Abe and US Vice-President Dick Cheney’s ‘naval encirclement of China’; the creation of the Quadrilateral Security Dialogue in 2007. Arising out of a 1990’s USA-India naval interdiction exercise, the QSD evolved to comprise America, Japan, India and Australia, with its centrepiece forum a massive four-nation naval exercise.

Think visually for a moment. Put China in the centre. East is Japan. South is Australia. West is India. North East is the USA. It isn’t difficult to see why the Chinese feared the QSD.

Prime Minister Rudd wisely removed Australia from the naval exercise component of the QSD, yet retained the Dialogue. As current Labor Shadow Defence Minister Richard Marles told me after delivering the 2018 Annual John Curtin Lecture in January: “The (value of the) QSD is very useful for hanging out with

**We share common values, and we must never apologise for possessing and desiring to share these values with like-minded nations. This is particularly the case now that China has decided to throw out the window 40 years of post-Mao reform by allowing current President Xi Jinping to rule indefinitely. All that is left in common is our economic relationship: the time for thinking China would take its place as a leader of the world has come and gone with this decision to create despotic rule.**

like-minded friends in the region.”

A true forum of like-minded friends necessitates the QSD expanding to include democratic allies such as Singapore, South Korea and, most urgently, Indonesia. In this form the QSD can evolve to become the primary liberal security architecture for the Indo-Pacific, separate to, yet enhancing regional groupings such as ASEAN (membership of which eludes Australia), the East Asian Summit, and former Labor prime minister Paul Keating’s great foreign policy legacy, the Asia Pacific Economic Cooperation forum (APEC).

Why a distinct regional liberal-democracy club of nations? Because at heart its members value and actively promote a rules-based international order, free trade, reduced protectionism and increased multilateralism. We share common values, and we must never apologise for possessing and desiring to share these values with like-minded nations. This is particularly the case now that China has decided to throw out the window 40 years of post-Mao reform by allowing current President Xi Jinping to rule indefinitely. All that is left in common is our economic relationship: the time for thinking China would take its place as a leader of the world has come and gone with this decision to create despotic rule. It also underlines why the policies and collective action arising from shared values are the surest way of keeping a lid on the region’s nationalist tendencies and/or military confrontation. Adherence to rules (a liberal value) is the sine qua non of a peaceful international order.

That system has done more to alleviate global poverty than any other in history. For all its faults, the Bretton-Woods system lifted a billion people out of poverty. To its credit, China has lifted hundreds of millions out of dire poverty too. While liberal freedoms such as human rights do not exist in China, the system does increasingly deliver the fundamental human right to live without poverty through economic advancement albeit undemocratically.

As a positive and influential middle-power in the world, it is in Australia’s national interest to promote international cooperation and a multilateral approach to resolving international problems. We do not have to make a simplistic choice between globally dominant powers. Our major foreign policy objectives must be to

pursue deepening relationships with the serious players of the Indo-Pacific region: USA, China and India. Most important among these is the development of long-term relationships amongst the region’s peoples through open visitation, study and immigration (the Government got it right with the new Colombo Plan scholarships for Australian undergraduates to study and live in the Indo-Pacific).

There are those who also argue that Australia’s trade relationship with India presents a future boom for both countries, and politically, should act as a counter-weight to the Australia-China economic relationship. While Australia-India bilateral trade stands at \$19.4 billion (compared to the \$155.2 billion Australia-China two-way trade), the best that can be said of this economic opportunity is that it all upside, but not yet significant as a balance to any of our other major Asian economic relationships. It will be in the security and defence arenas that Australia and India will likely pursue more immediate progress together.

The QSD must evolve as a necessary element in the region’s security architecture. There is everything to be gained by ‘hanging out with friends’. It is also a most sensible means of opposing those who wish to make a binary choice and detach Australia from our American alliance. While the USA’s neo-isolationism means allies will need to share more of the required defence expenditure, that is not necessarily a bad thing if proper defence industries can be developed and sustained (we cannot look to the Liberals following their shut-down of the Australian car making industry and removal of the Science portfolio from Cabinet).

We will find our security in Asia, not from Asia, as Paul Keating famously recommended, while maintaining close and enduring ties with democratic America – still the pre-eminent and most powerful global power in economic, military and technology dimensions.

There is no either or choice. There is just opportunity.

**JCRC Advisory Board member Adam Slonim is the founder and director of the Blended Learning Group and co-convenor of the Australia-Israel Labor Dialogue.**

# Labor and National Security

**In a speech to the JCRC on 8 March Labor's Shadow Assistant Minister for Defence Industry and Support and JCRC Advisory Board member Dr Mike Kelly spoke on Labor's plans for our nation's defence.**

The Coalition is fond of portraying themselves as the party of national security. At times this has descended into the worst kind of jingoism that has often masked a very different reality. The combined efforts of Labor Prime Minister Andrew Fisher and his Defence Minister Senator George Pearce made the first bold strides towards a national defence capability through a Naval acquisition program and military service measures in the tense pre-World War One years. It was this Labor government that mobilised the national effort for World War One and it was a tribute to Fisher and Pearce that we were able to mobilise so quickly and effectively a substantial force for dispatch in November 1914. This was no small undertaking as it required marshalling all our industrial and natural resources for the effort as well as managing the deployment, support and sustainment of thousands of troops, horses and machines on a scale vastly beyond the experience of the separate colonies or the new nation.

In the crucial years leading up to World War Two the conservative government of the time bent over backwards to encourage the Imperial Parliament in the United Kingdom to appease Adolf Hitler and Japan and allowed our defences to significantly run down. When John Curtin became Labor leader in 1935 he consistently highlighted the growing threat of Japan and was in lock step with the Australian Army ambition to achieve greater self-sufficiency. The conservative government of the time continued to defer ultimate authority entirely to Great Britain on matters of Foreign Affairs and Security. This was a time when Robert Menzies, Roger Casey, Stanley Bruce and Joseph Lyons continued to urge appeasement even after the war commenced in 1939, believing that Germany should be offered hegemony over Central and Eastern Europe in exchange for peace. Menzies visited Nazi Germany in August 1938, well after the vilest aspects of the Nazi regime were underway in terms of political repression, race laws, concentration camps and military expansionism. Afterwards, he described Hitler as a patriot and admired Nazi measures such

as suppression of unions and outlawing the right to strike. In a speech in July 1939, only two months before the outbreak of war Menzies claimed, 'History will label Hitler as one of the really great men of the century... As far as the German people are concerned, Hitler has proved himself a great man and a tireless worker. He dragged his nation from bankruptcy and revolution, and I think he has too much intelligence lightly to cast them back into another war. Let us judge Hitler soberly.' Menzies also worked to ensure supplies of scrap iron would continue to feed the Japanese war machine in 1938 in the face of widespread community and union opposition to prevent this. For his pains, he would forever be labelled "Pig Iron Bob".

In the lead up to the Second World War Australia's defences and armed forces had been allowed to run down significantly in the lowest level of national spending in our history. The Curtin government took control of the situation in 1941 and mobilised the national effort in the face of the greatest threat to our national existence in our history. Curtin brought the troops home to defend Australia and generated a war industry that gave us an enormous national capacity, including vessels, aircraft and even the completely home grown Sentinel Tank. Under his industrial mobilisation program 3,486 aircraft, 3 destroyers, 56 corvettes and 30,000 small craft were built. Post World War Two Labor has often found itself in the position of cleaning up after aimless or wrong-headed Coalition military commitments. In 1972 the Whitlam government terminated our involvement in the Vietnam War after the Coalition had effectively engineered our invitation to the war and then abrogated responsibility for thinking through a clear strategy for its execution. During the Hawke/Keating government military commitments to the First Gulf War and Somalia had clear objectives and end dates. It was also a time when we resurrected the national capacity in the defence industry that had been allowed to deteriorate during the Fraser years. In particular in shipbuilding Labor brought home



the last two Adelaide Class Frigates to be built here and followed this with the ANZAC Frigate project. Labor then committed to producing the first Australian built submarines, the Collins, which positioned us well to continue to grow this capacity for the next generations of this platform.

In contrast, the Howard years were marked by some serious missteps in security policy and procurement. It began with the Commercial Support Program policy which sought to outsource much in the way of resident ADF capability. A lot of babies were thrown out with the bath water, and the result was that when we were called upon to deploy a Brigade size force to East Timor in 1999 our ability to provide deployable offshore logistic support was severely challenged. It was during this deployment that then Defence Minister John Moore critically risked our situation with Indonesia by making invalid claims about the some right of “hot pursuit” into West Timor and had to be kept away from the media thereafter. There were a number of disastrous procurement decisions including the Sea Sprite helicopters which we spent \$1.4b on without getting an hour of flying time before the project was abandoned. There was also the building of landing craft at the cost of \$40m that were not compatible with any vessel we had in service or any we were set to acquire. Add to these disasters the acquisition of the MRH 90 and Tiger helicopters without having thought through a range of issues as to the ability to network, serve within coalition logistic chains of meet basic ADF requirements. Finally, huge legacy problems were created by not planning for the replacement of supply vessels and submarines and critically under-investing in their maintenances and sustainment. In relation to the submarines, for example, planning for the next generation should have begun the minute the last boat was launched in 2003. The lack of proper funding for maintenance meant huge problems were inherited by the incoming Labor government in 2007 and we had to throw \$700m immediately at the problem in order to get satisfactory availability remediated.

Labor was forced to establish a “Projects of Concern” process which took on twenty-one Howard era problems and set about systematically resolving them so that by 2013 there were only six projects left on the list. Then there was the disastrous Iraq War and Australian Wheat Board situation whereby the Coalition Government sent us to war based on the lie of eliminating weapons of mass destruction that did not exist at the same time that our government permitted the worst violations

of the UN sanctions regime we were going to war to uphold. This was effectively pouring \$300m into the war chest of the enemy we were sending our soldiers to fight. This amounted to the worst public policy failure in Australian history, resulting in the waste of billions of dollars and at the cost of over one hundred thousand lives. The effects of that policy disaster are still being felt, and we are still paying the price for it. We can all be proud of Labor’s record on national security in government from 2007-2013. We terminated our involvement in the flawed Iraq conflict of the time and recalibrated our strategy in Afghanistan to an achievable mission, enabling us to draw down from our combat role. Following the 2009 Defence White Paper, Labor granted 141 approvals with a total value of around \$21.1b to improve the capability of the Australian Defence Force through a comprehensive equipment modernisation program. This included the acquisition of the Growler aircraft, the critical decision on Super Hornet purchases to insure against delays in the JSF program and extra C17 aircraft. It also included investing in the domestic development of the Hawkei Protected Mobility Vehicles which has proven a great success, offering an export opportunity of this world-leading capability. We also moved forwards on the necessary steps for getting our future submarine underway with \$266m worth of contracts and activities, due diligence studies on overseas options and life of type extension analysis of the Collins. We also made the critical decisions on the establishment of a land-based propulsion testing facility and the selection of the AN/BYG-1 combat system. Key decisions were also made on the local construction of the replacement supply vessels that would have bridged the so-called “Valley of Death” and the publication of our Future Submarine Industry Skills Plan in March 2013 that would have set the country on track for an enduring national ship building industry.

We also instituted a thorough review of the safety of our personnel in Afghanistan, the Enhanced Force Protection Review, which produced 48 recommendations. We acted on those recommendations without hesitation, investing over \$1.1b in urgent measures such as the deployment of the counter rocket and mortar system and enhanced counter improvised explosive device capabilities. We made the single most important enhancement to operational safety and effectiveness through the rapid acquisition and deployment in 2009, through Project Nankeen, of the Heron unmanned aerial vehicles. These made a huge difference to

our ability to detect and defeat ambushes and improvised explosive device activity, gathering vital intelligence and coordinating combat action. Through the establishment of Diggerworks, we enabled the rapid turnaround of vital improvements or acquisitions that were highlighted as necessary from field operations experience. These included highly beneficial enhancements to the Bushmaster vehicle to reduce the threat of serious injury and to the personal equipment of our soldiers. We invested millions in establishing combat medical advanced skills training and the mental health buddy system. We made a huge effort in health and rehabilitation and established the soldier recovery centres at key locations. This also included initiating the Simpson assistance program, the intensive rehabilitation teams and \$92 million for mental health initiatives. We were unstinting in purchasing the Drehtainer hardened accommodation for 1350 of our personnel in Afghanistan to better protect them from rocket and mortar attacks and invested in domestic accommodation to enhance the living-in experience of our service men and women.

I have also heard reference to the so-called “cuts” Labor made to Defence. Before the election the Coalition first claimed we had cut \$30 billion from Defence, then it was \$25 billion, then \$16 billion. The truth is that we made \$9 billion in savings through our six years in government, which enabled us to re-invest in the areas of greatest need while balancing the enormous challenges of the Global Financial Crisis. The savings were achieved with no adverse impact on overseas operations; no reduction of the number of military personnel in the army, navy and air force, no adverse implications for equipment for forces about to be deployed or on deployment; and no adverse impact on our enhanced practical cooperation with the US in our region. We took defence spending to a record level, getting closer than at any time under the Howard government to 2 per cent of GDP (1.94 per cent). In our last budget, this included \$113 billion across the forward estimates and another \$220 billion for the Defence Guidance Period of the six years following those first four. Labor also took spending on veterans affairs to a record \$12.5 billion that has not been matched by the Liberals.

Since coming to government, the Abbott/Turnbull Coalition have resumed normal transmission by creating chaos in the acquisition process and demonstrating a lack of strategic analysis. They cancelled our decision on supply vessels and sent construction offshore, threw the submarine process

into confusion and delay, attempting to steer this to a Japanese offshore construction option. The Abbott/Turnbull Coalition separated the phases of the LAND 400 armoured vehicle replacement program and delayed it causing a critical capability gap on infantry fighting vehicles and crippling the ability of Australian industry to participate, and they have still not produced their White Paper which was supposed to be released in March 2015. We have also seen a disturbing lack of strategic analysis of the situation in Iraq and Syria and neither Tony Abbott nor Malcolm Turnbull were able to convey a coherent narrative to the Australian people as to the long-term way forward. There were confusing signals being sent about the situation in Syria and the continuation of Assad in power. Of particular concern has been the close engagement by the government with Iran and promotion of Iranian objectives, which has demonstrated an extraordinary level of naivety that threatens to enable Iran’s continuing support of terrorism and their destabilising and hegemonic agenda in the region. Perhaps most heinously of all, the Coalition government mounted an unprecedented attack on veterans and our serving personnel. They did this through attempts to: cut Defence pay; remove vital Paid Parental Leave conditions from Defence families; cut veterans, war widows, war orphans and disabled veterans support; and removing education assistance from war orphans.

The increasingly complex world that we are living in requires a future Labor Government to be proactive in our defence and security policy in order to address the complex operational environments that our armed forces are serving in or may face. Labor traditionally addresses the full scope of the security matrix including, managing occurring or looming security threats, soft power conflict prevention and shaping activities or what the military calls these days “Phase Zero”, and the procurement and budgetary balancing act with traditional reform agendas in areas such as health, education and industry. With an ever-evolving security and defence landscape and policy founded on the independence of our armed forces and greater engagement in the Asia-Pacific region, a future Labor Government will be tasked with identifying opportunities to increase the capability of our forces across the operational spectrum, expand our relationship and cooperation with our neighbours in the region and defend ourselves against the growing cyber threat. We live in a world where the population will reach 9 billion by 2050, which will also be dealing with the increasing

challenges of climate change and social cohesion. In that context, whatever the technical advances and requirements and the State based threats, our agencies will always have to be ready to put boots on the ground and manage the fundamental needs and dynamics of people.

As far as the ADF is concerned a lot of the operational environments that they may serve in or evolve into are jobs that have often been expressed as not their jobs, but it has famously been said in the peacekeeping context, sometimes it's only a job that the military can do. The first example of this that I experienced was in Somalia in 1993, and it is clear from our experience since then that even in conventional conflicts there is a need to be prepared to fight what the US Marines came to call the "Three Block War". That is where conventional combat may be combined in the same theatre of operations with aid activities, reconstruction and peace-building measures. Our capability key priorities are to have forces that are thoroughly and effectively networked and those networks secured; we must be able to dominate the electromagnetic spectrum, stay ahead of the technology curve particularly in automation, AI, quantum technology, composites and the facilitation of innovation generally. We must also be ready to deal with disasters, failed states and ungoverned spaces including responding to attempted genocides and to asymmetric threats.

We must be able to master the intellectual challenges of succeeding in the sort of counter insurgency and stabilisation operations that the ADF has routinely been operating in since the end of the Second World War. Through our experience in Malaysia, Vietnam, Somalia, Iraq, East Timor and Afghanistan we have navigated our way with varying degrees of success at the tactical level but we still have some way to go to improve our ability

to manage these situations.

Modern Defence theory has evolved the concept of "Phase Zero" which encompasses the effects that can be generated to prevent conflict or shape an environment that will be conducive to ensure success if military action becomes unavoidable. It is in this area that Labor has generally been better intellectually equipped. We have an intuitive appreciation of the theory and mechanics of soft power through leveraging international institutions, building diplomatic and people to people relationships and deploying an effective aid program. Examples abound in the Labor tradition from Doc Evatt in the early days at the UN to Gareth Evans and Cambodia, Whitlam and China, Keating and Indonesia to our successful bid for a Security Council. In contrast, the Coalition erosion of our foreign aid program has undermined a key plank of our "Phase Zero" capability.

These challenges force us to ask questions about how Defence and our agencies are staffed, trained, structured and equipped to work within these complex environments. How we work with non-government and international agencies and other actors within communities, including our own, to create a broader concept of campaign planning to define and achieve a holistic end state is vital. Labor's creation of the Australian Civil Military Centre was a major step forward along this road. The ACMC made major contributions towards securing our Security Council seat and building relations within our region and internationally. It has also made key effective contributions in the areas of Women, Peace and Security, the Protection of Civilians, disaster response and enhancing Civil/Military planning. In terms of meeting conventional threats, Labor is determined to do whatever it takes to ensure our security personnel have all they need to succeed and survive. Labor has always believed in being as self-sufficient in industrial capability as possible where this will not be at the expense of the best options for our personnel. If we can help grow and enhance our economy with defence investment, then we will do so because you must also be able to afford the best options and a strong economy is what enables this. As the world economy transitions exponentially through new technology there is an opportunity for us to create the better jobs for the future and leverage defence industry capability for the benefit of the broader industry base. There have been key examples of this in like scale countries such as Israel, South Korea and Singapore and there are many new examples emerging in Australia now





too.

We are pleased that the Coalition has finally realised the folly of the Abbott “Captain’s Pick” de-industrialisation era. It was Labor that drove the foundations for including our defence industry as part of the fully integrated capability of the ADF. We believe however that the Coalition has failed to address critical aspects of that challenge in the future skilling of our work force, harnessing the national endeavour, and proactive facilitation of Australian industry participation. We intend to tackle these matters with effective and integrated education, industry and workforce policy. We are fully signed up to the target of achieving the 2% of GDP defence spending baseline, but it should be noted that this is not the silver bullet policy solution to effective procurement and developing the capability for future and present threats. Tax payer’s dollars must be spent effectively and that 2% figure will also be at the mercy of fluctuations of the value of the dollar, so that sometimes it may be necessary to spend more or a target may not be precisely met. In an escalated security situation spending will no doubt need to be much more, as it was in the two world wars. The ultimate benchmark is whether we have the capability to meet our security needs and our personnel have the pay, conditions and support they deserve.

One thing that was brought home to me by our experience in recent conflicts and as Minister for Defence Materiel, is that we must have as much autonomy and intellectual property control, or at least be in the most limited or efficient user group relationship for a platform, as possible. Our ability to quickly adapt assets such as the Bushmaster for operational needs based on current battlefield data and analysis was invaluable to keeping casualties and injuries to a minimum in Afghanistan. Conversely, our vulnerability to the caveats of foreign suppliers has reduced our scope of action and options on several occasions. The conventional battle space of the not too distant future will be populated by largely automated systems. The JSF and our Future Submarine may well be the last crewed platform of their type. The operators of the future may well be a mix of those in uniform doing the challenging people based threats and interface that require boots on the ground, and those sitting in shipping containers or flashy facilities piloting remote systems with a bottle of coke and a pizza at hand; the Xbox/PS4 warriors. In addition, fighting the critical cyber battle will be done by those techno warriors who can write and break down

algorithms. Across all security agencies, Australia is facing huge challenges in handling a massive volume of data mining. The encryption capabilities that were only at the disposal of States, are now ubiquitous. People can sit in their bedrooms with manuals, or go on YouTube, design algorithms themselves, and create the end to end encryption apps which have so proliferated and are now sitting on peoples iPhones. These apps are being used by significant threat elements, but also for straight criminal activity. A great deal of criminal activity also conflates with threat sources, particularly in the realm of terrorism financing. Recently we have also seen the offensives conducted against democratic processes in the USA and France and no doubt there will be more and wider endeavours. In many ways, we are entering a world driven by the Sun Tzu philosophy: “the acme of success is to win without fighting”. Our security agencies will be forced to compete with industry for the workforce they need. It is unlikely that security agencies can compete on wages but what we do have going for us is the motivation and job satisfaction that comes from national service. Nevertheless, I believe it will be essential for us to come up with creative frameworks to share this workforce with industry. Labor is committed to doing everything we can to identify the opportunities where our Reserve Forces can improve the capability of the ADF. Having the ability to bring to bear quickly and in a deployable context a range of civilian skills will have many applications and benefits. Labor Governments have long recognised, commensurate with our commitment to an independent and self-reliant defence policy, our defence capabilities are enhanced by our strong bilateral and multilateral defence relationships. Strengthening defence ties with our existing allies as well as building new relationships within our region is critical. In pursuing our development of sovereign capability there is a great benefit and potential in working with similar scale nations with whom we share similar values and potential threats.

A key opportunity to build on our bilateral relationships within our region to meet the security challenges ahead is our significant and growing relationship with South Korea. Australia’s involvement in the Korean War saw around 17,000 Australians fight in defence of South Korea against the armed aggression from the North. 340 Australians paid the ultimate price in that conflict. Since then, our bilateral relationship with South Korea has grown through strong and increased trade and business links, community, education

and cultural connections. Labor stands with and supports strongly the efforts of South Korea in seeking to de-escalate tensions on the Peninsula and force North Korea to return to the negotiating table – a goal the international community is united on. A Labor Government would seek to increase cooperation and engagement with South Korea across all areas of endeavour. A fundamental plank in strengthening the bilateral relationship between our nation and South Korea would involve a Labor Government seeking to negotiate with South Korea a Memorandum of Understanding covering Defence cooperation and Defence industry engagement. This would provide an important framework to facilitate joint military training, information sharing, collaborative research, scientific and technical cooperation, and enhance opportunities for shared capability development. Labor recognises the position of South Korea as an innovative and advanced skills-based modern economy. It produces world-class industrial and Defence systems, presenting collaborative opportunities between our respective defence industries. South Korea has, for example, developed extensive expertise in offering cost-effective accurate and rapid indirect fire capabilities together with better force protection.

We share the desire for a stable region and the promotion of peace and prosperity for all nations within it. Working to broaden and strengthen our bilateral relationship supports this objective while maximising the existing close links between our two countries to our mutual benefit.

There is no doubt that Australia's defence force will continue to face an increasingly complex world, with evolving State and non-State based dynamics. Our Labor National Security Committee team of Penny Wong, Richard Marles, Richard Dreyfus, Shayne Neumann, Claire O'Neill, Chris Bowen and myself supported by the sound instincts of Bill Shorten and Tanya Plibersek bring a sound and dependable mix of intelligence and skills that the nation can rely on. It is without a doubt better equipped to deal with the sophisticated, multidimensional challenges confronting Australia. A Labor Government would stand prepared to meet our defence industry, workforce and security challenges head-on, affirming our sovereign capability and independent thought, which is the best way to ensure our national interests while at the same time being a good ally and international citizen.



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# Obituary: Steve Hutchins – From Garbo to Senator

Stephen Patrick Hutchins (22 April 1956 - 24 November 2017), “Steve”, “Hutch” or “Hutcho” to family and friends, former Labor Senator and transport union leader, hard-nosed factional warrior, in many ways typified the old NSW ALP right – tribal, loyal, fierce in response to social injustice, fully aware of the traditions of a minority within the broader national ALP, and with a great sense of humour. Hutch was a person most Labor people assumed would become a senior minister in a Labor government when, at age 42 in 1998 he became a Senator representing NSW; he never fulfilled his potential due to the frustration of debilitating illness which dogged him for 20 years.

He was born in Sydney and grew up in Cronulla, in the Sutherland Shire in Sydney’s south, to Peter, labourer and itinerant worker, and Patricia (“Pat”), clerk and domestic worker, now both deceased. Life was tough and impoverished for Steve and his younger sister Linda; their parents separated; sadly, there were prolonged absences from his father who did time in prison for various crimes. Steve attended De La Salle College, Cronulla and Sutherland, packed like sardines in over-crowded classes. Lifelong friendships were formed. Michael Lee recalled at his funeral: ‘in those days students swept their own classrooms. In that first school week in 1969, I dropped a desk on his foot. In 2011 in his final speech to the Senate he said he forgave me, 42 years later.’ His children were variously told that the mangled toe was a result of a shark bite or a crocodile attack. Their dad was a prankster at heart. At the funeral on 29 November last, Lauren Hutchins, the eldest of Steve’s six children, spoke about how her father played the part of two fairies at home when she and her siblings were young. Signing off as “Portia” or “Cressida”, he left notes hidden in the backyard for the children to find. His love of family was the warm, softer side of a man who often seemed so tough. He often proudly spoke of his kids.

Sometimes careers and commitments can

turn on chance events. When he was Education Officer of the Labor Council of NSW in the early ’70s, Bob Carr travelled the city speaking to school History classes on the labour movement; he spoke at Steve’s school and so inspired them that Michael Lee, Hutcho, John Della Bosca, Seumas Dawes – a future Labor Minister in the Keating government, a future Labor senator, a NSW Secretary of the ALP and senior NSW Minister, a future NSW ALP Assistant Secretary and investment wunderkind – all joined from that class and immediately started campaigning for Gough Whitlam and the overturning of 23 years of conservative government. Hutcho went on to study for an Arts degree at the University of Sydney, majoring in English. His education in Labor politics was also proceeding apace. In the Cronulla branch of the Labor Party, an island of the Right in the generally left Shire, the late John Russell, intellectual and former seminarian, was an early inspiration, as was future NSW Treasurer, Mike Egan. But like anyone making their way in the movement, he fought to find his place, learnt to think about his point of view as he developed perspective and his own contribution.

At Young Labor conferences, the right returned in 1975 to the fray after a one year’s absence, the left in complete ascendancy. Hutcho was the leader of the callow youths trying to turn back that control. Unlike the ALP in other states, the NSW Left was then an amalgam of the sensible Ferguson faction, and the harder line, pro-Marxist Gietzelt group. In Young Labor, the most formidable of the Fergusonites was John Faulkner, another future Senator, who would regularly excoriate some outlandish breach of the rules allegedly perpetuated by Head Office, dominated by the Right. Hutcho, bravely, usually taken by surprise and unaware of all the facts, would do what he could, trying to change the topic, debate something else, inspire his colleagues that there was something noble in the struggle. It was great theatre, but mostly as



you now look back, this was the honing of great oratorical skills in a policy formation hothouse. In the days when the ALP factions were democratic at their nursery stage, all kinds of issues were debated. Young Labor groupings mostly selected their own leaders (rather than handpicked from above) and deep friendships were formed, including across the factional divide. Then NSW ALP Assistant Secretary, Leo McLeay, came to know of Hutch and urged him to think of a union career. He introduced him to Ted McBeatty, bachelor, Catholic daily communicant, humble, but also a tough man as Secretary and head of the NSW Transport Workers Union. Ted was one of those who in the midst of the ALP split, in 1956, wrested the union off the Left just when the ALP Right was most in danger; the TWU provided the clinching numbers for moderate Labor in NSW.

Hutch was urged to get a real job and join the union; he did so, working as a forklift driver and then as a garbage collector, falling off a truck in his first week - breaking his arm - and resting on "compo" for a few months; then went back to work, gripping harder on the trucks. Finally in 1980 he was appointed as an Acting Organiser in the union. McBeatty became a father figure. Hutch quoted him as saying "graveyards are full of people who thought they were indispensable". An avid fisherman, McBeatty drowned in a boating accident in 1983 and was succeeded by Harry Quinn, a colourful, militant leader, with whom Steve did not enjoy the closest of friendships. The union came first and Steve did the rounds, visiting workplaces, up at the crack of dawn, campaigning, listening, representing, the stuff of union organisers. He was deeply proud that battles fought depot by depot in NSW set the pace for conditions for transport workers in the rest of

the country. In NSW the TWU was particularly effective because of its wide reach, including by virtue of representing owner-drivers.

By the eighties and married, Steve and his then wife Diane Beamer bought a home in Penrith for their rapidly growing family. He was selected to attend the 1984 Harvard Trade Union Program, that "Swiss finishing school for union officials" as Barrie Unsworth once quipped. Don Farrell, now Senator and Deputy Leader of the Opposition in the Senate, also went that year and noted: "At Harvard, Steve saw firsthand in American industrial relations what would later become Work Choices under the Howard government in Australia." Over there and on his return, Steve had his moments wondering about the future. There were some dark nights of the soul. In 1989 with the retirement of Quinn, a new leadership was proposed by the outgoing Secretary, which tilted more left than right. Steve saw this as an existential threat to the traditions of the union and all that he had learnt from Ted. So he organised a rival ticket and they won. John McLean was elected NSW TWU Secretary, with Steve elected as his assistant. Steve brought in Tony Sheldon, now the National Secretary of the union, as someone for the longer term to carry on the legacy. In 1994 he succeeded as NSW Secretary, serving to 1998, and as honorary federal president of the union in the same period. He was an ACTU Executive member from 1996 to 1998. Other positions held were as Senior Vice-President, ALP (NSW) 1995-98; President, ALP (NSW) 1998-2002; member, ALP National Executive 1997-2002, National Vice-President, ALP 2000-02. Over the years 1995-98, when he was Secretary, the TWU along with the NSW Nurses was one of the few unions to increase membership each year.



Hutch was not a fan of national mega unions. He foresaw that the slew of reforms aggressively pursued by the ACTU and the Keating government would weaken the State system of industrial relations. He derided the potential impact as severely weakening the union movement's reach into workplaces, potentially creating bureaucratic conglomerate unions. Steve played a pivotal role in getting the Labor Council of NSW to warn of the dangers; he led opposition to simply replacing National Wage Cases with enterprise bargaining because he believed low paid transport workers could be worse off. He argued that the destruction of the NSW State system would hurt the union

movement as a whole. In 1996, defying ACTU counsel, Steve led the campaign for a 15% increase in the state transport award – with the NSW Industrial Commission awarded in December that year. His toughness in this time was legendary; derided in Melbourne as a dinosaur, some of his fears can now be more sympathetically examined. He was known as a resolute man balanced by compassion and integrity. Employers knew after any stoush that his handshake was his word. He delivered.

In October 1998, Steve was appointed to fill a casual vacancy in the Senate and was elected in his own right the same year and re-elected in 2004. His term came to an end after the 2010 election when he was defeated in the Gillard election, third on the ticket. He was critical of some of the excesses of the NSW powerbrokers and thought they were destructive to good management of the political process. He went to Melbourne to live, supporting his wife, Natalie, whom he was to be with for 18 years. In his first speech as a Senator, he spoke passionately about those Australians left behind by the pace of economic reform. As a Senator he chaired inquiries into Poverty, Military Justice and Organised Crime. His leadership role was most prominent in two inquiries. One concerned Hepatitis C infections and was inspired by his meeting people accidentally infected through blood transfusions. He wanted their voices heard. As Senator Claire Moore said in the Senate, he wanted to ensure the blood transfusion service would prevent this problem ever occurring again. Second, from the knowledge derived from the inquiry, he wanted the professions to learn their lessons, such that the terrible stigma around hepatitis B and C would be identified and addressed. More famously, he chaired the inquiry into children in institutional care, which covered an investigation into the abuse of child migrants. *The Forgotten Australians* report led to Prime Minister Rudd's national apology in 2009. Voice breaking, in 2011 in his valedictory speech Hutchins observed: 'These people's stories are etched in my memory—the most reprehensible experiences and impossible to forget. We were all shaken to the base of our souls. Our hearts sighed. We were bewildered. We wondered time and time again how adults could do such things to children. How could men and women of faith routinely abuse boys and girls sexually, physically and psychologically? Why didn't someone step in? Why were they able to get away with it?' It was an

extraordinary speech about terrible events.

A long battle with cancer overwhelmed his parliamentary career from the start; there were three return bouts of the disease, which ultimately claimed him. In his final Senate speech six years ago he paid particular tribute to his wife Natalie Hutchins (née Sykes): 'What sort of person marries a cancer survivor? What sort of person uproots her life, her comfortable existence in Victoria, to venture north? What sort of person acts as a nurse, caretaker, confidant and motivator? What sort of person takes on five stepchildren as friend and adviser? Only one very much in love, and one I love very much.' He endured many rounds of surgery, chemotherapy and radiotherapy initially at Nepean Hospital then at the Epworth in Melbourne; finally he was in the caring hands of his family and the Blue Mountains palliative care nurses.

He believed in the dignity of work, the right to organise and the vital role unions play in improving conditions and lifting living standards. A message from Kim Beazley was read out at the funeral: 'Steve was a great example of how good our political and industrial movement can be... Grounded in that, he took that voice into a parliamentary career of substance, while never losing his original commitment... His was too short a life, but it was one of consequence and substance.' Steve's faith was vitally important and he was active in volunteering time to Catholic charities. He received the Last Rites and was surrounded by family at the end. Last November his flag-draped casket left St Finbar's Catholic Church, Glenbrook in the Blue Mountains, atop his green rosary beads, a picture of Jesus owned by his late mother, a memento from his time as an official with the Transport Workers' Union and a plaque from St Vincent de Paul honouring his commitment to the poor. A maudlin *Danny Boy* played as the church emptied. He is survived by his wife, Natalie – a Minister in the Victorian government, and their son, Xavier; his other children, Lauren, Julia, Michael, Georgia, and Madeleine; and his grandchildren Jacob, William, Edie, Nathaniel, Rorie and Audrey, as well as his first wife, Diane Beamer, who in winning the marginal seat of Badgery's Creek in 1995 enabled Bob Carr to become Premier of NSW.

**Michael Easson, former Secretary of the Labor Council of NSW, pays tribute.**

# Obituary: The Passions of Andrew Casey

Andrew Casey (25 March 1953-1 February 2018), refugee, journalist, unionist, trusted political adviser and strategist, community activist, was born Andris Katona (or Katona Andris, as Hungarians would say) in Budapest to Holocaust survivors, Istvan Katona, born 29 June 1924, and Agota Katona (née Halmi) 2 January 1925. Full of energy, a prolific blogger, writer and twitter pioneer, he lived his values to his sudden, unexpected end, dying of a heart attack on a Sydney street. He believed in the intertwined principles of Judaism, the labour movement and social justice. This most impressed about Andrew. His impact was immense – as indicated by a wide spectrum of tributes in the press, union and social gatherings, and social media. His history is revelatory of a life furiously lived.

On his death, Jeremy Spinak, President of the NSW Jewish Board of Deputies, spoke of Andrew's ceaseless pursuit of *tikkun olam* – the Jewish concept of the duty to seek out social justice, to repair the world. This tribute addresses that impact – and its tributary source, the family legacy and the centrality of Judaism. Radicalised as a young man, then believing in an independent version of Marxism, Casey worked as a boilermaker's assistant at the then Cockatoo Island Dockyard in Sydney Harbour. It was not an ideal place for an anti-Vietnam War peace activist repairing warships and submarines. At aged 17 he joined the ALP. He later studied journalism at what is now Charles Sturt University in Bathurst. He was awarded a prestigious cadetship to *Sydney Morning Herald* in the late 1970s, working in the Press Room in the Labor Council of NSW building in Sussex Street, Sydney, under the mentorship of Keith Martin, the fiercely independent industrial relations editor. Andrew learnt to be careful in checking facts and strive for fairness in capturing the truth. He was moved around the Fairfax media empire, serving in various capacities including stints successively in industrial relations, education, international affairs (based in London), and as a roving, general political reporter. In January 1980 in Sydney he married the brilliant lawyer, later tribunal member, Agnes Borsody, who at aged 6 came to Australia with her

family, as Jewish refugees from Hungary, and they had two children. In 1988 he was employed by ACTU Secretary Bill Kelty as ACTU inaugural media officer. He worked closely with successive ACTU presidents Simon Crean and Martin Ferguson. He left to become press secretary to then Deputy Prime Minister, Brian Howe, later working full-time for Martin Ferguson, MP, then in communications positions for prominent unions, the Liquor Hospitality and Miscellaneous Workers Union (now United Voice), the Construction Forestry, Mining and Energy Union (CFMEU), the Australian Workers' Union (AWU) and the Australian nurses' union.

A pioneer of the use of new technology in journalism, Casey was one of the first to embrace online campaigning. When working at the online publication LabourStart, the global news portal he co-founded, Casey triggered one of the first big Australian email campaigns for cleaners on behalf of the United Voice NSW Branch against the Sydney Hilton Hotel. Although supposedly retired, in recent years he prolifically contributed to online reporting for international labour networks. His work laid the foundations for the Australian union movement's strong online campaigning culture. Current ACTU secretary Sally McManus singled out Casey's roles in such campaigns. Quoted in *The Australian*, former AWU leader Paul Howes lamented: 'He was one of the most hardworking, tenacious, loveable and even





at times frustrating people in my team when I was AWU National Secretary. I will miss ... his wacky adventures and his unique characteristics that made him the man that I and so many others loved.'

On his Twitter page Casey stated a motto: 'Solidarity, decency, equality. Values informed by Yid background. Salaam/Shalom. I support Israel AND Palestine'. This is a clue to his world outlook, including his personal story. At the essence was his commitment to passionate beliefs – the religion and best traditions of his forebears.

Key to understanding Andrew is his origins. After the restoration of hard-line communist control in 1956 Hungary, as a young child aged 3, thanks to people smugglers, with his parents the family escaped. His family came to Australia poor and as refugees. Traumatized by the Nazi and then communist rule, the family settled in Sydney, as far away from the cauldron that had been Europe. His paternal grandfather had changed the family name Cohen to Katona, a popular Hungarian surname that means "soldier", during a period in the early 20th Century when many Jews "Hungarianized" their family names. Now in Australia, they became Casey - surname of poets, Irish balladeers, freedom fighters, and a doctor in a popular television show in the early 1960s from which the family borrowed the surname - a name, ironically, derived from the Irish Gaelic, meaning vigilant or watchful, as well you would want to be coming from their background. During the war in Hungary Andrew's mother, born into an assimilated Budapest Jewish family, hastily converted to the Hungarian Reform (Calvinist) Church, along with thousands of other Jews, following rumours that converts might elude the looming disaster. It of course made no difference and she ended up on a death march to the concentration camps from which she was able to escape and survive the war in hiding. After the war, when she married Andrew's father, a Jewish concentration camp survivor, she insisted that he also convert so that perhaps their descendants would never suffer as they had. When they arrived in Sydney they officially declared their religion as Church of England, but they never hid their Jewish background or their history as Shoah survivors. Andrew from a very early age developed a lifetime's interest in Judaism, and a curiosity as to why people believe in certain precepts, and empathising with people who feared and opposed authoritarianism, bullying and intolerance. Casey came to shun ideological purity, sought alliances and friendships with varying strands of opinion across the broad left and beyond. In his heart he knew it takes all sorts to build a winning coalition. Casey became a great supporter of Rabbi Zalman Kastel's Together for

Humanity organisation, and its important outreach in finding common understanding between Muslims, Jews, Christians, peoples of Aboriginal heritage, and other strands of opinion. Casey understood his parents, fearful of all they had gone through, being protective of their kids (another son was also born in Hungary and was 8 months old when they fled), believing that they should fully assimilate. In some ways Andrew's fascination with heritage led his whole family to embrace their true origins.

Over the years, Casey was a delight to debate issues with and discuss personalities in the labour movement. He had a divining rod for detecting bull-shitters and fakes. Although he was a critic of Netanyahu's Israel, it pained him that minority sections of his beloved Australian labour movement were open to the BDS movement. He did more than anyone in Sydney to link the unions, the ALP and the Jewish community to embrace common causes, including anti-racism and anti-discrimination legislation. We engaged in countless discussions on Jewish issues, Israel, and the labour tradition. He felt that he had particular useful perspective, coming from Hungary. The Dohány Street Synagogue in Pest is the largest in Europe, where a distinct Jewish outlook, known as the Neológ school, flourished - which is closest to the Conservative tradition in the United States – standing between the Orthodox and Reform traditions. Over many years, I learnt a lot about this perspective, the disputes in the community, Talmudic traditions, and I linked up with some of his contacts globally. After the 2014 NSW ALP Conference he urged me to write for J-wire something critical of the simplistic Bob Carr-line on Israel and Palestine, which I did, and he re-posted the piece far and wide.

We had a common, partial deafness, ageing parents and much to talk about. I did not agree with him on everything. He was more left wing on some matters. But we could argue dispassionately, mostly, passionately sometimes, and he would almost always enlighten you with an insight, a suggestion about something to read, an idea for mobilising opinion. In seeking unity across various strands of persuasion, he was never lazily appealing to a weak compromise. Conviction and principle were his motifs. Like all of us he had his blind spots, moments of crankiness, foibles. But what a man! He is survived by his son, Daniel, daughter, Hannah, brother, John, and grandchildren Anna and Elsa. His ex-wife pre-deceased him in June 2011, dying a few months after divorce. His parents passed on in 2014 (mother) and 2015 (father).

**Michael Easson, former Secretary of the Labor Council of NSW, pays tribute.**

# Getting to know...

*John Curtin Research Centre*  
**Deputy Chair, Andrew Porter**

## Why did you join the ALP?

A great nature vs nurture question. Any good values I have I owe my parents for, any less desirable ones are entirely my own. My folks met at work at what was then the government-owned dockyard in Williamstown in Melbourne's west. A few years after they met there, the yard was privatised, and most of our family friends were laid off. It was an area long represented by Labor politicians, but polities from further afield, also on our side, thought it'd be a great idea to sell the yard for a song having promised not to. From a young age, a sense of politics with real life consequences for so many people we knew having been dispensed with, rather than something covered in a text book, emerged for me.

## What attracted you to the JCRC?

To paraphrase Homer Simpson, I reluctantly accepted this glamorous, high-paying job. I'd worked with JCRC Executive Director Nick Dyrenfurth in my time in Bill Shorten's office.

Nick has always been a passionate and effusive advocate for a Labor Party that, rather than focus on the esoteric, focuses on the day to day: ensuring the people that look to Labor to ensure a same and equal chance for all Australians to pursue whatever they might choose to in life get precisely that.

## Tell us about your working life.

Politics, like going for Richmond and complaining about their wasted opportunities, was for a long period of time one of the few things that made sense to me. I started out my working life with a political apprenticeship in the office of the Melbourne Ports MP Michael Danby – it's fair to say I learned a lot there. Michael is a fierce advocate of the part of the world in which he grew up, something that resonates with me. Next was a stint with Anthony Byrne MP, easily one of the most hardworking and community-focused people I've met in any walk of life, even if he is of the mistaken Collingwood faith; Anthony's consistent hard work is reflected in the equally consistent endorsements his electorate have given him at so many elections. While working for Anthony, then Parliamentary Secretary to Prime Minister Kevin Rudd, I was loaned to the press office of the latter, then compulsorily acquired. I learned a lot more in the year and a bit I was there before the leadership change than I have at most other points of my life. Politics in that office was routinely done well, even if policies were left hanging as the next thing was moved on to without follow through. The next office I worked in, the Gillard PMO, suffered from almost the precise opposite. My last two gigs in politics were with Stephen Smith, the Defence Minister, and our future Prime Minister, Bill Shorten. Having made the decision to get some exposure to the real world, I thought I'd chase a slower-paced, quieter role in the private sector, working with Adani.

I've since moved to Linfox, where I've been working for the past eighteen months.

### What do you like to get up to outside of work?

I tend to spend most of my spare time being a wholly owned subsidiary of two rescue beagles, or struggling to accept the fact that my beloved Richmond actually won a premiership last year. Here's to a Shorten-Tigers double premiership.



### What is the one big policy problem facing Australia and the solution?

Aside from the prospect of Richmond not going back to back, the future of work, namely the implications of increased automation throughout the workforce, is something that both sides of politics need to grapple with. There's been some interest in the issue on our side of politics, but it's the sort of thing that will require – and I hesitate to engage in the Bramstonian hushed tones of invoking the Accord or hallowed Hawke-Keating reform era here – a collaborative approach between the labour movement, government and business to ensure not simply the most productive use of labour into the future, but also the most meaningful use of that labour.

### Tell our readers an unusual fact about yourself

I have a barely perceptible freckle on the inside of my ear, named Gilberto. (ed. \*shakes head\*)

### Any advice for young Laborites?

I didn't get into it too much, but the key tenet of being a Labor person is being a collectivist. As Labor people, we believe, as our friends at the AWU say, that we are stronger together. The cause and collective effort that we stand for, and seek to advance, is infinitely more important than the circumstances of the individual, or personalities. One of the best examples I've seen occurred during the winter of 2010. Amid a messy and emotive leadership change, some of the most professional, capable and decent people I've ever known were losing their jobs in no less traumatic, albeit less high profile a way as Kevin – but even as they were losing their jobs, they insisted that the show must go on, whatever feelings people may have had about the manner in which the leadership changed. A similar process occurred in 2013, albeit with less surprise for those immediately affected, and greater forewarning for the public. Being loyal to the cause, our party, and our movement is a tremendously rewarding path, but you tread that path in its totality. Upset or distress that arises from a fork in the road that didn't go according to plan shouldn't distract you from what we're about: governing to create a more equal and decent society.



# JCRC in the news

Catch up on all our latest musings, straight off the desks of our Committee and Board Members.

The JCRC has enjoyed a busy start to 2018. On 14 February we released our superannuation policy report *Super Ideas*, published in conjunction with Industry Fund Vision *Super*. An extract of Executive Director Dr Nick Dyrenfurth's report was published by Fairfax Media along with extensive media coverage of its major recommendations. Labor's Dr Jim Chalmers launch the report in Canberra.



On Australia Day Eve Labor's Shadow Defence Minister Richard Marles delivered a very thoughtful and highly-publicised 2018 Annual John Curtin Lecture. On March 8 Labor MP Mike Kelly spoke to the centre in Melbourne on the future of Australia's defence industry. In October Advisory Board member the Hon. Senator Kim Carr announced that if elected a Shorten federal Labor government would create a new \$1bn Australian manufacturing future fund.



Additionally, Dyrenfurth published a piece for Fairfax on why 'We should look to Germany for our economic road map' (2 January 2018). Nick also wrote a *Daily Telegraph* oped on how the Turnbull government's foreign pilots visa decision puts safety and jobs at risk (4 January 2018).



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‘The nation looked to Labor,  
and it did not look in vain.’

- John Curtin, 26 July 1943