

ETOC SIN

FLAGSHIP PUBLICATION OF THE

JOHN CURTIN RESEARCH CENTRE

Labor ideas for a better Australia

Issue 6, March 2019

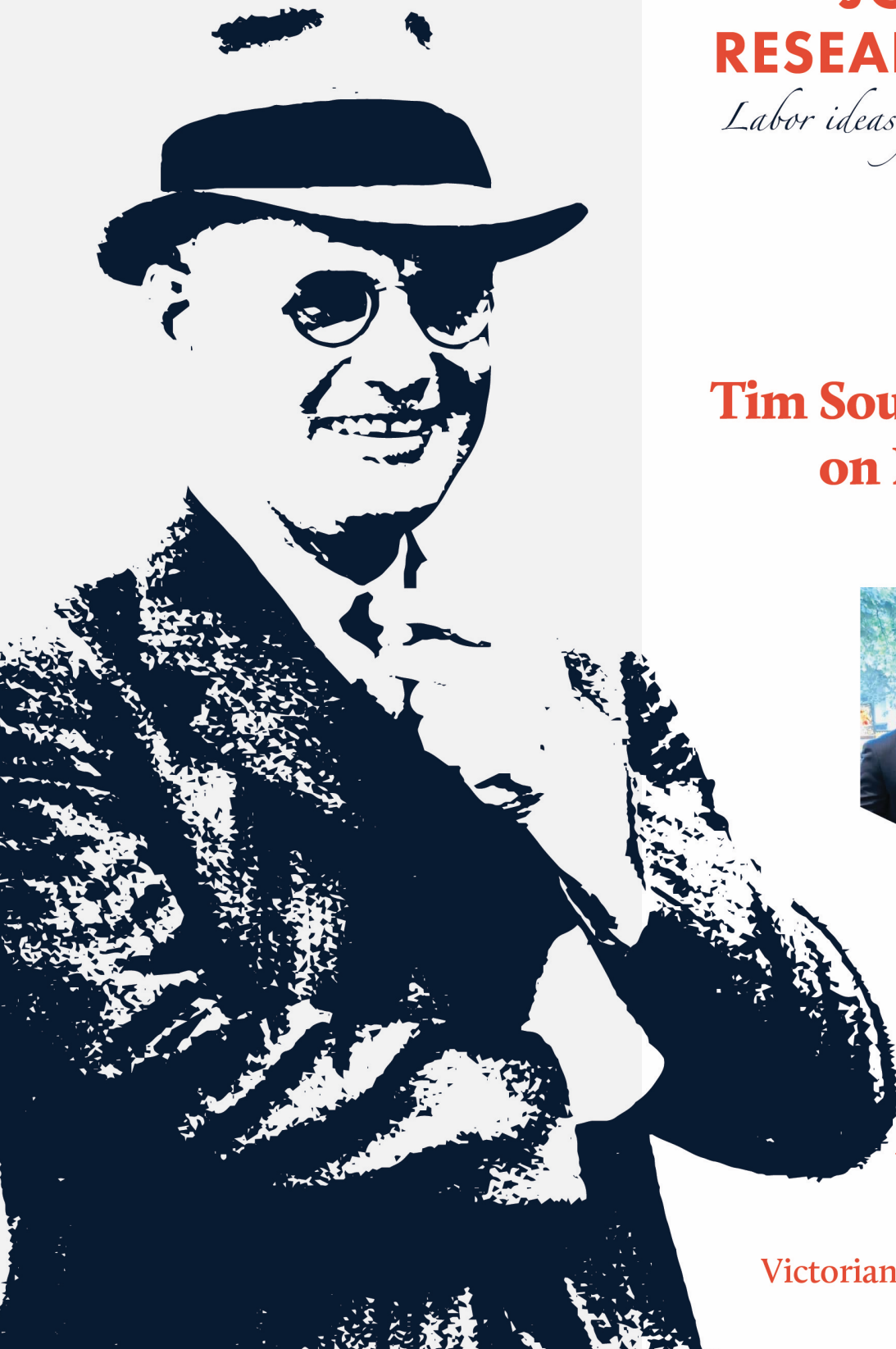
Tim Soutphommasane on Patriotism and Leadership



Nick Dyrenfurth
on Budget 2019 | P. 8

Geoff Gallop revisits
Anthony Crosland | P. 9

Paul Strangio explains
Victorian Labor's 'Danslide' | P.23



Contents

The Tocsin | Issue 6, 2018.

Editorial | 3

Tim Soutphommasane – Patriotism and Leadership | 4

Nick Dyrenfurth – Budget 2019: Back to the future | 8

Geoff Gallop – Rediscovering Anthony Crosland | 9

Remy Davies – A neo-liberal Trojan Horse | 12

Gursewak Singh – Great Debate:

A Universal Basic Income? | 14

Book Review by Janet McCalman

– Sally McManus, On Fairness | 16

Patrick Kennedy – Broken | 17

Simon Miller – Flying under the radar | 18

Getting to know ... JCRC Committee of Management
member Mary Easson | 20

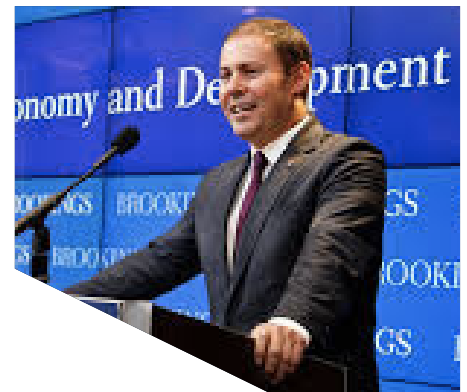
Nick Dyrenfurth – It's time to #changethestats | 22

Paul Strangio – Massachusetts Down Under | 23

In case you missed it – highlights from our recent events | 25

JCRC in the news | 26

Nick Dyrenfurth on Budget 2019 | Page 8



Geoff Gallop revisits Anthony Crosland | Page 9



Paul Strangio explains Victorian Labor's 'Danslide' | Page 23



The Tocsin, Flagship Publication of the John Curtin Research Centre.
Issue 6, 2018.

Copyright © 2018 All rights reserved.

Editor: Nick Dyrenfurth | nickd@curtinrc.org

www.curtinrc.org

www.facebook.com/curtinrc/

twitter.com/curtin_rc

Editorial

Executive Director, Dr Nick Dyrenfurth

This is a defining year for Australian social democracy. With a federal election in months our nation can scarcely afford another three years of chaotic, divisive Coalition government chipping away at the fair go Australian way of life. Wages growth is non-existent and inequality historically high. Economic insecurity is tearing at our nation's social fabric. In 2018 we were proud to have seen a number of our policy ideas aimed at addressing these issues backed by the federal Labor Party – our bold superannuation reforms and proposal for employee representation on company boards. In 2019 the battle of ideas has never been more important to the fortunes of working Australians.

The John Curtin Research Centre has been in the thick of the battle of ideas, including our annual John Curtin Lecture delivered by Professor Tim Soutphommasane. Tim's thoughtful and widely reported address urged social democrats to pursue patriotic leadership in a time of resurgent populist right-wing politics – it is reproduced in this the sixth edition of *The Tocsin*. In February we released our latest report *#changethestats*: a new way of talking about unemployment. The report generated considerable debate and its recommendation of a new 'living wage' has been picked up by Labor leader Bill Shorten.

In this edition you will also find an exploration of the big ideas of Anthony Crosland, the British social democratic giant written by former Western Australian Premier Geoff Gallop. Renowned political commentator Paul Strangio reviews the 2018 Victorian state election in his astute piece 'Massachusetts Down Under'. We are also delighted to host our first 'Great Debate' over the virtues of a Universal Basic Income between two emerging young writers Gursewak Singh and Remy Davies. Plus we publish articles by Simon Miller on a fair go for airline pilots, yours truly makes the case for employee representation on banking boards and writes on Budget 2019, while we publish young writer Patrick Kennedy's heartfelt take on tackling domestic violence.

We have much more in store for 2019. On April 3 we join with other centre-left thinktanks – the Chifley Research Centre, Per Capita and McKell Institute – to

review the 2019/20 Budget and look ahead to the election – details are included elsewhere in this edition and at our webpage. Stay tuned for more news on a range of other exciting events and publications.

But to fight the good fight we need your renewed support in 2019. Signing up will help us fund the research to prosecute reformist ideas and spread our social democratic message of hope and opportunity for all. It provides exclusive access to all of our reports and *The Tocsin*. Together we can stop multi-millionaire backed right-wing reactionaries outspending social democrats in the battle of ideas. If you have not yet signed up to fight the battle of ideas please consider doing so: www.curtinrc.org/support.

In unity,



Dr Nick Dyrenfurth

Editor of *The Tocsin*

Executive Director, John Curtin Research Centre



Patriotism and leadership

Tim Soutphommasane uses his John Curtin Lecture to warn of the threat of a race election

It is truly an honour to deliver a lecture named after a man many would consider the greatest of our prime ministers. John Curtin was a leader who embodied for Australians decency and courage – but most of all, patriotism. Previous ages may perhaps have been more civil in the conduct of its politics. But it is telling that, when Arthur Fadden in October 1941 resigned as Prime Minister after losing a vote in the House of Representatives, opening the way for John Curtin to form government, he issued a public statement praising the ‘complete patriotism’ of his opponent and successor. Many of us, of course, would associate Curtin’s patriotism with wartime necessity. ‘Without any inhibitions of any kind’, as he said in 1941 following the fall of Singapore, ‘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.’ It was a stance of national independence that enraged conservatives and those with an imperial cast of mind. Yet Curtin wasn’t only a wartime prime minister who united the nation in its most difficult hours, when Australia’s national survival was at stake. He was also a prime minister who laid the foundations for postwar reconstruction and for three decades of economic prosperity. It is this two-sided nature of patriotism and leadership that I want to reflect on this evening.

It is natural for us to think of patriotic leadership as a response to necessity. We may think of patriotism as defensive, something activated when the country is endangered or under threat. Patriotism, as George Orwell wrote, means a devotion to one’s country, which one believes to be the best in the world but has no wish to force upon others. But it ‘is of its nature defensive, both militarily and culturally’. This is what sets it apart from nationalism, which is inseparable from the desire for power. We can quibble with Orwell’s characterisation. It’s difficult to separate a love of country from nationhood. The nation-state remains the fundamental unit of political self-determination, even in a globalised world. The rise of nationalist populism only confirms that we are living in an age of nationalism. Liberal cosmopolitans have been

deluded to insist that national identities had been made obsolete. But Orwell’s characterisation of the sensibility of patriotism still resonates. Loving your country needn’t mean an aggressive nationalism. Even so, it’s not enough, in my view, for there to be merely a patriotism that is defensive. It must also be forward-looking. It isn’t about defending one’s country, but advancing it. Not in a jingoistic way, but with maturity and generosity.

“John Curtin was a leader who embodied for Australians decency and courage – but most of all, patriotism ... Yet Curtin wasn’t only a wartime prime minister who united the nation in its most difficult hours, when Australia’s national survival was at stake. He was also a prime minister who laid the foundations for postwar reconstruction and for three decades of economic prosperity.”

Patriotism

Ten years ago, while completing my doctoral studies in England, I finished what was my first book, titled *Reclaiming Patriotism*. Its thesis was that Australian progressives – by which I meant social democrats and those on the centre-left – needed to reclaim patriotism and to have a nation-building political agenda. At the time I’d been writing, the memories of the Howard years were still fresh. Australian progressives remained shell-shocked by the political shifts towards conservative and atavistic nationalism. The images of the Cronulla race riot from 2005 were imprinted on the national psyche. People were still getting used to conspicuous public waving of the national flag and the sporting of southern cross tattoos. The new nationalism was also there in the politics of asylum, and the muscular assertion of national sovereignty. It was a nationalism directed as much at keeping out people of a certain kind – especially those who may be coming by boat – as it was at making those who were permitted to arrive fit a certain mould of citizenship. It was no accident that when the Howard Government introduced a new citizenship test, it initially included questions about Australian values and Don Bradman.

My view ten years ago was that it was too easy – and ultimately wrong – to abandon patriotism. Yes, there was a danger that mixing politics with patriotism would lead to belligerent nationalism. But the greater danger was to surrender the idea of the nation to extreme or reactionary elements of our society. An inclusive and critical patriotism was the best inoculation against jingoism. Today, the idea of reclaiming patriotism remains as urgent as it was a decade ago. The fears I held back then have, to some

extent, materialised. The value of patriotism has indeed become seized upon by those on the fringe. Neo-Nazi and white supremacist groups readily speak in the language of patriotism. They like to describe themselves as patriots who wish to defend our national culture and way of life. It's a description that can be reinforced by sections of the media. When far-right nationalist extremists have been confronted, those on the other side have frequently been described as anti-fascist protestors on the leftist fringe. Often there is a presentation of moral equivalence between so-called patriotic movements on one hand and anti-racism movements on the other.

On all this, let's never lose our moral clarity. Racism must never become described as patriotic. In the public mind, anti-racism must never become counterposed to patriotism.

Because if we are to counter extremism, it is best done through the centre. Let's be clear: the vast majority of Australians do not endorse racial supremacism or white nationalism. The vast majority of us would find it offensive to our very conception of what it means to be a member of contemporary Australia. It's time, however, to push back against the insidious framing of patriotism. When we talk about patriotism, we shouldn't have to clarify that what aren't talking about is an aggressive national pride. We shouldn't have to explain that we aren't talking about a belief in the national identity being defined by race or blood. That shouldn't be the default. Rather, the default when we talk about patriotism should be this: a love of country that is democratic and egalitarian; an affection for this place that includes those of different races and backgrounds; a civic pride that is about living up to the best of our traditions. That should be the default. That should be what people understand as patriotism.

This doesn't mean for a moment that our patriotic feelings can't come in many forms. An Australian identity can be as much about a connection with the landscape, or about history and family, as it is something expressed in civic and democratic forms. There will be many nuances to how people love their country. None of that detracts from patriotism. We don't need to agree on everything about what makes this place special. But the civic character of patriotism – a commitment to the country as a citizen, the shared responsibilities of citizenship – is something that excludes or divides none of us. It is the quality that can unify us all. In reality, of course, it doesn't always turn out that way. When patriotism and politics mix, we can end up with a distorted love of country. You can't make national

pride compulsory. Public officials can't dictate what form patriotism must take. There are places where a sanctioned patriotism is commonplace. An obvious example is America. Think of flags mounted on front porches, school children pledging their allegiance every morning, and politicians sporting a national flag pin on their lapel. Yet our sensibilities are different from the American. As Australians, we haven't tended to conduct overt displays of patriotism. Our style is more typically laconic and understated. It's one reason why any suggestion about having dress codes at citizenship ceremonies, as made by Scott Morrison last month, sounds off-key.

While it's a good thing for us to think and act patriotically, our leaders must not – and cannot – impose patriotic feeling. Orwell would say that crosses the line into aggressive nationalism. As we all know, nationalism offers no solutions to our most complex national challenges -- challenges that require hard-headed national leadership.

Leadership

Let me say a little more now about leadership. We rightly expect our political leaders to set the tone and shape the mood of the nation. As Paul Keating once said, when the government changes, the nation changes. Few of

“We may think of patriotism as defensive, something activated when the country is endangered or under threat. Patriotism, as George Orwell wrote, means a devotion to one's country, which one believes to be the best in the world but has no wish to force upon others ... Loving your country needn't mean an aggressive nationalism. Even so, it's not enough, in my view, for there to be merely a patriotism that is defensive. It must also be forward-looking. It isn't about defending one's country, but advancing it. Not in a jingoistic way, but with maturity and generosity.”

us would say we have had political leadership that has inspired or uplifted us. This isn't just about the vibe. It's about something systemic. For a number of years now, the Lowy Institute's annual poll of attitudes has shown a deep complacency about democracy. Last year, the Lowy Institute found that only 47 per cent of Australians aged 18-44 agreed that 'democracy is preferable to any other kind of government'. There is an alarming number, particularly in that age range of 18-44, who believe that a non-democratic government can be preferable or who are indifferent to the kind of government we have. It's a sentiment that can also be detected in some other liberal democracies. Some may say such sentiments have nothing directly to do with political leadership. But I would say it isn't drawing a long bow to suggest democratic disillusionment is connected with people's feelings about political leadership. Our feelings towards leaders can rub off, too, on how we feel the country is going. Because

when our country is at its best, our democratic institutions should give us a sense of pride. They should inspire loyalty and sacrifice. They should embody our collective aspirations: fairness, equality, opportunity for all. They must, as I've said, go to the heart of our patriotism.

Today, however, our politics and democracy are

about the least likely sources of patriotic inspiration. It's understandable. If you just look at the national parliament, we seem each week to be diving to new lows – whether it's dubious multi-million dollar grants or contracts, or whether it's the blatant abuse of parliamentary committees for partisan campaigning. Last week we even saw in the Parliament a physical scuffle in the lobbies and the smearing of bodily fluids on doors. Leadership is too often the exception to the rule in this parliament.

To be sure, leadership often comes with the times. It can be the creature of circumstance. It's no accident that great leaders come in times of war or hardship; no accident that history judges leaders against whether they have ushered in a new regime or epoch. This goes to the very meaning of leadership. Leadership is about helping us make sense of change, or to shake us into adjusting to new realities. The essence of leadership is to bring people together, identify what needs to be done, find a path, and carry people on a shared mission. Australia finds itself in a world that is rapidly changing right now – on many fronts. Climate change is happening, whatever the deniers might say. Technology change in the forms of artificial intelligence and big data will upend not only industry but society as we know it. And in the realm of geopolitics, the rise of China as an economic, political and military power has yet to reach its peak.

Our society is also changing fast, before our very eyes. Our social composition – our ethnic and racial character – is being transformed. It's often said that Australia is the most successful multicultural society in the world. Even those allergic to the word multicultural will still proudly declare that we are among the most successful migrant countries in the world. It's hard to argue our success on multiculturalism and immigration. Few countries have managed to conduct a national project of immigration, and to embrace a multicultural national identity, and do it as Australia has done: without destructive social division or enduring social rancour. But it's also part of the conventional wisdom that we can declare 'Mission accomplished' on multiculturalism. That we can take our success for granted. That we don't ever need to worry about taking care of diversity. Such thinking leads us to ignore a reality in which the face of Australia continues to change, and rapidly so. Based on current trends, the ethnic and racial diversity of our society will continue to grow. In and of itself, it is not a bad thing – a multicultural society can handle diversity. But it should go without saying that we must also understand where we are heading.

One reason we're not good at grasping this is that there is a gap in the data that the Australian Bureau of Statistics

currently collects. Our diversity can be measured based on birthplace and languages spoken at home; yet what our ethnic and racial makeup looks like, we can't say with definitive certainty. We may be a multicultural society, but we have found it difficult to talk about our ethnic and racial diversity. That includes the statistics. Based on research which I conducted with partners when I was at the Australian Human Rights Commission, we can make some educated guesses. About 58 per cent of the Australian population have an Anglo-Celtic background, about 18 per cent have a European (non-Anglo-Celtic) background, and about 21 per cent have a non-European background. When you combine that latter figure with

“In this election year, there is every indication that the Coalition government has flicked the switch to fear. It is already campaigning on fear, seeking to incite hysteria about asylum seekers and border security ... Listen to what the government is saying, and you get the impression that Armageddon awaits vulnerable Australians. And if this kind of scare campaigning weren't bad enough, just ask yourself this. Might the fear-mongering get worse between now and the election later this year? Could this be just a preview of a race politics put on steroids?”

the 3 per cent who are Aboriginal or Torres Strait Islander, we can estimate that just under a quarter of the Australian population has a non-European background. The writer George Megalogenis has crunched the numbers himself, too. As he describes it, while the English represent the largest immigrant group in Australia, the Chinese and Indian migrant groupings are quickly catching up. In Sydney and Melbourne, the Chinese and Indian migrant communities are respectively the largest. 'Our two largest cities have crossed the threshold from Anglo-European to Eurasian', Megalogenis suggests. 'Who we are today is Australasian.' Which leads me to ask: Is our political leadership preparing us to understand who we are evolving into? Are our leaders telling us the stories we need to hear to make sense of this? Are they preparing us to adapt to and embrace the changes happening to our national population?

The rise of hate

There are signs that some of our political class is telling us a very different kind of story. Not one about Australia as a welcoming and confident nation. But rather one about an Australia that is fearful and anxious. In this election year, there is every indication that the Coalition government has flicked the switch to fear. It is already campaigning on fear, seeking to incite hysteria about asylum seekers and border security. A bill to ensure asylum seekers already in Manus Island and Nauru can get medical treatment in Australia, if necessary on humanitarian grounds, has invited a new level of alarmist rhetoric from the government. In the debate about the 'medevac' bill in parliament, which the government lost, Senator Mathias Cormann claimed that 'rapists, murderers and paedophiles will ... get a free pass into this country'. Deputy PM Michael McCormack has claimed, 'this is going to be able to get spivs and rapists and murderers on to our shores'. PM Scott Morrison has spoken of making sure Australia doesn't wake up 'the beast' of asylum seeker boat arrivals.

Listen to what the government is saying, and you get the impression that Armageddon awaits vulnerable Australians. And if this kind of scare campaigning weren't bad enough, just ask yourself this. Might the fear-mongering get worse between now and the election later this year? Could this be just a preview of a race politics put on steroids? If such appeals to fear are to win the government a fillip in the polls, we must anticipate the likelihood of an escalation in rhetoric. We must expect more naked and blatant appeals to racism and division. We must prepare ourselves for a possible race election, and all that that would involve. There have already been disturbing signs that members of our political class are content to play race politics. Last year, there was a brief window when it seemed that good sense had been restored. When Fraser Anning delivered his infamous 'Final Solution' speech to the Senate, he was almost unanimously condemned by the federal parliament. Yet only two months later, when Pauline Hanson moved a motion that it's ok to be white (a well-known slogan of white supremacists), her motion was supported by some 20-odd government senators.

We are seeing in our politics a dangerous normalisation of racist hatred. Notions which must have no place in a liberal democracy are now being openly entertained, debated, even supported in our parliament. Arguably, some of the political middle-ground is at risk of shifting. Politicians who have tapped into racist resentment and cultural fear are making it acceptable for people to express racism and bigotry and justify such things as ordinary political opinion – rather than as noxious extremism. In one sense, much of this isn't new. We've seen it coming for some time now. There were two failed attempts by the Coalition government, under both Tony Abbott and Malcolm Turnbull, to weaken the Racial Discrimination Act by repealing section 18C. As George Brandis explained, in a moment of ideological clarity, such a change would have effectively enshrined a right to be a bigot in Australia. There have been other efforts, too, to undermine the work of anti-racism. When efforts to weaken the substantive provisions of the Racial Discrimination Act failed, the government turned its attention to weakening the office of Race Discrimination Commissioner. In the final months of my term at the Australian Human Rights Commission, with the support of Indigenous and multicultural communities we pushed back forcefully against Christian Porter's idea of renaming the office to something like the Community Relations Commissioner or the Harmony Commissioner. Elsewhere, Porter has made clear that he believes the work of anti-racism doesn't align with the interests of so-called mainstream Australia. There remains this implied sense that many of our political class don't regard those from racial minority backgrounds to be part of 'mainstream Australia'.

It's not just segments of the political class who take

such a view on race. If you read, watch or listen to parts of our national media, you'd get the impression that the real racism in Australia was 'reverse racism', or that the real problem of hatred at the moment was supposed anti-white hatred. It's not just a parallel universe; it's a world that's upside-down. In a fractured media landscape, outlets are seeking to monetise hatred. They are feeding off the resentments of those in the majority who feel they are losing their position of power and privilege. Parts of our media are making it their business model to hang on to angry audiences who want to vent against so-called political correctness and against minorities who dare speak up. And there are some in our media who are only too content to indulge in racist stereotyping and Trumpist white identity politics. Only too happy to play the victim when their race-baiting is called out, and to cry of censorship when they get criticised. There is a great irony in how many right-wing champions of free speech are so fragile when they are subjected to scrutiny and criticism. They only wish to see more free speech when it involves bigotry. When people exercise their speech to criticise racism, however, that becomes labelled as a suppression of free speech.

“When political hate spirals, it takes us into the realm of fascism. Good citizens, patriotic citizens have always been – and always will be – the ultimate guardians of democracy. But our political leaders are the ones who must be our first line of defence. It's time to step up.”

Conclusion

Some may say speaking about a rise in hate is putting it too strongly. Hate is a strong word, after all. Many associate it with organised extremism and racial supremacism. As we have seen in recent years, though, there is a clear rise in racist hate. Far-right and neo-Nazi elements have been emboldened. And we must be on guard. We must be on guard, too, against the insidious creep of hatred. Because there is a threat posed from within our existing institutions as well as from without. Racism is finding a happy home both within sections of our parliament and government, and within sections of our media.

To counter such hatred is an obligation of patriotism. The threat that the rise of hate poses to our society isn't confined to minorities and those who are most vulnerable to intolerance and discrimination. The threat is posed to all of us – and to our democratic institutions. When hatred becomes acceptable, it diminishes all of us. I have warned recently that, if we're not careful, the recent outburst of nationalist populism may prove to be more than just an episodic venting of anger. If we're not careful, we may be seeing it give rise to the preconditions of non-democratic government. When political hate spirals, it takes us into the realm of fascism. Good citizens, patriotic citizens have always been – and always will be – the ultimate guardians of democracy. But our political leaders are the ones who must be our first line of defence. It's time to step up.

This is an edited version of Professor Tim Soutphommasane's 2019 John Curtin Lecture delivered to the JCRC in Melbourne on 21 February.

Budget 2019: Back to the future

Nick Dyrenfurth on why it's time
to reinstate the debt ceiling.

Of all the missteps, schisms and indulgences to have characterised a chaotic five and a half years of Coalition rule, perhaps the most disappointing is the Abbott/Turnbull/Morrison government's laissez faire approach to fiscal discipline.

Before the 2013 election Tony Abbott bemoaned what he called Labor's "debt and deficit disaster". Yet approaching the sixth and possibly last Coalition budget we are worse off without any meaningful long-term investment in job-creating infrastructure, TAFE and more besides. Josh Frydenberg's debut budget is tipped to announce a belated surplus in 2019-20 and promise further surpluses in the next four years. This return to surplus has been built upon better than expected revenues from resource companies, population growth and personal income tax paid by working Australians as well as record low interest rates for government bonds. The latter, measured by ten-year yields, is estimated to represent \$2bn in savings. This simply isn't good enough from a government now in its seventh year of existence.

To be sure, the Coalition government displays a stubborn unwillingness to address debt. It continues to shirk serious, structural repair such as fixing capital gains tax and negative gearing distortions on the revenue side, to say nothing of taking a tough approach to tax avoidance by giant multinationals and local big business.

In five and a half years, the Coalition has doubled the nation's debt. Whereas most of the developed world increased their gross debt above 80 per cent of GDP during the GFC, Australia's ratio was just 16.8 per cent in 2013 when Labor left office. Today's figure is 42 per cent. Australia's gross debt numbers \$543 billion, up from \$175bn. The government's policy of banking extra revenue generated by the economy and offsetting all new

spending with reductions elsewhere in the budget has been observed more in the breach. International comparisons underline its poor debt management: from 2013 onwards, governments have been steadily repaying debt. Germany's fell from 81 per cent to 63.9 per cent at year's end 2017. Ireland's debt is down from 120 per cent to 68 per cent. New Zealand's debt is down from 34 per cent to 31 per cent.

Yet there has never been a more exciting nor important time to tackle debt. Numerous examples exist of largesse which could be easily cut from the budget. Take the half a billion dollars of taxpayer monies gifted to the Great Barrier Reef Foundation. Think how much better off the budget and our debt position might be had this wasteful use of taxes been avoided. Or what could have been funded: a good chunk of the fast rail proposed to link Melbourne and Geelong, massive capital investment in rural and regional hospital upgrades, or the bill to fund the prep to year 12 educations of over 7000 young Australians. Dare we say real investment in renewable energy."

There has never been a more exciting nor important time to tackle debt. Numerous examples exist of largesse which could be easily cut from the budget. Take the half a billion dollars of taxpayer monies gifted to the Great Barrier Reef Foundation. Think how much better off the budget and our debt position might be had this wasteful use of taxes been avoided. Or what could have been funded: a good chunk of the fast rail proposed to link Melbourne and Geelong, massive capital investment in rural and regional hospital upgrades, or the bill to fund the prep to year 12 educations of over 7000 young Australians. Dare we say real investment in renewable energy.

Last budget I proposed that the then Treasurer Scott Morrison introduce a bipartisan National Debt Commission which would take submissions from businesses of all shapes and sizes, unions, academics, entrepreneurs, civil society organisations, state and local governments and be tasked with making recommendations on budget repair and debt reduction that are fair, credible and do not place a disproportionate amount of

the burden on working Australians, young or old, or our most vulnerable.

Not unexpectedly he didn't take up my offer, but it is precisely the kind of idea which could avoid such wasteful and debt-expanding spending. The now PM and his Treasurer should seriously consider the NDC along with another tangible move towards tackling debt: reinstating the debt ceiling as a percentage of GDP.

In 2013, Australia's debt ceiling was scrapped by the Abbott government with the support of the Greens in parliament, a statutory cap on government borrowings passed into law by then-assistant treasurer Chris Bowen in 2008. If we are serious about keeping one eye on long-term fiscal responsibility, then we need the discipline of a debt ceiling. This should be done so by fixing the ceiling as a percentage of GDP, and if need be reset by the NDC, rather than the government of the day. A reasonable starting point is 20 per cent, which is where health spending as a proportion of GDP will sit over the next decade. It will mean we can afford to pay for what is projected to be the fastest growing budgetary item and avoid the scenario of governments breaking the piggy bank to pork-barrel in times of electoral peril. If it right to cap tax revenue as a percentage of GDP to not exceed 23.9 per cent of GDP why not borrowing? A debt ceiling will incentivise savings over spending. The NDC's role would take the politics out of raising or lowering the ceiling. Many Liberals support the reintroduction of the debt ceiling. It would receive

bipartisan backing and go a long way to achieving surplus on average "over the economic cycle" or in the medium term.

Josh Frydenberg will almost certainly announce a surplus next Tuesday. He cannot kick the debt can down the road for another government. This budget represents an opportunity for an ambitious politician such as Frydenberg to display long-term vision. It's not the time for vote buying tax cuts based on temporary revenue which may harm the job of debt reduction and do nothing to stimulate wages. In a climate of weak global growth and even weaker wages growth, the last thing we need is a repeat of the last budget handed down by the Howard-Costello government in 2007 which sent the budget into a structural deficit at the worst possible time. Is the man touted as a future Liberal PM up to the task? Rebooting a debt ceiling is a good first step.

Nick Dyrenfurth is Executive Director of the JCRC.

Rediscovering Anthony Crosland

Geoff Gallop on the enduring relevance of a
social democratic intellectual giant

All involved in politics need a moral and intellectual framework within which to understand what we do and why we are doing it. To assist us are the grand theorists and strategists of politics; left, right and centre. For those of us for whom the labels 'centre-left' or 'social democratic' are a good fit, Anthony Crosland (1918-1977) is an excellent starting point as he was both a theorist (see his classic, *The Future of Socialism*, 1956), and a practitioner (British Labour MP, 1950-55 and 1959-1977). As MP he continued to write – amongst his publications are two books of essays (*The Conservative Enemy*, 1963 and *Socialism Now*, 1974) and an important Fabian Tract *Social Democracy in Europe*, 1975). He was a Minister in the Wilson and Callaghan Governments and the Foreign Secretary when he died on 19 February 1977.

Crucial to Crosland's approach was the distinction between the ends and means of politics. In his *Future of Socialism*, he put it this way: "...the word 'end' is to be understood simply as describing principles or values, such as equality, or justice, or democracy, or co-operativeness, which might or might not be embodied in, or determine the character of, a particular society; and the word 'means' as

describing the essentially institutional changes required to realise, or at least promote, these values in practice."

"Crosland urged upon his labour colleagues the need to critically examine, in an ongoing way, the relationships that existed between the values and aspirations of the movement and existing and/or potential political, social, and economic institutions and practices."

Crosland urged upon his labour colleagues the need to critically examine, in an ongoing way, the relationships that existed between the values and aspirations of the movement and existing and/or potential political, social, and economic institutions and practices. Not surprisingly as a former Oxford don he believed in the social sciences and took public policy very seriously. Thus, the inevitable arguments over education, health, housing and social services, over forms of government and electoral systems, over planning versus the market system of economic co-ordination, over private or public ownership of the means of production, over the tax system, over the degree of public expenditure and over a variety of reforms possible in industry such as schemes of worker participation, were all part of his thinking. Such an examination, for Crosland, would determine, on the surface at least, which of the proposals for institutional change were consistent with the ends desired. Whether or not, however, they should be actively pursued or whether

they were relevant to the circumstances prevailing at the time were separate issues.

This leads me on to the second distinction utilised by Crosland which, although it is less explicit, is equally important to an understanding of his politics. This is between the means considered generally as objectives and the circumstances in which they were to be proposed and implemented. This takes us to strategic thinking and its required assessment of the concrete political, social, economic and cultural context that prevails; the national state of play if you will. Such an assessment would look at the objective changes which had occurred (particularly, but not wholly, from the point of view of whether they did or did not advance centre-left ends) and the effects, if any, which these changes had on the consciousness of the chief participants in the political process. In Crosland's case these were, first and foremost, social classes considered not just in terms of wealth and income but also in terms of status and power. This enables us to build up a picture not only of what is needed to be done but also of what was politically possible. A strategy could then be developed outlining, firstly, what particular institutional (and other) changes should be actively pursued and, secondly, any particular tactics that would be necessary to achieve them. The strategy then, would be a combination of the programme and tactics devised to operate in the particular country and at a particular point in time. For Crosland political savvy wasn't just an add-on but a required element for anyone serious about social change.

Central to his argument at this point was the belief that different contexts require different responses. Certain means which could be adopted in some countries may, for various reasons, be impossible of attainment in other conditions. For example, in 1956 he argued that a national, centralised wage policy was, in British conditions, 'impractical and unwise'. And, once the various changes he had proposed were carried through he believed that 'the whole argument would then need to be re-stated, and thought out afresh', by a 'younger generation than mine'. Each generation, if you like, would have its own particular strategy for the furtherance of centre-left ends. Such a strategy, if it was not to be politically impotent, needed to be sociologically relevant.

As a leading revisionist in post-war Labour he applauded what the Attlee Government (1945-1951) had achieved in the economy – the nationalization of basic industries, full employment as a government objective and the extension of the welfare state and observed what economic growth had meant for the working class as consumers. These were runs on the board for what had become a changed nation. Like his Australian counterpart, Gough Whitlam, he saw the need for change, not in the ends to be sought, but in the means and strategy to achieve them. He was critical of those on the Left who were fixated on public ownership as the defining feature of their politics. Yes, if necessary, he



believed it should be embraced and he had a clear view on where that was the case in his Britain, but he didn't wish it to be seen in fundamentalist terms. I'm sure he would have approved of the ALP's 1921 Blackburn Amendment which was built on a proper distinction between ends and means! When dealing with the question of the ends – "the light on the hill" – Crosland distinguished between consensus values, specifically socialist values and "issues for the future" which had emerged as part of post-WWII democratic politics. A summary is as follows:

Ends

1. The consensus values, hopefully to be shared by all involved in politics:
 - (a) A commitment to liberty, democracy and the rule of law, not just as means to an end but as ends-in-themselves. He was a true believer in electoral politics and the disciplines it required, in both party and the nation at large.
 - (b) Higher living standards to be achieved through economic growth, as a means to more equality (the seen and felt disparities in personal living standards being a function not only of income-distribution but of the absolute level of average real income as well) and as an end-in-itself.
 - (c) Freedom of consumer choice.
2. The specifically socialist values that mark out the territory occupied by the centre-left:
 - (a) An over-riding concern for the poor and the marginalised when considering claims on resources.
 - (b) A belief in that degree of equality which will minimise social resentment, secure justice in social relationships and equalise opportunities. What was to be aimed for was a redistribution of income and a wider social equality which embraced the

distribution of property, the educational system, power and privilege in industry, indeed all that was enshrined in the age-old socialist dream of the classless society.

(c) The commitment to strict social control over the use of the environment; in part an aspect of egalitarianism since the rich could often buy themselves a good environment whereas the poor required that the state take action on their behalf.

3. The issues of the future, new to the agenda:

He argued that the consensus aim of higher living standards and centre-left aim of a more equal, or what we might say today, fair society needed to be coupled with efforts to widen the degree of personal freedom and cultural endeavour. He wished to see the centre-left involved in campaigns to end discrimination against homosexuals, reform divorce, licensing, censorship and abortion laws, and promote equality for women. He famously said: "Total abstinence and a good filing-system are not now the right sign-posts to the socialist Utopia; or at least if they are, some of us will fall by the wayside".

In considering Crosland's account of the ends it's clear that he was a pluralist rather than a fundamentalist. His most deeply held beliefs weren't reducible to one value; rather they were composed of a set of values which, when attempts were made to have them embodied in institutions, more often than not they came into conflict with each other. Thus, the necessity of choice. This being said it was a corollary of his thinking that democracy and social equality and what was needed to achieve them held a special place when it came to public policy and its implementation. He believed Marxists were too complacent about the former, indeed often hostile with their concept of the dictatorship of the proletariat, and the Tories too complacent about the latter, with their deeply held prejudices about hierarchy.

What, then, was Crosland's conception of the means that would best achieve the ends he believed in. Four stand out for special attention:

1. Representative democracy backed up by organised labour and voluntary civic activity:

Such civic participation was not to be confused with socialism, nor syndicalism with socialism. Ultimately the democratic state was the guardian of the public welfare. "There are times", he noted "when only the despised local councillors and bureaucrats stand guard on behalf of the majority".

2. The Welfare and Opportunity State which set and enforced certain minimum standards for all.

National Health (an Attlee achievement) and comprehensive education (pursued as Minister for

Education) were seen as one of the lynch-pins of the good society.

3. The mixed economy

(a) Keynesian macroeconomic planning, full employment as an objective and some direct intervention in the economic process where it was deemed necessary.

(b) A variegated ownership pattern – nationalised industries, competitive public enterprises, private enterprises, Co-operatives, municipalities, Trade Unions, and pension funds all participating alongside the private sector and all subject to the legislation and taxation laid down by the state. Of interest to us here in Australia was the case he made for public share-buying on a wide front and via a national Superannuation Scheme to enable the community to share in the benefits from expansion.

(c) A significant degree of public expenditure, both absolutely and as a share of GDP. To this end significant tax reform of a re-distributive sort would be required and at various times and in differing contexts he argued for higher death duties, a gift tax, an annual wealth tax, a capital gains tax and a tax on advertising.

4. A reformist, centre-left government with a coherent egalitarian and growth strategy based on a variety of instruments deemed best and most appropriate for the times.

Although much of that Crosland proposed for the Britain of his day has stood the test of time, there is much we would need to revisit given new ideas and new research on what works and what doesn't. What's important to note is that this is something he understood, urging his colleagues to stay up-to-date in the interests of democracy and equality. He understood that the centre-left needed clear thinking at three levels: Firstly, on the values and aspirations which should form the ethical basis of commitment (the ends), secondly, on the political, social, and economic institutions and practices which embodied, or at least promoted, these values and aspirations (the means), and thirdly, on the institutional re-arrangements and/or innovations as well as the overall positioning and tactics which should be actively pursued in a particular context (the strategy). Thus, Crosland incorporated into his writing considerations from social and political theory, economics, organisational theory, and political sociology. His politics was a 'total' package, an alternative to Liberalism, Conservatism and Communism. Social democracy in other words.

Professor Geoff Gallop was Premier of Western Australia from 2001 to 2006. He is the author of Politics, Society, Self: Occasional Writings (UWA Publishing, 2012).

A neo-liberal Trojan Horse

The UBI is bad news for working people
writes Remy Davies.

Australian workers face a bleak future. We're working harder than ever but our jobs are being casualised. We're becoming 'independent' contractors in the gig-economy for billion-dollar businesses like Uber. Our jobs are more insecure and our penalty rates are being cut. Less than half of us work full-time although we dearly want to. Our wages no longer track with our productivity. Most of us have not had a pay rise in years. Housing is unaffordable and energy prices are through the roof. We're being forced into a two-tier economy with knowledge workers at the top, a 'new class' of technocratic aristocracy. We are approaching the dawn of the age of the 'precariat'. And more importantly we're told that our jobs — at least the manual repetitive ones — will be made redundant by robots and automation in coming decades.

There's a new idea in town that claims to solve this economic crisis. It's not exactly new although it has recently seeped into mainstream debates and taken on an air of respectability. It's called a Universal Basic Income (UBI) – variants of it have been proposed for at least half a century. While we largely identify the UBI with the progressive green left (prime movers in Australia are the Australian Greens Party), historically it has been associated with the political Right. Early proponents of variants of the UBI were neoconservatives Daniel Patrick Moynihan and Donald Rumsfeld, and libertarian neoliberals Milton Friedman and Charles Murray. Even today it's the core platform promise of the Italian far-right populist Five Star Movement.

The UBI's logic is simple: see all those modern problems associated with economic inequality, employment and wages? Well we can fix it: we'll abolish work itself. On the surface the UBI seems to be nothing other than extended welfare on a logic of 'tax-and-spend'. A UBI is defined by the three simple characteristics: it's universal (for everyone), it's unqualified (no activity obligations), and it's equal (same amount paid to all without means test).

There are obvious criticisms of the UBI. Firstly, it may not be the case that automation takes over as many jobs as is predicted by some doomsayers. We're led to believe by some futurists that the worlds of *Bladerunner*, and *West World* are only a decade away. It's true that automation, robotics, technology, and algorithms will destroy jobs, but they will also enable and multiply what labour can do — just like they've done in the past. Forms of Ludditism

eternally recur. And each time the scaremongers have been found wanting. As technology develops, new jobs, industries and forms of employment have emerged.

The second common criticism made of the UBI is obvious: an enormous bill. Let's start with a model that only paid a UBI to individuals of \$23,000 a year (the same as the age pension). Income tax would need to increase 33 percentage points across the board with the highest income bracket taxed at 78%. And yet many argue that a meaningful UBI would entail a sum paid to individuals of \$40-\$60,000 per annum. The high cost of any UBI, supporters argue, is countered by the argument the system 'will pay for itself'. A UBI 'encourages' people to work more. This proposition is ludicrous to the reasonable observer – giving people \$50,000 a year to do nothing will encourage them to work long hours just to earn a few thousand more dollars. Granted there is merit for the safety net and management of risk that a UBI may provide; citizens may feel more empowered or encouraged to study or seek out careers if they know their source of income is secure. Unfortunately, the most anticipated and thorough real-life study of the UBI has recently come back with the results: a UBI does not encourage work. A study undertaken in Finland over three years gave a UBI to random jobseekers and compared them with a controlled test group of jobseekers provided with regular welfare payments. The results found that those on the secure, full UBI income were no more likely to seek jobs than those on traditional welfare benefits. The Finnish Government promptly closed the program. So much for Nordic socialism!

The excessive, unsustainable cost of a UBI is worth stressing. Many think: "Yes, it costs a lot. But many things are expensive and in the end worth it". The critical point here is less that this policy will cost 30%, 40%, or 50% of GDP, it's that the cost of the UBI will flow over to the national economy, a weakening of wages, reduction to production and productivity, and undermining of income streams that would supply the UBI in the first place. One assumption proponents of a UBI tend to make is that a future of automation must inevitably mean less or no scarcity. For some reason they believe that there will be more wealth with more robots. But the assumption that with labour being less of an input in economic production equalling more production and more wealth does not add up. It's equally likely if not more probable that a future economy may suffer from levels of

economic scarcity greater than today. And a UBI does nothing to the fundamentals of our economic settings. The Australian economy – its businesses and workers – must produce an economic profit to produce an income, we still have to trade and compete domestically and globally, and we still have to provide value. The demons of debt, deficit, trade balances, and productivity will plague us then just as they plague us now.

The likelihood is a UBI will do exactly what it aims to prevent: amplifying inequality and poverty, and disenfranchising the working class. Let us look at a scenario in which a large segment of our workforce becomes redundant by automation but where high value labour remains a vital component of business, and let's leave the utopian or dystopian fantasy of complete automation of all tasks no matter how complex to the world of science fiction. Australia will have a workforce that could be divided into three categories: a) workers who can easily provide labour that is still productive and viable, let's call them 'the producers'; b) workers who have the potential and ability to provide labour that's productive and viable but who need state assistance, 'the potentials'; and c) workers who cannot reasonably be assumed to provide productive and viable in the new economy, 'the redundants'. The burden of funding of a UBI will inevitably fall on the producers. Unlike a resource rent distribution, such as that found in Alaska, a UBI in Australia would come from the surplus product of Australian workers and businesses. By necessity it would create a disincentive to economic activity, whether to labour, across all income groups, and to investment. In simple terms there's not much incentive for someone who's working zero hours and receiving \$50,000 a year to work full time and receive a princely \$80,000 a year. There is little incentive or hope here for potentials and redundants.

The hard truth is a UBI would make a dependent class, a large swathe of Australia dependent on the charity and goodwill of others. It would not only rob workers of the meaning that comes from work and working but also lower their self-esteem and recognition from peers. Work is not always but can be a key source of a person's identity. To quote the progressive think tank Per Capita: "We are inherently wired to want to create, to contribute, to make something of our lives. Most people want to provide for themselves, rather than rely on support from the state". It does not seem radical to assume that the desirability of work would be trumped by the false allure of passively

receiving a UBI. Meanwhile the large-scale taxation revenue required to fund a UBI would be compromised by falling levels of income taxation and fewer taxpayers sourced from drawing a taxable income in the first place. However much proponents of a UBI spin it, Australia would reach a situation where there would exist one class of producers and another of rentiers who accumulate income purely on their citizen or resident status. UBI would become one gigantic poverty trap.

Pollyanna proponents of UBI believe that its implementation would be without political tension or social division. There is an unreality to such assumptions. Consider today's political climate. The political class is only willing to give jobseekers on Newstart, who represent a small minority of the population, less than \$15,000 a year. Proponents of the UBI however would have us believe that the producer class would willingly pay for the UBI because they will in turn receive it. That is they'll endorse transfers from their own income because it returns monies to them in a much diminished form. Proponents of the UBI also ignore push and pull factors such as a policy would create between countries. Many if not most countries will never implement a form of UBI and it is probable that a substantial UBI payment would act as an inducement to migration for some, in both directions. Would our UBI's charity end at our borders? Is it feasible, given these probable outcomes, to build some fantasy 'UBI in one country'?

A UBI is neither feasible nor desirable. It will entrench disadvantage and perpetuate poverty. It's a fundamentally regressive policy. Economic allocation of scarce resources always approaches a zero-sum phenomenon. A UBI can act as a trojan horse to 'rationalise' the economy, to remove the economic distortions caused by economic interventions such as progressive taxation, labour market regulations and targeted welfare payments. There is a reason after all why neoliberal economists like Milton Friedman so strongly support UBIs. The necessity of government looking after the unemployed and essential role of the State in the public provision of education, health and an array of social goods, would be deliberately outsourced to the let-it-rip free market.

The fundamental social democratic tenets of welfare are solidarity, reciprocity and empowerment. We are, in the end, all in this together. This enduring ethos is the antithesis of an Australian universal basic income.

“Unfortunately, the most anticipated and thorough real-life study of the UBI has recently come back with the results: a UBI does not encourage work. A study undertaken in Finland over three years gave a UBI to random jobseekers and compared them with a controlled test group of jobseekers provided with regular welfare payments. The results found that those on the secure, full UBI income were no more likely to seek jobs than those on traditional welfare benefits. The Finnish Government promptly closed the program. So much for Nordic socialism!”

The Great Debate: A Universal Basic Income?

An antipodean UBI is essential to tackling inequality, argues Gursewak Singh.

The pace of change in our twenty-first century world feels unstoppable. Politics is more volatile and each election less predictable. National economies, especially in the developing world, have grown exponentially, but so has the inequality dividing societies. For developed countries such as Australia the literal face of the nation has changed dramatically as our population expands and diversifies. Australia is arguably heading towards a future it is not fully prepared for—current policy settings won't equip our nation with the big thinking we need. The transformation of our economy and society require radical thinking and radical solutions. A universal basic income is one such solution. While this piece will not aim to answer the question of funding a basic income, it seeks to generate a dialogue about why we should start thinking about such a policy—building the case for how a basic income might fit within the political, social, and economic landscape of future Australia.

We are in the midst of a new, some say third industrial revolution as the digital industry matures and new forms of employment become the norm, such as the so-called 'gig economy'. Part-time and casual work is increasing; full-time employment rates have continued their decline. Underemployment is more common as more and more workers hold down multiple jobs. A decent wage with reasonable hours and working conditions is no longer guaranteed for an Australian entering the workforce for the first time. Older workers too are under pressure. Studies show that workers who have been with the same employer for a long period of time, notably non-English speaking background workers, will find it more difficult to find equivalent work. Most laid-off employees fitting these descriptions will be highly likely to transition to poorer quality employment. Take for example, the Broadmeadows Ford Factory in the outer-northern suburbs of Melbourne, which shut its gates after fifty-six years of operation. 487 workers were left jobless without any comprehensive transition plan in place. The type of work available has changed with every significant industrial revolution – new and innovative jobs were brought into being by the agricultural, industrial revolution and now digital revolution. The next AI revolution is upon us but we are less certain about the types of jobs on offer as automation and computerisation sweep through industries making manual labour redundant.

The recent paper from the John Curtin Research Centre titled #changethestates: A new way of talking about unemployment takes a thorough look at the changing labour force in Australia. The case to change how we look at unemployment and labour statistics is a compelling one. It also, in my view, adds to the foundation of building a case for an Australian basic income—while we must change

the way we talk about and define unemployment we must also change the way we think about work. Beyond the raw numbers, underemployment is having a detrimental impact upon personal, family, and community well-being. Reporting of mental health issues in workplaces is at a record high, with job stress cited as the primary concern—these are often then transferred to the home where social isolation and family issues arise, multiplied by financial or job insecurity. The 2017 census data also showed that more Australians than ever are undertaking unpaid work, in the form of domestic work, caring for children, aged, or disabled family members, and volunteering—all vocations that contribute to the wellbeing and operating of a functional society like ours yet which go unrecognised and unrewarded.

The idea of work, which we have lived with since the industrial revolution, has transformed while our framework of understanding work and how it fits into our lives remains unchanged since the advent of the railway and steamships. A basic income has the potential to address these issues. A basic income, a form of payment from the State, enables an individual to meet their essential and daily needs. This can also be called a negative income tax where the difference between a person's income and the living wage are met by the State. A universal basic income, meanwhile, is fundamentally the idea that every single person, regardless of any social-economic factors, receives a standard amount of income. Basic income pilot programs have been designed and implemented in many forms throughout Canada and Europe. The most successful basic income pilot program to date, however, has been the Manitoba Basic Annual Income Program, or Mincome, in Canada running between 1975-77, specifically the town of Dauphin which was ranked among the poorest in Canada—every town resident was eligible to receive the payment. The program was unique because the entire community experienced the impact of a basic income, not just select families. Therefore, the results analysed post-program could see how a community was impacted by such a radical policy. The program was accessed by nearly 20% of the population, composed of individuals representing nearly every demographic in the town. Dauphin residents received CA\$19,500 per year if they did not work, or if an individual worked then they received their basic income at a negative tax rate of 50%. The impact of this policy was vast and generally positive. Through the policy Dauphin came very close to eliminating poverty. According to a 2016 study published in the Canadian Review of Sociology, When asked why residents decided to join the Mincome program, the most common responses were (Calnitsky 2016): "need more income with the cost of living now"; "I was not making enough wages"; "Thought that the little bit would help a lot"; "I am self-employed and if I ever did become ill, Mincome would probably be paid to my family and I"; "For security in

the event I lost my job for any reason—it is nice to know that Mincome is available to me if I ever need it”; “My children were young and I felt I was needed at home”; “We have a chance to improve our educational level in order to improve our income”; “Lack of jobs”. A major impact of Mincome was the 11.3 percentage point reduction in labor market participation. Critics of the UBI would cite this as a negative consequence, where people freely abandon their employment once they were receiving a guaranteed income. However, qualitative research undertaken on the participants proved that there were legitimate justifications for nearly 70% of individuals exiting the labour market. Some of the reasons that arose were ‘care work, disability and illness, uneven employment opportunities, or educational investment’ (Calnitsky and Latner 2017). Case studies included an older individual who left her job to care for her disabled husband, multiple young adults who desired to finish secondary education and pursue tertiary studies without the burden of full-time work to support their family, and individuals who simply could not work due to age or declining health. The effects of a guaranteed income were tremendously positive, providing wellbeing and educational opportunities that otherwise would not have been available.

The second major effect was that the overall health of Dauphin increased for the duration of the program. One key good indicator is the 8.5 percent reduction in hospitalisations (Forget 2011). Visits to the doctor fell, with visits due to mental health issues such as anxiety, personality disorders, or clinical depression declining markedly. Finally, it was the smaller, intangible changes which made the Mincome program worthwhile for Dauphin residents and substantially increased their quality of life. One resident, for example, said that it was having that disposable income at the end of the week, the ability to buy new shoes after wearing the same ones for years, the ability to go out and have a meal more than once a year, and the ability to finish high school without needing to do a full-time job, that made the program life-changing. The high school graduation rate reached new highs – a 99% completion rate was achieved from 1977 to 1978. After the program ended the graduation rate fell back to a rate of approximately 85% in 1979 and in the years which followed (Forget 2011).

Can the UBI work Downunder given our similarities with Canada? Australian social welfare is a comprehensive system and among the best and most efficient in the world, yet there are weaknesses in its ability to provide a genuine social safety net for all who need it. Our unemployment benefit program, Newstart, has faced criticism since its inception. Rather than a sincere welfare policy for citizens unable to be employed or find work, it is designed to punish and push individuals back into the workforce regardless of whether they are genuinely capable of entering the labour market. A basic income would alleviate the pressure felt by vulnerable and marginalised people, some of whom are required to submit upwards of ten job applications a fortnight or attend mandatory counselling sessions, not to mention the inefficient use of the jobseekers’ and that of job agencies and employers.

If work is supposed to provide dignity then the means to finding work should do the same. Australia must explore a pilot program to investigate the best basic income model to match our economy, social norms and political culture.

Importantly, an Australian basic income does not entail a complete overhaul of how we spend scarce government monies. Australia would still have a fully funded public education and university system, public hospitals and an expanded Medicare, National Disability Insurance Scheme, and highly targeted welfare policies for the most disadvantaged Australians. The implementation of a basic income before the shutting down of the automotive industry could have addressed some of the basic concerns of working people during that period. A guaranteed income from the state would have made the transition from full-time employment to precarious unemployment or no job at all less damaging for the workers, reducing or eliminating the toll on mental health that traditionally accompanies losing a job, and also reducing the stress of finding how to pay immediate expenditures such as bills, mortgages, and unexpected spending. The automotive industry is only the first among many that could leave our shores, threatened by globalisation, automation, and a changing geopolitical landscape—if we haven’t built the capacity and skills to adapt to the next industry shift, it will be more consequential. Viewed in another light, a basic income is inherently an investment in the people by the State. An investment that would pay people to undertake the unpaid work that was cited earlier in the piece, all work that goes unpaid but under a basic income program would be recognised as work and remunerated as such. An investment in people recognising they are to be valued more than simply another figure in the employment and population statistics.

A basic income has been called liberating in the way that social welfare isn’t – the former seeks to empower individuals to capitalise on what they want to do, where they want to work, how they want to live their lives. Renowned economist and UBI advocate, Rutger Bergman, has said ‘basic income is all about the freedom to say no’. If we reflect on what developed in Dauphin during the Mincome period, with an implementation of a basic income we can theorise that people who are forced into a job they don’t want to do—whether its due to educational levels, intergenerational poverty, or simply a lack of opportunities—would have the ability to say no to their status quo and pursue a better life, to the betterment of their communities, and a more productive economy and society. A UBI would see Australia receive a generous return of human investment.

As Australia navigates its future, radical solutions to radically new problems must be considered. Radical changes to the way we have historically worked and lived demand radical, innovative policy solutions. Therein lies the challenge and the promise of a future Australian universal basic income.

Sources

David Calnitsky, ‘More Normal than Welfare: The Mincome Experiment, Stigma, and Community Experience’, *Canadian Review of Sociology* 53, no. 1, February 2016, pp. 26-71.

David Calnitsky and Jonathan P. Latner, ‘Basic Income in a Small Town: Understanding the Elusive Effects on Work’, *Social Problems* 64, March 2017, pp. 373-397.

Evelyn L. Forget, ‘The Town with No Poverty: The Health Effects of a Canadian Guaranteed Annual Income Field Experiment’, *Canadian Public Policy* 37, no. 3, September 2011, pp. 283-305.

Book Review by Janet McCalman

Sally McManus, On Fairness

(Melbourne: Melbourne University Press, 2019).

9780522874853 (pbk) 9780522874860 (ebook)

100 pp.

This is a little book not only of big ideas but of immense passion and relevance. It could not be more timely, as the world staggers under the burden of ever-increasing unfairness and inequality, a burden that is driving people everywhere to seek solutions in hate and intolerance, in violence and crime, in drugs and disengagement.

What we need is both clear thinking about what Fairness means and how we can enshrine and protect it, but also fearless leaders. Sally McManus has delivered both.

'Fairness' is at the heart of union and Labor politics. Unions fight for fairness but the political arm of the ranks of labour has the duty to institutionalise fairness: in the law, in the processes of government administration, in work, health and education, in personal human rights, in the protection of the interests of the individual amidst protecting the interests of wider society.

This is a very personal essay. McManus starts with the memorable roasting by Leigh Sales (McManus likens it to facing a bouncer), just three hours after being elected as the first female secretary of the ACTU. The question Sales posed threads through the whole work: should unjust laws be obeyed just for the sake of obedience.

The conclusion hits home hard, especially in the wake of the Royal Commission into the Banking Industry: that laws are being broken every day by the financially powerful, by employers and by private institutions. Why is a strike so much more socially outrageous than the systematic wage theft that pervades our fragmenting economy?

She has a fine sense of labour history and the past is ever present: we are taken back to the Tolpuddle Martyrs and the long struggle to make 'combination' legal. Of course unions are still not accepted as an integral part of society: the conservative forces still suppress industrial action and never miss the opportunity to depict unions as, by definition, illegal and dangerous.

There is also much of her personal union history from the great teachers' strike when she was at school, to the Maritime Union's battle with Patrick Stevedores, to the struggle now to Change the Rules. McManus's passion is driven by her close connection with the people she represents, her sense that she is beholden to 1.8 million Australians who depend on her to win them a 'fair go'.

She argues that the 'fair go' is quintessentially

Australian. Nothing enrages Australians more than 'crook umpires' in sport. Yet it is dangerous to take this national ideal too far. White Australia has never given Aboriginal people a 'fair go'; the Australian Settlement enshrined in the Harvester Judgement and the subsequent Arbitration and Conciliation Commission, did little for the workers trapped in seasonal and insecure work; and how did the once Workingman's Paradise end up with the most unfair education system in the OECD?

If Scott Morrison can cannibalise the 'fair go' as having a fair crack' at getting rich, then it has a problem. We need to think about fairness: first in the direct, bread-and-butter struggle that McManus is now so ably leading against wage theft, insecure work, excessive hours, and stagnating living standards. But the labour movement needs also to expand the case for the institutionalisation of fairness through a democratic free education system—a National Education Service for life-long learning; a National Health Service; the NDIS; affordable housing; and dignity and comfort for those who cannot provide for themselves.

These are matters for other books and debates. Meanwhile McManus's 10,000 words *On Fairness* will excite discussion and passion and should become the 'Little Red Book' of Labor. If only its publisher had bothered to break the text with a few snappy headings, then it would reach an even wider audience.

This review was originally published in the February edition of *Recorder*, journal of the Melbourne branch of the Australian Society for the Study of Labour History. Professor Janet McCalman AC (University of Melbourne) is the author of a number of books including the landmark *Struggletown: Public and Private Life in Richmond*.



Broken

Patrick Kennedy on combatting economic inequality in the face of domestic violence.

It was 5 o'clock on a chilly morning in April of the year 2000 when Ma roused me from my slumber, with my brother and sister were urging me to keep quiet in hushed tones. Down the hallway we crept, past the parental bedroom where my father lay unconscious courtesy of whatever drugs I had witnessed him shoot into his arm the night before. "Don't worry, Patrick, it's just my medicine," he'd said as he drew the substance into the syringe, the bruises and broken skin he'd doled out in earnest earlier reminding me not to challenge his assertion.

We piled into the 1970s Toyota Corolla our father had so graciously allowed Ma to own and drove five hours across the state to start a new life without him. Things were hard, a single-mother and her three children forced to sleep on friends' couches for months because the abuse had become too much. We had no money, we'd left only with the things we could carry. We were alone. We were forgotten. It took a long time, but finally we were able to get our own place, only after a real estate agency took a chance on a battered wife and the three children her estranged husband saw as punching bags. Unfortunately, this tale doesn't have a happy ending.

My mother, despite her best efforts to keep us safe, was not able to prevent the abuse from recurring. My father followed us across the state and forced his way back into our lives. He broke into our house and beat Ma black and blue, and he even put me in hospital on more than one occasion. Due mostly to financial instability, Ma then rushed into a relationship with another man. He was no better. While he mostly spared the beatings doled out so liberally by my father, he would psychologically torment us. Scared, my brother and sister both moved out of home in their mid-teens.

Unfortunately, this wasn't enough. The man who was meant to be our protector, our saviour, murdered my brother. Hunted down and pulled from beneath a car he was working on, Shaun was assassinated. Left bleeding at the scene after being shot point blank in the chest with a crude pistol made from a sawn-down rifle, he died in recovery after surgery to remove the bullet. His final words were "I'll be right, Ma," showing that even in his final moments, Shaun was more concerned with comforting others – something I've tried to emulate my entire life.

"My mother is the strongest woman on the planet, and I am convinced she would never have put us in danger unless she was left with no choice. She, as many victims of domestic violence have been forced to do for generations, opted to stay in abusive relationships, snared in a money-trap, shackled by fear. Even when she did manage to break the chains of abuse, we were unable to make ends meet, and, unfortunately, the very people we were aiming to escape found their ways back into our lives and our nightmares. Victims should never be left in a position whereby they are faced with financial uncertainty, or even ruin, if they leave an abusive relationship."

Broken once again and looking to escape the vicious rumours of complicity and the abuse of my father, Ma and I again moved across the state, forced again to seek the warm embrace of family and friends just to stay alive. It should never have been this way. My mother is the strongest woman on the planet, and I am convinced she would never have put us in danger unless she was left with no choice. She, as many victims of domestic violence have been forced to do for generations, opted to stay in abusive relationships, snared in a money-trap, shackled by fear. Even when she did manage to break the chains of abuse, we were unable to make ends meet, and, unfortunately, the very people we were aiming to escape found their ways back into our lives and our nightmares. Victims should never be left in a position whereby they are faced with financial uncertainty, or even ruin, if they leave an abusive relationship. These are some of the most vulnerable people in our society, and are overwhelmingly, single mothers with children to house and feed, and are often forced to go without in an effort to protect their children.

This is the new economic reality in Australia for

many people. Single mothers are much less likely to find stable, full-time work than almost any other group in our society, and this is due to the still prevalent misogyny in our society which sees women as motherly figures who should stay home and raise the children, and that they are somehow of less value than an equivalent man in the workplace. While we see the gender pay gap slowly beginning to close in real terms, and the Labor Party announcing if elected they will require large companies to disclose their own gender pay gap, we are left in a situation where women are still over-looked for employment purely based on their gender, and if we throw single parenthood into the equation, we see that candidate becomes even less likely to get the role. The cost to the community of domestic violence is incalculable. The impact on the productive capacity of the victims is obvious. The long-term psychological impact on victims and children is grave and immense. Last year alone, 45 Australian women were killed in family violence incidents and it is the leading cause of death, disability and illness among Australian women aged between 15 and 44 years of age. Think about that. The leading cause of death, disability and illness among women that age is being physically attacked by their partner. It is a stain on our national fabric. Ensuring victims are not financially trapped into staying in dangerous environments is an

investment, to be considered akin to a preventative health measure, in ensuring the victims can go on to lead self-sustaining productive lives while ensuring any affected children are kept safe from the often life-long mental and physical consequences of family violence. The decision by the Fair Work Commission to grant five days unpaid domestic violence leave is simply not enough. Though it was perhaps a signal of hope that tomorrow's victims will get a better deal from a more enlightened society than we have had in the past and than we have today. Other first steps have been made by Labor governments, in Victoria, in Queensland, Labor governments have stepped up and offered ten days of paid domestic violence leave for government employees. But it's not enough. That's why it's so important that Bill Shorten and Labor has committed to legislating for national paid family and domestic violence leave. For all Australian victims of this scourge. And for the country that will benefit so much from looking after their own.

If this measure saves just one life, and statistics show it will save many, it will be worth it.

This is Patrick Kennedy's highly commended entry to the JCRC 2018 Young Writers' Prize.

Flying under the radar

Simon Miller on the challenges faced by those in the aviation industry.

Established in 1938, the Australian Federation of Air Pilots ("AFAP") is a union and professional association for Australian commercial air pilots. At present, the AFAP has in excess of 5,000 members nationally, working for a diverse array of small and regional operators across Australia.

In Australia, we are not accustomed to think of pilots as underpaid and exploited, or as frontline combatants in the new battle against unfairness and insecurity at work. But they are.

Pilots often face significant challenges in the course of their employment, and more broadly, attempts to establish a sustainable career in aviation. Overwhelmingly, they are young and from culturally and linguistically diverse backgrounds, and vulnerable to unethical behaviour.

All too frequently, the actions of employers run contrary to the interests of these workers. For instance,

significant hurdles confront pilots obtaining the flying hours and experience required to progress their flying careers, or they are compelled to accept terms and conditions of employment that are below legal minimums.

In this regard, pilots employed by smaller and regional operators are often underpaid. I am currently assisting six pilots either employed or previously employed by an operator based in the south-eastern suburbs of Melbourne who have not received various allowances under the Air Pilots Award. Collectively, the assessed underpayments amount to tens of thousands of dollars.

Use of sham contracting arrangements, casual employment to deny permanent employment entitlements and bullying and harassment of these workers by management is also commonplace.

For instance, members regularly seek my advice on independent contractor agreements given to them on a "take it or leave it" basis when, amongst other

factors, considerable control is being exercised over the performance of their duties, their hours of work are effectively full-time and the performance of their duties is expected to occur at a sole location. In addition, members are often unwilling to raise legitimate safety concerns due to fears that they will be treated with contempt and/or denied opportunities. Furthermore, these pilots are not covered by an enterprise agreement, having only the coverage of Award minimum terms and conditions.

While they may suspect that the terms and conditions covering their employment may be sub-Award minimums, pilots at these operations are generally reluctant to raise their concerns, fearing reprisal from their employers and reputational damage when or if they move to a new job. This is changing. With the assistance of the AFAP, underpayment and Award-entitlement claims are being pursued by pilots at these employers on termination of their employment. These claims, however, are often strongly resisted by employers and, due to significant evidential issues connected with identifying hours of work, can be difficult to prove. In addition, enforcement action through legal forums is often highly protracted.

In response, federal Labor's industrial agenda proposes to address these very issues. Firstly, in respect of underpayment and non-payment of entitlements, Labor has committed to increasing penalties for employers who fail to pay workers appropriately and is considering making it a criminal offence for an employer to intentionally or recklessly underpay workers.

Increasing penalties and potentially criminalising non-compliance offers to enhance the deterrent impact of non-compliance with minimum terms and conditions of employment. Employers will be persuaded to rethink any potential negligence or recklessness towards their legal obligations.

Moreover, a key issue facing pilots and workers generally is the pursuit of unpaid wages and redundancy benefits from bankrupt individuals and insolvent corporations. Where an employer goes into administration or bankruptcy, workers, through no fault of their own are denied entitlements (for instance unpaid superannuation and accrued annual leave) on termination. Administration invariably affects smaller aviation operators, and I have assisted numerous members at these employers to recover unpaid wages and benefits on the termination of their employment, at times unsuccessfully. Exhaustive processes to recover these entitlements involving communications over months with company directors and administrators can be fruitless. Generally these workers are employed on Award minimum rates of pay and conditions. Unless any claims are upheld through the Federal Government's General Employee Entitlements and Redundancy

Scheme ("GEERS"), then the entitlements involved will never materialise.

In response, Labor has committed to provide additional scope for employees to pursue repayment of unpaid wages and redundancy benefits from bankrupt individuals and insolvent corporations, including through amendment to the Corporations Act. A broader scope for recovery of entitlements will hopefully result in better outcomes for workers unwittingly caught up in employer bankruptcy and insolvency.

Then there is the scandal of sham contracting. If elected Labor will seek to amend the current test that determines whether someone is defined as an 'employee'. Under the proposed changes, a 'reasonable person' test will be created, stipulating that if a reasonable person would consider someone an employee, that person must be treated as an employee with workplace entitlements. A reasonable person test offers a more objective assessment of an employment relationship and will hopefully remove the scope for employers to wrongfully characterise the form of engagement as independent contracting, when in substance, that relationship overwhelmingly reflects one of employment.

In addition, pilots, and workers more broadly, can be treated unfairly or even have their employment terminated when they question whether their status is one of independent contractor or employee. Therefore, proposed changes by Labor to enhance unfair dismissal and adverse action protections in the Fair Work Act to protect workers from losing their employment when raising this issue will be welcomed.

Labor has also committed to reforming the treatment of 'permanent casuals', enabling those workers employed for twelve months the opportunity to convert their employment to permanent. This reform offers workers greater job security, particularly by overcoming the irregularity of intermittent work. It will mean greater certainty and stability for pilots and workers generally in their working arrangements. In addition, Labor's intends to investigate fixed-term contracts. Like casual employment, far too often fixed-term contracts are used in aviation as a means of denying workers security of employment.

Changing the rules is necessary to redress unfairness and insecurity faced by workers. In particular, pilots and aviation workers can no longer afford to fly under our nation's fair go radar.

Simon Miller is an industrial advisor with the Australian Federation of Air Pilots. The views expressed in this article are entirely his own and not intended to be representative of the AFAP.

Getting to know...

*John Curtin Research Centre
Committee of Management
Member, Mary Easson*

What got you interested in politics?

I came from a Labor-voting Catholic household. Social justice was important. I was politicised by the Vietnam War. I attended my first moratorium at 14 years of age. For me it was personal – I had four older brothers who were of conscription age. It was a civil war and my belief was Australia should not be conscripting its young men to fight. I joined the ALP as soon as I left high school.

Tell our readers an unusual fact about yourself

Ten years ago I went in for a half day medical procedure which went pear-shaped. I spent three months in intensive care – I had to learn how to do simple things all over again, like walking. My life was put on hold for a year, but I have come to see the experience as part of the rich tapestry of life. During my time in hospital I made a rule – whether it was a doctor, nurse, orderly or friend I was determined that whoever entered my room was to come away having made their 'day better'.



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

I am married to Michael, we have two girls. Making time to spend with family and friends – I pride myself on the fact I have friends from every stage of life – is important to me along with travelling the world and cooking in my spare time.

What attracted you to the JCRC?

I have long been inspired by the ideas and leadership of John Curtin himself. The quality of the people involved with the JCRC – such as my long-time friends Michael Danby and Henry Pinski among others – convinced me to join up.

Any advice for young activists?

I was one of the first generation that was employed as 'political staffers.' But I think it is vital that aspiring leaders and politicians get outside experience beyond the party machine and labour movement, so they are equipped to bring real-world knowledge, notably of industry and the economy, to public life. In my case aviation, manufacturing and construction formed part of the experience. I'd urge activists to be curious. Be like a vacuum cleaner – ask questions of others, Hoover up information.

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

There are so many problems needing to be tackled. At the heart of everything: working people need to be treated with respect. The Royal Commission exposed the banks and other financial institutions outside of industry super doing the wrong thing. Interestingly, the self-managed superannuation fund sector was deliberately excluded from review. You can bet your bottom dollar that crooked advice and rip-off fees characterise parts of that industry. A future Labor government needs to shine a light on that sector and ensure the highest standards apply. A trillion dollars is at stake.

Tell us about your working life.

My first (part-time) job was in a family newsagent. After school I worked for Ivan Trayling, state Labor member for the Legislative Council seat of Melbourne Province (1972-82), as a Young Labor organiser, and for Frank Crean, the Member for Melbourne Ports and Treasurer in the Whitlam government. I worked in Queensland for the Australian Public Sector Association and later in the private sector for ACI in Melbourne where I eventually headed up national government relations for its packaging division as well as for Ansett Airlines. I ran for federal parliament in the NSW seat of Lowe in 1990 under Bob Hawke's leadership. Despite achieving a swing to Labor I was unsuccessful but managed to enter parliament in 1993 up until the defeat of Keating Labor three years later. Afterwards I set up my government relations advisory firm, Probit International, where I remain to this day.

It's time to #changethestats

Nick Dyrenfurth on why our stats are broken.

For too long front-page statistics – the ones that affect people's lives – have been hiding our real economic story. Consider the nation's headline statistic regarding who is looking for a job, the monthly and quarterly unemployment rate published by the Australian Bureau of Statistics. The latest ABS unemployment data is ostensibly good news. The December 2018 rate fell to 5 per cent, the lowest since June 2011, on the back of what some term a "buoyant jobs market". ABS figures should be treated with caution; they are a "survey" based on a sample of 50,000. Unemployment is likely to curve upwards next month, or, if it falls, be driven by lower labour force participation, and population growth. Full-time work fell by 3000 in December, while part-time work rose by 24,600. The long-term trend growth is geared towards the gig economy. Less than half of workers hold a full-time job. Casuals, part-timers and contractors are on the rise – denied job security, sick leave, holiday pay, and superannuation. All on top of stagnant wages growth. The Uberisation of work can be discerned from other data. Total hours worked rose by 1.5 per cent in 2018. Yet hours worked per person declined. Underemployment – employees working but who would like to work more hours – is rising and reached 8.4 per cent in December. The under-utilisation rate — unemployment and underemployment combined — was steady at 13.3 per cent.

The correlation between unemployment and underemployment – historically moving in tandem whereby the latter is two points higher than the former – is weakening. The differential is now about 3 per cent. As economics writer Greg Jericho has warned, this indicates a permanent structural shift towards higher underemployment: bad for young or old, male or female. Youth unemployment is unacceptably high.

There are three kinds of lies: lies, damned lies, and statistics. It's a familiar refrain. Yet people pay attention to the ABS' published unemployment data. Unemployment down is 'good news'; unemployment up, not so much. How we measure and talk about unemployment matters. Yet many politicians, pundits and the public remain fixated on pure data, measured by a near 60-year-old International Labour Organisation standard – if you work for at least 'one hour' a week you are 'employed'. Granted,

this data provides us with internationally comparative and historically trackable data. The ABS acknowledges one hour's work a week is 'insufficient to survive on'. Yet the idea that unemployment is 5 per cent and employment is equal to one hour's work is laughable. Real fake news.

Our economy and society have changed dramatically since the 1960s. Yet the labour force statistics and the ways they are used by politicians and media haven't. ABS figures don't really take into account the increasing divergence between the new 'haves' and 'have nots' in the Australian economy. The 'haves' enjoy secure full-time employment and the financial and emotional benefits it brings; 'have nots' are subject to vagaries of insecure work, underemployment, and lower pay packets.

"The one-hour-a-week definition of employment should be swept into the statistical bin of history. Any new definition of employment must be based on the ability of a citizen and her or his dependants to earn a 'living wage', not some outdated 'minimum wage'."

Statistics matter in view of declining trust in our institutions. When the perception of reality on the street is so out of step with the Canberra beltway, cynicism and anger grows. It breeds the sort of nihilistic fury that saw Donald Trump elected. Federal Labor leader Bill Shorten put it well in his speech to the party's 2018 national conference. His party's biggest challenge was not simply fighting the Coalition, but restoring faith in democracy. "Our deeper opponents are distrust, disengagement, scepticism and cynicism," he said. "Our Labor mission is not just to win back government; it is to rebuild trust in our very democracy, to restore the meaning to the fair go."

It's time to talk honestly about unemployment data and insecure work, how we measure it, and whether it is fit-for-purpose in 2019. The one-hour-a-week definition of employment should be swept into the statistical bin of history. Any new definition of employment must be based on the ability of a citizen and her or his dependants to earn a 'living wage', not some outdated 'minimum wage'. Rather, it should be a version of our nation's famous 1907 Harvester judgment, that a 'fair and reasonable' wage must take into account the 'normal needs of the average employee regarded as a human being living in a civilised community', crafted for this precariat age. Our job statistics are broken. It's time to #changethestats.

Nick Dyrenfurth is Executive Director of the JCRC. This is an extract of #changethestats: a new way of talking about unemployment <https://www.curtinrc.org/changethestats/>

Massachusetts Down Under

Paul Strangio writes on
Victorian Labor's 'Danslide'.

"The Massachusetts of Australia" is how Liberal Party elder statesman John Howard christened Victoria in the wake of last November's state election result. Victoria has an electoral record, the former prime minister suggested, "for quite some years now, some decades in fact, of being slightly more to the centre-left". Howard's purpose it seemed was to steady the nerves of shell-shocked Liberals. Rather than the party resigning itself to defeat at the impending 2019 federal election contest, his message was—to reference but invert an American political axiom—as Victoria goes, so not necessarily goes the nation. Howard is certainly correct that Victoria's recent electoral history is defined by centre-left (read Labor) ascendancy. It is a pattern that can be dated back to the ALP's watershed victory at the April 1982 state election, which brought John Cain jnr to the premiership and ended 27 years of Labor exile from office following the split of the mid-1950s that had destroyed the government of Cain's father. So synonymous with failure had Labor become during that generation-long wilderness era that on polling day 1982 one sceptical voter had taunted an understandably edgy Cain, "You're like Collingwood. If you don't win it this time you ever will". But Labor did win and have prevailed in Victoria pretty much consistently ever since. The numbers tell the story: beginning with that 1982 breakthrough result the ALP has secured government at eight of the past eleven elections and by the time Victorians are next due to go to the polls in 2022 the party will have ruled over Spring Street for three quarters of the past four decades. That dominance is replicated in federal election results over the same period. In the fourteen national elections since 1980, Labor has won the two-party preferred vote in Victoria on twelve occasions (the exceptions are 1990 and 2004).

The re-election of the Andrews government in November then further consolidated an already established pattern in Victorian politics. Yet it also had striking features. First was the magnitude of Labor's victory. 'Dan-slide' was the favoured description on election night. This was, of course, a variation on

'Brack-slide'—the term coined in 2002 when another first term Labor premier, Steve Bracks, pulled off an unprecedented 57.8 per cent two-party-preferred win (from a 47.9 per cent primary vote) and along the way claimed the party's first ever majority in Victoria's upper house. While the Andrews government's re-election fell marginally short of the 2002 result on two-party-preferred terms (57.3 per cent from a 42.9 per cent primary vote) and couldn't provide Labor with control of a proportionally-elected upper house, it was still a resounding win—especially in an era when major party decline and minority governments have become more the standard. Stylistically, Andrews' 2018 triumph was arguably even more remarkable than what Bracks achieved in 2002. The latter's approach to governing was cautious, conciliatory and consultative (his mantra was that 'he listens then acts'). His image was that of a genial everyman. Andrews, on the other hand, had been an assertive and activist premier from day one

"Howard is certainly correct that Victoria's recent electoral history is defined by centre-left (read Labor) ascendancy. It is a pattern that can be dated back to the ALP's watershed victory at the April 1982 state election, which brought John Cain jnr to the premiership and ended 27 years of Labor exile from office following the split of the mid-1950s that had destroyed the government of Cain's father."

(his mantra might have been: 'he acts'). This has been exemplified by his government's ambitious infrastructure agenda, but also a willingness to barge through controversies unapologetically (whether cancelling the contract for the East West Tunnel project, the prolonged dispute over reforming the Country Fire Authority or revelations about Labor's deployment of taxpayer funded electoral staff in its 2014 election campaign—the so-called 'red shirts' affair). Lacking the easy appeal of Bracks, nor has Andrews appeared especially fussed about courting popularity and has mostly eschewed media contrivances to leaven his image. In another contrast, while Bracks kept the trade unions at a distance, Andrews has not camouflaged his government's closeness to the labour movement. Nothing more vividly demonstrated this than him one month out from the election proudly and audaciously marching at the head of an ACTU-organised rally in support of strengthened industrial rights and improved conditions for workers. All of this inflamed his detractors (not least the Herald Sun), yet Andrews remained unmoved. It has almost seemed he



derives satisfaction and affirmation by defying critics. In addition, the first term Andrews government established a record of adventurism on social policy. Most notably, it legislated for Victoria to become the first Australian state to legalise voluntary assisted dying, embarked on negotiating a treaty with the Indigenous community and, notwithstanding initial hesitation, established a trial medically supervised injecting centre.

The strong policy convictions of the Andrews government appear to have paid dividends in the election result. A case in point was in the traditional bellwether sand-belt constituencies of Frankston, Carrum, Mordialloc and Bentleigh, where Labor achieved eye-catching swings of 9.3 per cent, 11.2 per cent, 10.8 per cent and 11.1 per cent respectively. This powerful endorsement undoubtedly owed much to the government's activism in these communities highlighted by its signature railway level crossing removal program. The boldness of the Andrews government also plausibly helps explain the underwhelming performance by the Greens in the November poll. It was the first Victorian state election since the party's breakthrough result of 2002 (notably in the context of a thoroughly moderate Labor government) that the Greens vote went backwards. Other factors than the Andrews government's policy record contributed to that outcome, namely internal divisions in the Greens and its campaign being derailed by controversies over its culture towards women. Yet, coming on top of Labor holding the Greens at bay in the March 2018 Batman federal by-election with a highly credentialed progressive candidate (Ged Kearney), it suggests that there is nothing necessarily inevitable about the Greens' conquest of the inner-city electorates. With whispers that an emboldened ALP believes it can claw support off Adam Bandt in Melbourne at this year's federal election is it possible we are about to witness a reversal of roles as the hunters of the inner-city seats (the Greens) become the prey?

Of course, the election result was not only a vindication of the Labor government. It was also a

stinging repudiation of the Liberal opposition and its tin-eared campaign. This was spectacularly emphasised by the flight of voters from the party in traditionally blue-ribbon seats such as Hawthorn (which fell to Labor), Brighton, Malvern and Sandringham. A strident law and order agenda was not only woefully out of touch with the lived experience of these constituencies but, coming on the heels of the August 2019 putsch against Malcolm Turnbull's prime ministership, reinforced the image of a Liberal Party hostage to conservative elements. In a now notorious post-mortem on the state election, soon to be former federal Liberal member for Higgins, Kelly O'Dwyer, reportedly told Victorian colleagues that the party was perceived by the public as 'homophobic, anti-women, climate-change deniers'. Nor was the rejection of the Liberal Party limited to its heartland. It was notable that some of the safest Labor seats with a very high proportion of voters from non-English speaking backgrounds (Dandenong was an example) swung harder still to the Andrews government and against the opposition. It seems not unreasonable to suspect that in such communities the Liberal's incapacity to find a vocabulary to speak to pluralism—made worse by such tactics as inflammatory alarmism about ethnic-based gangs—was both deeply alienating and hurtful. Indeed, perhaps O'Dwyer's catalogue of Liberal Party liabilities could have included that it was viewed as insensitively monocultural.

The tantalising question arising from the Victorian election result is whether it presages what is coming in the national poll. If Labor can achieve similar swings in Victoria this May then not only will Dunkley, Corangamite, Chisholm and La Trobe likely fall to it, but Casey, Deakin, Flinders and still more Liberal-held seats further up the pendulum are potentially vulnerable. For the Scott Morrison-led federal Coalition, this is now a chilling reality. Morrison's new found, albeit unpersuasive, interest in climate change and women's representation, may indeed be interpreted as a belated recognition that playing to a so-called conservative 'base' in Queensland will not salvage his prime ministership. The government is in jeopardy of being defeated in Victoria alone.

And here exposed is the arithmetic flaw in Howard's post-state election words of comfort for the remaining Liberal faithful. Victoria might be analogous to Massachusetts in its habitual progressive political bent, but it is one of six not fifty states.

Paul Strangio is an associate professor of politics at Monash University. His many publications include Neither Power Nor Glory: 100 Years of Political Labor in Victoria, 1856-1956 (Melbourne University Publishing, 2012).

In case you missed it...

Take a look back at highlights from our recent events.



◀ ALP
National
Conference
Fringe
Adelaide
▶



▲ ALP National Conference Fringe
Adelaide



▶
Prof. Tim
Soutphommasane
Melbourne
▼



◀ ALP
National
Conference
Fringe
Adelaide



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

Job figures hide costs of gig economy

ick Dyrenfurth



er too long front-page statistics - are costs that affect people's lives - been hiding our real economic story.

Consider the nation's headline statistic regarding who is looking a job, the monthly and irregular unemployment rate slashed by the Australian Bureau of Statistics.

The latest ABS unemployment news is a potentially good omen. The emboldened 2018 rate fell to 5 per cent, the lowest since June 2011, on the back of what some term a "giant jobs market".

BS figures should be treated with caution; they are a "survey" of a sample of 50,000. Unemployment is likely to curve downwards next month, or, if it falls, even below labour force, and

male or female. Youth unemployment is unacceptably high.

How we measure and talk about unemployment matters. Yet many politicians, pundits and the public remain fixated on pure data, measured by a near 60-year-old International Labour Organisation standard - if you work for at least "one hour" a week you are "employed". Our economy and society have changed dramatically since the 1960s. Yet the labour force statistics and the ways they are used by politicians and media haven't. ABS figures don't really take into account the increasing divergence between the new "haves" and "have nots" in the economy. The "haves" enjoy secure full-time employment and the financial and emotional benefits it brings; "have nots" are subject to vagaries of insecure work, underemployment, lower pay packets.

It's time to

unemployment data and inaccurate work, how we measure it, and whether it is fit for purpose in 2018. The one-hour-a-week definition of unemployment should be swept into the statistical bin of history. A new definition of employment must be based on the ability of citizens and her or his dependant to earn a "living wage", not some outdated "minimum wage".

It should be a version of our nation's famous 1907 Harvest judgment, that a "fair and reasonable" wage must take into account the "normal needs of average employment regarded as human being living in a civilised community", crafted for this present age.

Our job statistics - it's time to get

www.curtinrc.org/news
www.facebook.com/curtinrc
www.twitter.com/curtin_rc

Serving Victorian Health Workers since 1911.



'Caring is our profession'



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

AT WORK WITH YOU



THE UNION FOR
WORKERS IN
RETAIL. FAST FOOD.
WAREHOUSING.

OVER 200,000 MEMBERS
ACROSS AUSTRALIA.

STANDING UP FOR WORKERS IN
RETAIL.
FAST FOOD.
WAREHOUSING.
SINCE 1908.

✓ Fair pay &
working conditions

✓ Safe workplaces

✓ Confidential workplace
advice & support

sda.org.au

COMMITTEE OF MANAGEMENT

Dr Kate Murphy
Dr Henry Pinski
Andrew Porter
Rebekka Power
Mary Eason
Ken Macpherson
David Cragg
Adam Slonim

BOARD OF ADVISORS

Dr Nick Dyrenfurth (Executive Director, JCRC)
Senator the Hon. Kim Carr
Senator Kimberley Kitching
Michael Danby MP
Dr Mike Kelly MP
Hon. Michelle Roberts MLA
Hon. Peter Malinauskas MLC
Hon. Philip Dalidakis MLC
Hon. Stephen Conroy (former Labor Senator for Victoria)
Dr Bill Leadbetter (Former Labor MP, University of Notre Dame, Cathedral Scholar - Perth Cathedral)
Kosmos Samaras (Assistant Secretary, Victorian ALP)
Ari Suss (Executive Director, Linfox Private Group)
Marcia Pinski (NFP Advisory Services)
Professor Janet McCalman (University of Melbourne)
Professor Marc Stears (Macquarie University)
Adam Slonim (Blended Learning Group, AILD)
Krystian Seibert (Not-for-profit sector policy expert)
Professor Andrew Reeves (Historian and policy analyst)
John Mickel (former Labor MP; Adjunct Associate Professor, Queensland University of Technology)
Geoff Fary (former Assistant Secretary, Australian Council of Trade Unions)
Andrew Dettmer (National President, Australian Manufacturing Workers Union)
Marina Chambers (Australian Workers Union, National President)
Lord Maurice Glasman (UK)
Jon Cruddas MP (UK Labour Party)
Professor Alan Johnson (BICOM, UK)
Arnie Graf (Community Organiser, US)
Simon Greer (Cambridge Heath Ventures, US)
Hilik Bar MK (Former Secretary General Israel Labor Party, Deputy Speaker Knesset)

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

- John Curtin, 26 July 1943