

Socialist Equality Party

Election Campaign '98

Patriotism and the Australian tax package

Throughout the election campaign, Prime Minister John Howard has attempted to convince working people that his plan for a Goods and Services Tax (GST) is a panacea for all the ills of society, from the decay of the public health and education systems to the high levels of unemployment. At the same time, Howard initially promised that his tax package would raise the incomes and living standards of all.

Now a switch is being made. Obviously, the Liberal Party pollsters have found that its campaign to sell the GST, including \$17 million worth of advertising funded by the taxpayers, has left a majority of voters unconvinced.

It is not hard to see why most people simply do not believe that putting a 10 percent surcharge on everything from food and household goods to clothing and rail fares will enhance their living conditions or increase their income.

So, at his official policy launch last Sunday, Howard tacitly admitted what most people already knew--that the tax package will mean increased hardship. He appealed to voters to back the GST in the spirit of "patriotism and selflessness".

"Do what is good for Australia not what is good for you and me," he said.

The question immediately arises: If the tax package is not good for you or me, then who is it good for? Just what interests are bound up with

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23 September 1998**

this entity "Australia," for which working people are continually being asked to make sacrifices?

When Howard speaks of "Australia" and the Australian economy he is referring to the interests of big business.

As Howard admits, his tax plan will lift \$10.5 billion in taxes from companies and corporations. Therefore, although this is not stated, it will shift the burden onto the backs of the working class and poor.

But it is not only the Liberals who resort to nationalism to cloak the real class interests served by their policies. This is the stock-in-trade of the Labor and trade union bureaucracy.

Under the ALP-ACTU Accords of the Hawke and Keating Labor governments, jobs and working conditions were continually sacrificed in the name of making Australian industry "internationally competitive". Likewise when Labor imposed "wage restraint," it was in the interests of the "national economy".

Just which part of the "national economy" benefitted can be seen from the movement in wages and profits in the first six years of Labor rule. Between 1983 and 1988-89, the share of wages in the Australian economy fell from 64 percent to about 56 percent. Over the same period, the share of profits jumped from less than 12 percent to nearly 17 percent.

Union leaders use the same flag waving na-

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tionalism to justify the subordination of the workers to corporate interests. They claim that a bigger market share and increased profits for Australian employers will eventually translate into jobs and improved working conditions somewhere down the line.

What has been the result? In industry after industry, jobs have been continually destroyed as part of a never-ending process designed to boost profits and productivity. Telstra for instance has just announced record profits of \$3 billion yet the sackings, retrenchments and restructuring are continuing apace.

Productivity in the coal industry has increased

by 22 percent in the last year but there is no end to the process. Over 3,000 jobs were destroyed nationally in 1997 and another 1,500 will go by the end of this year.

As these bitter experiences demonstrate, workers have nothing in common with "Australia" and Australian employers. The interests of working people lie with their class brothers and sisters around the world who face exactly the same attacks on their jobs and living standards. Only by unifying their struggles against the common enemy--the major corporations and their political spokesmen--can workers fight for their basic needs.

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