

Australian Labor Party reinforces commitment to health privatisation

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This week's two-day online Australian Labor Party "Special Platform Conference" was a thoroughly-orchestrated event, but one rare contested vote on policy laid bare the party's support for the continued outsourcing and privatisation of health and disability services.

Health Workers Union (HWU) secretary Diana Asmar proposed an amendment that would oppose a future Labor government funding or subsidising the private health industry. It was a cynical token gesture in an attempt to head off the anger of overworked and underpaid health workers, who have been exposed to the COVID-19 pandemic for more than a year, often denied adequate personal protection equipment.

The amendment was also part of a factional power manoeuvre. The HWU, which is the Victorian state branch of the Health Services Union (HSU), threatened an 11th-hour court injunction to stop the conference if its voting numbers were not increased at the event. In moving the amendment, Asmar said the union reserved its right to challenge any conference vote in court.

The HWU is a particularly discredited union, embroiled in corruption scandals for years. Late last year, former national secretary Kathy Jackson pleaded guilty to two charges of obtaining a financial advantage by deception, relating to the use of union funds for travel and personal items.

Addressing the conference, Labor's shadow health minister Mark Butler insisted that the HWU amendment had to be stripped of any mention of opposing the government funding of the private health industry.

The phrases that had to be deleted included "there is no justification for supporting a private sector health system with taxpayers' money" and "private health providers should not be subsidised or supported by the

Australian Government."

Butler said the health system "depends so clearly on private general practitioners, private clinicians, in part private hospitals and private health insurers" that he could not "support a statement like that."

This support for massive shift in recent decades in favour of the corporate health conglomerates typifies Labor's pro-business program, and the trade unions' backing of it.

Butler agreed to retain a HWU sentence calling for a "commitment to not privatise or outsource public health institutions, jobs, or services," but would not accept the further words, "departments of institutions or services." In practice, this gives Labor governments carte blanche to continue to outsource services in public health departments.

Also to be deleted was a paragraph that opposed Labor governments subcontracting public health services, unless employees were guaranteed equal or better pay. Butler claimed that this was not a matter for the national conference, but an issue for the party's state branches.

This was obviously false. No such objection was raised to any of the many pro-business propositions in the platform adopted by the conference.

For the sake of putting on a show of dissent at the conference, a vote was taken on the HWU's original amendment—one of only two contested votes at the event. Predictably, the vote was only 22 for and 352 against.

In nearly every election for the past three decades, Labor has run under the slogan of "save Medicare," the subsidised health insurance system. This has been dropped in the new platform, clearing the way for further eroding the chronically underfunded public health system.

The “save Medicare” campaigns were always an electoral charade. Labor governments have long sought to undercut the Medicare bulk billing system, which enables many people to see a general practitioner without paying a fee. In 1991, for example, the Hawke Labor government tried to impose a \$3.50 upfront fee, but was forced to retreat by the public outrage.

Today public and private health costs are at record highs. Both the Liberal-National Coalition and Labor have frozen or cut Medicare payments to doctors, gutted funding to public hospitals and pressured people to get private health insurance, with premiums increasing every year.

The National Disability Insurance Scheme (NDIS), which has outsourced disability services, is a prime example of this process. At the conference it was heralded at every turn as an example of a landmark Labor reform. Speakers claimed, however, that the current Coalition government had “bastardised” the scheme since taking office in 2013.

Federal Labor MP Libby Coker said the NDIS needed “significant reform.” Coker cited the high turnover of staff, lack of permanent staff in the workforce, and high levels of frustration by carers and disabled people and their families. “We need to rebuild trust,” she said.

Coker’s comments revealed Labor’s anxiety that its only supposedly “progressive” reform for decades is every day being exposed as a for-profit, cost-cutting measure.

The NDIS was established by the minority Greens-backed Labor government of Julia Gillard, supported by the trade unions and the Coalition. It was modelled from a report by the Productivity Commission—a pro-market body that specialises in cutting social spending.

The NDIS uses a voucher-based system by which individual “clients” must prove to the government’s National Disability Insurance Agency (NDIA) how much funding they need for basic services. If successful in their application, they are issued with a “plan” to obtain services from non-government providers.

The government is shirking virtually all responsibility for the provision of these services. The delivery of one-to-one supports, housing services, allied health services, assistive technology, independent assessments, disability employment services, the oversight of plans and even, for the majority of clients, the development of plans, are all privatised.

For example, Local Area Coordinators (LACs) are responsible for seeing the clients and sending in a plan request to the NDIA. This role is sub-contracted by the NDIA to non-profit businesses. For the most part, the NDIA planner never meets the individuals and typically cuts or reduces the amount of funding requested.

The rollout of the NDIS has seen the dismantling of government-run public health services and institutions for disabled people. This has resulted in the premature deaths of numbers of people forced to rely on the privatised for-profit NDIS system. These outcomes are not aberrations, but inherent to the scheme itself.

The Labor Party conference’s explicit removal of any words that would oppose the contracting of private companies for the provision of public health services reveals the continued commitment of Labor and its union partners to this process.



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