With Labor governments in four states and in Canberra, one of the more distinctive features to emerge so far has been the difference in style and direction between the various state and federal policies and governments. While any definitive assessment is not possible, sufficient time has passed for some critical review of Labor's responses to government and the economic crisis.

In the following four articles, the characteristics of the governments in Canberra, Victoria and Western Australia are examined in an initial assessment of Labor's performance so far.
Unlike the Whitlam government, the Hawke government did not come to power on the crest of a wave of hope and desire for change backed and influenced by significant independent mass movements such as the movement against the Vietnam war and the then young and growing women’s and environmental movements. Nor did it offer a vision of far-reaching reforms in the grand style of Whitlam, though many of the ALP’s 1983 policies are better thought-out than in 1972.

In only one key policy area, unemployment, did Hawke offer a vision of a clear alternative, and that issue is, and will remain, a key test of his government’s performance.

However, Hawke did offer a vision of a different style and approach to discussing and determining policies: his “national reconciliation and consensus” formula which, it must be said, probably had a lot of attraction for many voters, including the swinging voters of the middle ground.

Frontrunners in the disappointment stakes are the government’s shabby and unprincipled treatment of David Combe (and its amazingly naive handling of ASIO during the whole affair), the recent caucus decision over uranium mining, and the abandoning of Labor’s policy on East Timor in the name of not offending Indonesia.

In foreign policy generally, Hawke has put in one of the most slavishly pro-US performances of an Australian Labor Prime Minister, somewhat offset by Bill Hayden’s cautious determination to carve out an independent Australian position within the American alliance.

This difference of emphasis and policy between Hawke and Hayden on international affairs could well become a significant issue within the government. While Hayden is cautious, even conservative, on many foreign-policy issues (and along with Hawke is willing to sell out East Timor in the name of not angering Indonesia), he is genuinely committed to Australia having an independent role in foreign affairs within the framework of accepting the American alliance.

Hawke, on the other hand, clearly wants Australia to accept virtually every US action and point of view in world affairs, either through agreement with US policy or because he does not want to provoke the US into destabilising his government. Either way, his pronouncements on international issues are hardly distinguishable from Fraser’s and, so far, he has only been kept in check by Hayden, the caucus and Labor’s policies.

On some important issues, the government has delivered on its promises, notably over the Franklin dam, the setting up of Medicare, raising the dole (slightly), appointing an ambassador for disarmament (though the government’s stand on this issue is timid, and somewhat undermined by its uranium decision), moving for some electoral reforms, and a bill of rights, introducing anti-discrimination legislation (even if watered down in certain respects), and granting Aboriginal land rights at Uluru, covering Ayers Rock.

All of these moves show the value of Labor governments compared with Liberal/National ones, as well as providing new space and levers for progressive social movements which wish to campaign for more radical policies. A different example of the value of Labor governments over Liberal ones was the government’s release of the report, suppressed by Fraser for 18 months, which showed that foliage from Laos claimed to have been affected by Soviet-supplied “yellow rain” was, in fact, a fake.

Yet, while the government will be judged by many according to its performance on various particular
Hawke confronted by anti-uranium demonstrators in Sydney recently. The federal Labor government's uranium stance has been another disappointment.

issues, the manner and timing of its coming to power inevitably make its handling of the economy the central issue for most.

It is here that the government's greatest failing shows bright and clear: its lack of any long-term strategy for a sustained economic recovery which provides jobs for all who want them, and tackles the crippling economic and social imbalances produced by the current crisis.

The only "strategy" — if such it can be called — of Hawke and Treasurer Keating is to manage the crisis with fairly standard and even conservative economic techniques while hoping for "something better to turn up" by way of a US-led world economic recovery.

Some reforms and mild redistributive measures have been thrown into this mix, and Labor went for a bigger Budget deficit than the Liberals would have, but otherwise Hawke and Keating showed very little independence from the standard Treasury line. (In response to a question from former Treasurer Howard the day after the Budget, Keating proudly told Parliament that he'd read and agreed with every line of Budget Paper No. 2. This is traditionally where Treasury sets out its own views about economic prospects and policies, and in several places there are clear digs at, and disagreements with, official Labor policy.)

In fact, Hawke and Keating have effectively changed Labor's economic policies, or at least the government's priorities for implementing them. For the moment, they've got away with it, despite the many useful opposition noises from important sections of the ALP and the wider labour movement.

Hawke and Keating reportedly argued that Labor first had to establish its "responsible" credentials with business before getting on with Labor's more far-reaching reforms. This argument was accepted by centre forces such as Finance Minister Dawkins and Industrial Relations Minister Willis, who apparently wanted a bigger deficit and more expansionary policies, but agreed to go along with the Hawke/Keating line for the time being — until the 1984 Budget.

This Hawke/Keating "strategy", first expressed through their obsession about the Budget deficit, has virtually blinded them to vital issues such as real job creation, a coherent industry-development policy, and a strategy for handling the new wave of job-displacing technology which will be set in motion by any economic
recovery. One can only conclude from Hawke's mid-year scathing remarks about the British Labour Party, that such long-term issues are only considered by utopians lying under banyan trees.

Ken Davidson, economics editor of The Age, consistently and persuasively argued against the Hawke/Keating line on the Budget deficit, and put the case for a larger deficit based on Keynesian ideas of raising the demand for goods and services by an expansionary policy which would lift the purchasing power of those who really need it.

Davidson pointed out that whatever economic recovery is taking place in the US results from Keynesian-type policies of tax cuts, big defence spending and large deficits, not from pursuing the monetarist line which the Reaganites have now abandoned.

(Nothing could more expose the anti-social contradictions of capitalist economics than that the latest US worry is whether the recovery is now getting out of hand and should be slowed down to prevent it from producing a new surge in interest rates — not because it's producing too many jobs, which it certainly isn't.)

A key measure of Mr Hawke's performance on economic policy is his own statement in his pre-election policy speech that the "first and foremost" issue is "the right of every Australian to a job".

Writing in ALR just after the March 5 election, I commented that ".... even Labor's worthy and difficult aim of creating 500,000 jobs in three years will only lower unemployment 'by a couple of percent', leaving it at 8 percent in three years' time, assuming no further economic decline".

Since then, the picture has become even bleaker, with a government report forecasting, and key ministers such as Mr Willis conceding, that unemployment rates of around 10 to 11 percent could continue for quite some time. And Mr Hawke has made yet more murmurs about society recognising the alternative lifestyles as one way of tackling the unemployment problem.

The March ALR article argued that the right to a job for all was most unlikely to be achieved if the "free market" were left unchecked and uncontrolled. Further, that the central issue was some social control over the vast amounts of capital slopping around the financial institutions looking for the most profitable investment.

Social control, it was argued, does not necessarily mean outright socialist measures or nationalisations, which are neither the ALP's platform, nor its election mandate. It would mean, however, government requirements that certain portions of the funds held by financial institutions should be invested in new job-creating industries, or at the very least be made available at low interest rates for those wishing to set up such industries.

Some unions have, in the past, raised the issue of how superannuation funds are used. These funds are a form of saving by workers, yet those workers have no say in how the funds are used. More control by unions and worker representatives would be a step towards ensuring better use of super funds for socially useful purposes, rather than for speculative purposes or as another source of funds for big companies.

A related issue is the funding of the government's own Budget deficit. Socialist economist Ted Wheelwright, speaking after the Budget, at a Marxist Forum seminar in Sydney, backed up the call by former Labor Treasurer Jim Cairns, that the deficit should be funded by borrowings from the Reserve Bank.

This could mean much lower interest rates being paid on the public debt than the current usurious ones paid to private lending bodies. It would also mean that the government's own bank would earn the profits, rather than the private sector.

These are just some of the many possible measures which the government could take within its current policy platform and philosophy, and to fully implement its election promises. Those in the labour movement who take seriously the "right of every Australian to a job" should press vigorously for the government to adopt such measures if current government policies and the current economic system fail to deliver that right.

The government's ability to deliver on some key promises is also severely hampered by the absence so far of a coherent industry-development policy, and of a worked-out approach to the introduction of job-destroying technology and, more generally, to the possible effects of new high-technology industries.

These are admittedly difficult and complex issues and it would take time to develop a coherent and workable policy, let alone carry it out. (And, let's face it, no one in the labor movement has yet developed detailed policy proposals.)

The problem is that the dominant forces in Cabinet do not seem at all concerned to even investigate such issues, let alone develop more detailed policies.

However, there are encouraging signs that the left and some centre forces within the government have recognised both the government's lack of a policy and their own lack of an alternative to raise in caucus, the party and the wider labour movement. There is growing recognition of the need to work on an alternative economic strategy which can focus the debate over the weaknesses in the government's current strategies.

This is an issue which should involve the broad left in the whole labour movement, and in which different sections and groupings should contribute views and proposals. Leads on what can be done have been given by the Metal Workers Union in publications such as Australia Ripped Off, and by the Victorian branch of the Railways Union with its proposals for its own industry, the public railways.

The ALP/ACTU Accord on Economic Policy still remains the major focus for mass work around alternative proposals, and for further development of alternatives. Many of the commitments and ideas in the Accord have yet to be fully implemented, and there will inevitably be struggles inside and outside the government over how, and how quickly, it should be implemented. There are also different interpretations of the Accord's provisions.

So far, the left has not popularised and publicised enough some key provisions in the Accord. Without more developed mass understanding of these, rightwing forces in the government will probably win such struggles over interpretation and implementation.

The growing support for a tax reform campaign by the labour movement could be a significant first step to overcoming these problems.

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When John Cain finished his speech at last April's rally for nuclear disarmament, he received a standing ovation from most of the 60,000 listeners.

On seeing this, a NSW friend remarked that if Neville Wran had spoken at such an occasion there would have been a demonstration against him.

To a certain extent, the applause reflected the popularity of the state government's legislation declaring Victoria nuclear free, but it also indicated the general level of support for the Cain government throughout the community.

Eighteen months after the election of the first Victorian Labor government in 27 years, its popularity is still high, the media and employers have favourably received its second Budget, it has won a number of by-elections convincingly, and its standing in the party and the trade union movement is substantial. What's behind Cain's seemingly magic touch?

Yet Hamer had sowed some important ground in areas of enlightened social ideas and urban planning which created the climate for a future Labor government.

The Cain government, in its emphasis on projecting seriousness, sobriety and realism, has avoided appearing to be too much of a radical break with the past, while the Liberals' incompetence is an added bonus.

The replacement of Frank Wilkes by John Cain as ALP leader signalled the party's determination to win the 1981 election, and to reject the in-fighting and doctrinal purism of the past.

Cain and his key ministers have taken significant heed of Wran's way of doing things, particularly his use of the media to project an image of youth and dynamism. In Victoria, this involved more than Cain; he was joined by Steve Crabb, Rob Jolly, Tom Roper and David White, all bright young (or youngish) men committed to change but with a pragmatism necessary to reassure a nervous electorate in the Liberals' traditional jewel.

Yet electoral pragmatism is only one aspect of a government which would have to be the most radical of any in Australia. Discussing ALP politics in Sydney and Melbourne is like discussing two different parties which, fact, they are, in large part. The Victorian ALP is far more ideological and committed across all party factions than is the case in NSW. The Centre Unity are dismissed as grubby opportunists by many on the left, yet it is one of that faction, Rob Jolly, who, with Cain, put the most radical economic perspective heard at the Economic Summit. It is David White, also from that faction, who has worked with left unions to establish industrial democracy mechanisms in the State Electricity Commission of Victoria (SECV), as Steve Crabb, another Centre Unity member has allowed in the transport industry.

Unlike the Right, the Centre Unity is committed to significant policies of reform. They represent the traditional position of social democratic forces; that is, achievable social reforms won via parliamentary power.

Nevertheless, factional battles do emerge and the Centre Unity is not happy with its position in the government following the forced resignation of Bill Landeryou and the election of Jim Kennan over a Centre Unity candidate for the vacant Cabinet position. Landeryou's resignation was necessary to keep the government's image of squeaky clean incorruptibility intact.

Along with the commitment to efficiency is one to more open decision making and another to greater social equality — goals which, to some not inconsiderable extent, have been achieved.

The Cain government has advocated, and to a significant extent pursued, an expansionary neo-Keynesian economic policy which meets with approval not only from the unions and the ALP left and centre left but, given the high concentration of demand-sensitive manufacturing industry in Victoria, from sections of capital as well. This is reflected in its continuing honeymoon with the powerful Melbourne Age. (One concern in the government about the Fairfax take-over of the Age is that this honeymoon could be abruptly terminated.)

The economic stimulus provided in the two Jolly budgets seems to be having an effect, with economic indicators such as employment,
housing approvals and consumer spending showing Victoria to be ahead of the national average.

Cain understands very well the need to maintain electoral popularity, and has placed a great deal of emphasis on media image. The maintenance of a central pool of media staff rather than allowing each minister to employ a press officer ensures a co-ordinated media approach, whereby ministers don't compete with each other, thus ensuring that an image is kept before the public of a young, dynamic team doing things. This has also allowed a carefully packaged delivery of impending government decision to pre-warn the public. By a skilful use of media "leaks" and ministerial statements the public is gradually introduced to change. This assists the image of the Cain government as one of well thought out and planned responses. It is not a government which has appeared to be panicked into hasty actions, unlike its federal counterpart.

The government has effectively taken up issues which cost little, but which have enormous community popularity, such as opposing the Victorian Football League's attempt to move the Grand Final from the Melbourne Cricket Ground to the inaccessible and marshy VFL Park at Waverley, or the civic reception accorded to marathon runner Cliff Young. There is nothing particularly innovative about this approach — it is, of course, very much a populist strategy, and one which most political leaders try; some, such as Malcolm Fraser, with notably less success.

While great efforts are made to win and maintain support from traditionally Liberal-supporting groups in Victoria, Cain has also recognised the need to maintain support from his own constituency, the party itself, and the unions. Bearing in mind that the left is stronger in the Victorian ALP than in any other state, the government's success in avoiding open party conflict, or any serious dispute with unions is remarkable (although the next few months could see that start to crack as a result of cutbacks in health, education and transport, and a restructuring of priorities).

Cain is assisted by the very strong hostility to Hawke from the Victorian left which values having a government whose policies can be counterposed to those of the federal government.

While the whole party has been permeated with the euphoria of being in government after 27 years, it is cognisant of the need to ensure that it is not a one-term government. The general harmony has been achieved by very conscious efforts from Cain and his ministers to fulfil the expectations of the labour movement and to ensure that consultation takes place, avoiding the frustration created when party activists believe they are being locked out of decision making.

Cain takes very seriously the role of
The government has taken significant initiatives in areas of particular concern to the trade union movement, including employment protection, technological change, workers' compensation and occupational health and safety. The legislation introduced by the government in these areas has largely coincided with ALP policy and the views of the trade union movement, and represents important reforms which do not eat into state revenue. In all these areas, the legislation is about increasing the rights and powers of workers, particularly those most vulnerable, such as redundant and injured workers.

Both the employment protection legislation and the workers' compensation amendments were rejected by the state's Upper House, where the Opposition has a majority. Cynics might say that rejection enabled the government to appear to be trying to make significant reforms without having to wear the political flak of legislation strongly opposed by business. The same may well be true of the occupational health and safety legislation where employers are campaigning heavily against the proposed vesting in union safety delegates of the right to issue prohibition notices against unsafe work practices.

A cynic might also ask whether Victoria would have been declared nuclear-free if there were uranium deposits in the state, although the nuclear-free legislation has aborted feasibility studies by the SECV into nuclear power generation in Victoria.

Clearly, the Cain government is genuinely committed to reform; what's lacking is a strong movement which would enable the government to carry out those reforms.

The cynical may be right, but the real political issue is that the broader movement has not responded to the positive reforms. It is allowing the political pressure to be borne by the government which will become tired of the load.

In part, the absence of this movement reflects the weakness of the left within the parliamentary party, and particularly within Cabinet, where its position could perhaps be compared with that of the communists in the French government — they have a place so long as there is no attempt to move outside the established parameters.

This problem is compounded by the traditional views of many trade unions to non-industrial issues. An attitude of "leave it to the politicians" helps to create something of a vacuum.

Essentially, what is missing is a long-term strategic perspective of reform. Rather, there is a tendency to be somewhat piecemeal in approach, particularly in the sensitive areas of revenue raising and expenditure cuts. It is in these areas that the greatest political courage is needed, but also where the groundwork is imperative.

Without a concerted campaign to build support for the long-term priorities of the government, the demands of well-established and powerful conservative interest groups will prevail. Such groups are by no means confined to business interests, but include the AMA and public service mandarins.

The imposition of a two percent on all departments, in preference to a priority review of all government expenditure so that spending could be targeted in line with Labor's objectives, was necessary for political reasons; that is, to prevent ministers fighting intolerably among themselves, and to present an appearance of equity. While this approach might be unavoidable at this time, there needs to be far more debate about the criteria by which priorities are determined, and how scarce resources should be allocated to avoid simply continuing the old ways of doing things.

These discussions are occurring, but they are not systematic. The problem is a lack of perspective and adequate public explanation. Already, this is leading to protests in high spending areas like health and education which could allow unions and community groups to form an oppositional bloc.

In conclusion, it is clear that the Cain government has thrown up some important issues for the left. Its election represented a major defeat for traditional conservative political forces. It is a government committed to implementing policies developed by the party and the broader labour movement.

It is also, however, a government dominated by social democratic notions of reform. It can be expected to pursue and attempt to implement the ALP platform which brought it to power, but this cannot be achieved without a deeper understanding and commitment to the issues outside parliament.

For the left, the government represents a major challenge. Whether the left can develop the mass political pressure and policies to take this government forward, with the possibility of winning a significant shift in the political balance of forces is open, but unresolved.

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When Labor won government in Western Australia a few bare weeks before the federal victory, a flurry of interventions followed—culminating in the mini-budget series in late June. The Karri forest Shannon River Basin was saved, the Fremantle-Perth railway line was reopened, discussions with industry and the development of a micro-electronics industry in Perth began. In June, the Premier, Mr. Burke, announced a series of measures to redistribute the burden of state expenses from the less well off to the better off. At one end, low income earners and welfare recipients were offered much reduced electricity charges (in comparison with the Liberal government’s subsidies to ALCOA). At the other end of the scale was the much publicised announcement of public service pay cuts, of which the Premier’s was the greatest.

By comparison, the federal government appears to have done very little. However, as Anne Summers has suggested, this is not so much because the government has been inactive, but because the press has handled most of it in a low key fashion and the left (those with whom we discuss the meaning of politics) consider that what has been done is not enough.

The Franklin was saved; a wages and incomes policy adopted; the East Timor situation improved; Medicare is undergoing its stormy passage through parliament; the Economic Summit was held and EPAC established; extra legislation against tax evasion has been introduced; Senator Susan Ryan is announcing plans for “cottage-industry” communes for the unemployed; Mick Young, before his resignation, had set in train a whole series of investigations on the funding of election campaigns, four-year terms for parliament and so on; Senator Gareth Evans had gathered representatives of the states together to discuss various legal reforms. Some of these strategies are still “in the wind”. Nonetheless, there is considerable activity. However, is that activity sufficiently radical?

When the federal budget was brought down in August, even the capitalist press reacted with criticism of its non-expansionary nature. This can be seen from the table below where the increase in proposed spending was 16 percent over the previous year—compared with 19 percent for the Fraser budget of the year before. This table also reveals that Fraser’s last budget was brought down with an eye to the upcoming election. It was more expansionary than the budget of 1980-1 when expenditure only increased by 14 percent.

The Hawke government’s commitment to Medicare is also revealed by this table. Outlays on health decreased by 20 percent between 1980-81 and 1981-82 but then increased by 18 percent. The present budget proposes an increase of 25 percent. On other social welfare issues, the differences between the two governments are not so clear. Social security expenditure responds largely to the number of beneficiaries, although the present budget raised the level of receipts to some beneficiaries and sought to redistribute them away from higher wealth-holders (e.g. some old age pensioners). Housing expenditure has not risen by as much as it did under Fraser while urban and regional development is about the same as the two-year average for the Fraser budget. Education spending has increased by less than for the two previous years. However, this is a good example of the importance of the content of expenditure rather than the amount. The Fraser government subsidised private school pupils at a higher rate than it did public school pupils. The Hawke government is redressing that gross inequity.

It is sometimes argued that a Labor government should spend more on welfare and less on subsidies to the private sector and the repressive apparatuses of the states than liberal governments. The redistribution of commitment away from law and order is shown by a fall from a 25 percent to a 17 percent increase. A redirection of expenditure is more obvious with assistance to secondary industry which has actually fallen in absolute terms after rising by 21 percent and 12 percent.

Nevertheless, the budget is not clearly a labor document. It reflects the commitment of the government to containing the deficit to the magical $9.5 billion while still allowing some redistribution of expenditure within those constraints.

Should the budget have been more expansionary. Should there have been more welfare and economic initiatives?
Critics of the Hawke government say yes. However, they are comparing the actual government with an ideal socialist, or at least social democratic, government. The Hawke government is found wanting because it has not introduced a major socialisation of the means of production, redistribution of income, and so on. Some critics hope that the Hawke government is consciously moving slowly in order not to frighten the electorate (and big business), in order to stay in power for a number of terms. Softly, softly, catchee monkey ....

If, indeed, this is the strategy, it is fraught with pitfalls. At certain stages choices will have to be made between sections of business and the labor movement. The economic cake is shrinking and the knife that cuts it must be wielded with ever more delicacy. Some commentators (e.g. Dow, *Australian Society*, February 1983) argue that the only solution is to make the cake grow again. Only an expanding economy will avert the fight over distribution. However, economic expansion requires a vigorous intervention into economic policy making. It will require investment by the government in the economy; it will require allowing the inefficient industries (e.g. textiles and footwear) to die while providing retraining and re-employment for those thrown out of work; it will require massive restructuring of industry; it will require a larger budget deficit.

I believe that if the Hawke government does not do this, it will lose government in the near future. Unemployment will continue to rise — as more industries are exposed to overseas competition and more companies move offshore to cheap labour havens in south-east Asia. Economic activity will continue to decline, eroding the tax base and therefore the redistributive potential of the government.

Additional to government departments, to the universities and other tertiary institutions. Knowledge about how the economy is performing and how it could better perform must become the right. Only with information to match that of the capitalists can the labour movement use EPAC to achieve its goals.

Additionally, the unions must present a united front. They will need to settle on policies which redistribute wages (e.g. flat rate rather than percentage increases) and for particular sections of the workforce — women, migrants, those displaced by technology. They must also deal with the issues of unemployment and an appropriate social wage. Economics and welfare cannot be separated.

The Hawke government has created forums for the labour movement, e.g. EPAC (Economic Policy Advisory Council). Possibly for the first time in Australia's history, unions have a legitimate place in policy making. However, this is an unaccustomed role for unions; their leaders could be swamped by government and business. In order to exploit the full potential of this forum the unions must take up a position; in order to do this they will require better and different information from that which they have now. They must demand access to company records, while providing retraining and re-employment for those thrown out of work; it will require massive restructuring of industry; it will require a larger budget deficit.

Chilla Bulbeck is a lecturer at Griffith University, Brisbane.
The prices and incomes accord and the government’s recently announced steel industry plan will significantly affect steel workers employed by the BHP. In October Mike Donaldson talked to Ken Kirby, a fitter at the Australian Iron and Steel Port Kembla Steelworks, and a member of the AMFSU Committee of Management for the South Coast, about the Labor government and its Prime Minister.

What do steelworkers generally think of the prices and incomes accord?

In my particular work area I held a meeting to explain it. The workers’ general understanding of it is that it hasn’t worked, I think. The accord stated that the government and the unions would have a prices and incomes accord, where they’re supposed to do something about prices and the general condition of workers, as well as peg the wages at a level so that the industries can keep rolling on. I think most people on the job realise that it hasn’t happened so far; all that’s happened so far is that our wages haven’t moved. Now that we’ve got this national wage package they have started to move again, but nothing’s been done about the prices or anything like that. I think most people know of the existence of the accord, but think that it was one of those documents which was flaunted around, and that now it’s been put into the too hard basket to gather dust like so many other things. I think that if you went and asked them, they would know what you’re talking about but they’d also know that it’s not working; it’s just something people talk about.

What has the Labor government done for the steel industry?

So far, I think all they have done is that they have “saved” the industry, from the BHP’s point of view, that is. They’ve propped it up so that it can continue to make a profit. But, for the workers who are left in the industry, they’ve really done nothing at all. They haven’t improved conditions for us in any way; there is still going to be an ongoing and very substantial loss of jobs in the steel industry. The government didn’t really prevent any retrenchments at Port Kembla; they moved after the company had already done its stuff. What jobs were saved, were saved as a result of the rolling stoppages campaigns directed and controlled by the delegates. So, for the company, they’ve done a job; for the workers, they’ve done nothing as yet.

What did Hawke actually promise steelworkers before he was elected?

Hawke said at a meeting of the Ironworkers’ national council that he would guarantee a viable steel industry and that there would be no further retrenchments. While he might have appeared to stop the retrenchments by offering the company more money, and while he might have kept his promise of making a viable steel industry, once again I say that he hasn’t done anything for the workers. Jobs are still being lost to the industry, and the communities in which the steel plants are located are going to continue to suffer. What he’s done is...
that he's using workers' money to develop a high technology super efficient steel industry which is going to adversely affect the communities in which it is situated because there will be mass unemployment. Hawke hasn't looked past that, to see alternative plans for the people.

The government says that it is not paying the assistance to the Steel Division of the BHP. Where is it going?

It's going to the customers of the steel division, as I understand it, the people who buy steel from the BHP. They're going to be paid a bounty for buying the steel. While it mightn't be going to the primary producer of steel, it's certainly going to the BHP subsidiaries which buy steel from them, which is the same thing. Places like Tubemakers and Comsteel buy the steel from the steelworks and make it into something else; they get a bounty, but are actually owned by the BHP. What is really rank is that many of these companies receiving the bounties are BHP subsidiaries and affiliates, and are not covered under the no more retrenchments agreement. These workers are under threat of the sack, from what I've been told. The bosses are always saying to them that if they don't get such and such an order, if productivity drops below a certain level because of the economic whim of the market, they'll retrench if they have to. As I said, they haven't been offered any job security, even though they're still participating in the plan and even though they're owned by the BHP.

What about the Steel Industry Authority that has been set up under the Steel Plan?

I'm deeply sceptical of this Steel Industry Authority. Let's face it, it's assumed that the company, the workers and the government can come together for the benefit of all three parties. Well, maybe that would happen if the three were equally weighted, but the labour movement is at a severe disadvantage in situations such as where it is under-resourced and not as well informed. The government has no guarantee that the information which the company will provide to the authority — and that's the only place from which information can come — will be accurate and honest. How are people on the authority going to know when they're being fed a line? The government hasn't put into place any legislation which guarantees access to company accounts, order books, investment plans. I'm not too happy about the person whom the ACTU has chosen to represent the unions, either. He's not from the industry, not even from one of the steel regions.

What has this steel plan done for Hawke's credibility on the job?

I think most people think it's a good thing. On the job, they see it as the right thing for Hawke to do, but I think that most people there see it from a narrow point of view. They know there will be no more retrenchments, but they don't see it in an overall picture. In Port Kembla, the company has destroyed 7,000 jobs, one-third of the jobs in the steel works, and at least as many again outside it. Workers tend not to think of what will it be like in the future, what will happen to their kids, about the area which they're going to live in, and really, probably, die in. They don't look at it like that, they only think about it in the short term. There's been a lot of hype about the whole thing. It's been pushed by the government, pushed by the company, and in one way the unions have fallen down, they haven't pushed a critical line hard enough, taken an alternate view.

What do the steelworkers with whom you work think of the Labor government in general, and of Hawke in particular?

Three months ago they thought he was the saviour; now they've got a view of him as just about the same as all politicians, and have the same distrust for him, I think. They think this for a number of reasons, and they're not always right in their assumptions, either, but he's now slipped back into the mould of just an ordinary old politician; he's not going to be a saviour; he's done a few good things, and done a few bad things. He's got a better public image than Fraser ever had, and so he scores points on that, but now most look on him as just another politician, doing the same thing as the rest.

When we were going down to Canberra just after Hawke was elected to meet Button and the government, to try to save the last round of retrenchments, I was trying to stir up a bit of action on the job to get different telexes and that sent to Hawke saying: you promised to do something about it, let's do it now before the company reaches their levels which they long ago decided that they wanted jobs to be reduced to. Overwhelmingly, they believed the whole election campaign thing and thought he was going to be God. I was getting quite a few heated arguments with blokes saying, "Christ, he's only been in power ten minutes and you want him to do something straight away. Give the man time, he's going to do it, he'll come through". But we didn't have time to sit back on our backides; time was of the essence; we couldn't let him do it in his own time.

But now the honeymoon's over; people are starting to realise that it's just another government. Of course, he's just won two grand finals and the America's Cup all on his own, and that's helped him a bit (but he lost on the Caulfield Cup).