



## **AS HOMELESSNESS RISES, RUDD'S REGIME FOR THE RICH IS BARELY DIFFERENT FROM HOWARD'S IN ITS NEGLECT OF LOW-RENT ACCOMMODATION MASSIVELY INCREASE PUBLIC HOUSING!**

October 22: He had only one purpose. The 22 year-old only had one ambition when he walked up to a police station to throw a rock through the windscreen of a nearby patrol car. The man also had just this same singular thought on his mind when he immediately then strolled into the police station to turn himself in. His sole aim was ... to go to jail! To go to jail so that he could get out of the cold. To go to jail so that he could at least get some sort of meal. You see, the man was homeless with no job and no money. A story from the Great Depression? No, a story from four months ago! An incident in Calcutta? No, an incident right here in Sydney at the Glebe police station. The man, Lionel Kaoune, became homeless after he had to leave the boarding house in Auburn that he was living in after he ran out of money. Kaoune had no prior criminal record and when the clean cut man appeared in the Parramatta Bail Court, his Legal Aid solicitor followed Kaoune's directions by asking that his client be kept in custody.

How can something like this be happening in a country as rich as Australia? In a country where a small population combined with gigantic land and mineral resources has produced one of the highest average wealth levels in the entire world. Well, the reality is that this country's capitalist system has created a society of haves and have-nots. This is a society where much of the wealth is grabbed by a small number of extremely rich tycoons who live in obscene luxury. For example, Australia's fifth richest man Clive Palmer owns, among other luxuries, three luxury private jets, two helicopters, several personal homes and a few lavish boats. Earlier this year Palmer gifted his 15 year-old daughter a 30m luxury yacht worth \$5.3 million! Meanwhile, this country's seventh richest man John Gandel lives in a three storey, 35-room mansion in Melbourne's Toorak. Yet alongside such opulence, most working class people do it hard while those on the lowest income levels often lead a life of deprivation. Nowhere is this more striking than in the numbers of homeless people. At the time of the last census in 2006, nearly 105,000 people in this country were homeless. Of these people, over 34,000 were under the age of 18 and over 12,000 were children under the age of 12. Of the recorded homeless, 16,375 people were actually sleeping on the streets or in parks on census night. Others were in emergency accommodation of various types, many doing the rounds from government crisis housing to sleeping in cars or at friends' places to being cast out into the street and then back into emergency accommodation.

Kevin Rudd – just like John Howard before him – loves to lecture other countries about "human rights." Yet it is the right to shelter, alongside the right to eat, which is the most basic of rights that should be accorded to every human being. This right does not exist in "democratic" Australia.

Often Australia's homeless are families whose breadwinners have lost their jobs. In some cases people become homeless because a physical disability or mental illness limits their chances of employment or social support. Many homeless people are women – often with their children - fleeing domestic violence. Indeed, all the groups in society who face discrimination are overly represented in homeless statistics. An Aboriginal person is almost four times as likely to be homeless as a non-indigenous person – indigenous people make up 9% of the homeless numbers despite being only 2.5% of the population.

In a just society, any improvement in overall national wealth would go first to the most needy. However, in Australia the opposite has happened during the recent mining boom. Thus, in the period from the

census in 2001 to the one in 2006, the homeless population actually grew by nearly 5,000. Since then the situation has become even worse due to the global economic crisis. As business owners lay off workers and slash the number of hours they call up casuals for, more people simply can't afford to rent the units they had been staying in. It is true that due to the strength of China's socialistic public sector which has held up Australia's lucrative China-bound exports, unemployment levels here have not risen as fast as in other capitalist countries. Yet the official unemployment rate which counts a person as employed even if they work as little as one hour a week hides the true story. On top of the official unemployment rate of 5.8% is an additional 8.1% of the workforce who are working less hours than they want to (according to August 2009 Australian Bureau of Statistics figures.) This latter underemployment rate has ballooned out by 50% in just a year so that now 1.5 million people in this country either can't get any work or are working less hours than they want to. When you add to this figure the discouraged job seekers who are not counted in unemployment figures because they are not actively looking for work and include those who have involuntarily gone into full-time parental care or study because jobs are not available, the real unemployment/underemployment rate is about 20%. Of this one in five of the workforce who are in an employment crisis, a fair chunk has to battle to maintain a stable home to live in. And with people in such dire financial situations and affordable rental accommodation so scarce, the difference between being homeless and having a guaranteed roof over your head is frequently an event you don't even have the slightest influence on. Like the landlord of the unit you were renting deciding to sell his property or move back into it. Or the owner defaulting on his mortgage. Or the place you were renting being in such a terrible condition that the building is condemned.

There are no overall statistics about the increase in homelessness since the 2006 census. However, charities have noted a huge rise in the number of people seeking emergency assistance. St Vincents de Paul has recorded a six-fold increase in homeless families looking for help, the biggest increase in 120 years (*Daily Telegraph*, 25 May.) In some cases, people in desperate need find that welfare agencies are too overloaded to find emergency accommodation for them. After the humiliating experience of having to beg for a place to sleep, they get turned away on to the street or are at best given a tent to sleep in. This is just one of the kind of stories of human suffering resulting from the housing crisis. There are many others. At Sydney's Central Station, single mothers with their children lug around suitcases as they transit from one crisis accommodation in search of another. In Darwin, poor elderly people, dejected and frightened, live in sheds.

### **NO "FAIR GO"**

In this "fair go for all *only if you're rich*"-society, the state institutions see the poor not mainly as human beings in need but as a burden who should be monitored to stop them "cheating the system." Thus, homeless people in temporary crisis accommodation have to go through a nerve-wracking weekly "assessment" to see if they are still eligible for such accommodation. Often, families are repeatedly moved from one caravan park, hostel or motel to another. With emergency accommodation in Sydney filled up, many are being herded into the Blue Mountains. The constant moving makes it nearly impossible for children to attend school, for adults to attend job training or for families to build any meaningful social support network. A typical experience is that of Steve and Doris whose story was told on ABC Radio's AM program (July 9) last winter:

Nighttime temperatures in Sydney's western suburbs are expected to drop to four degrees Celsius but Steve and Doris don't know where they and their three toddlers will be sleeping.

"Tomorrow we don't know where we're going to be. And you look at your kids and then they ask you where are we going? Where we going mum? Where we going to dad?" said Doris.

For the past week, the state's housing department has put the family up in a caravan park in western Sydney.

Steve says they have been homeless for about 10 months.

"Our house was sold from us, we were renting the house, and we moved in with family, and we couldn't stay with them, so we moved out and stayed in cars and so forth," he said.

"We were in cars sometimes three nights in a row, sometimes we were in there for longer. But there's times where, you know, through generosity of friends and so forth, they'd let us stay at their place for one night or two."

Doris says she tried to get into refuges but couldn't find anywhere that would take the whole family. "They turned around and said to us, 'We can take you in, only you and your children, but we won't take your husband'. That was really devastating," she said.

Every day for the past few months Doris and Steve have been applying for rental properties in Sydney's western suburbs but with no luck.

Although Steve recently lost his job, he says their rental history is excellent.

"Over the last three to four months we've put in well over 60 to 80 applications, and each application comes back the same response, which is declined, and most of the times they'll just tell us that it's due to landlord picking someone else instead of us," he said.

.... "This could happen to anybody else in Australia at any stage and people don't realise that."

For every person that is homeless there are many, many more working class people who are just one pay cheque away - or a single ruthless boardroom decision to slash jobs away – from the same fate. About 1.1 million households spend over 30% of their income on housing costs – the majority of whom are renters. About two in three low income renters fall into this category. And if you don't have much income and more than 30% of it is being taken in rent, then you do not have too much left for food, medical bills, electricity and transport let alone any money for clothing and dental costs. Aboriginal people are the most ground down by this unfair housing "order," especially those living in urban areas. A quarter of city-based indigenous people, not on rent assistance, were spending **over half** of their income on rent or mortgage instalments.

The problem is not only the starkly unequal distribution of income in this country but also the terrible shortage of low-rent accommodation. Thus, many people going for low rent private accommodation find that there are 20, 30, 40 or even more people vying for the same dwelling. In such a situation, whether the landlord is an upper-middle class "mum and dad" property holder or a high-flying developer, he is going to give the tenancy to the most relatively affluent applicant. That only adds to the difficulty that poor people face in finding accommodation. With so many people competing for the few low-rent dwellings available, many landlords won't give people on social security benefits even a look in to a rental property. Single mothers, too, have found that once an estate agent hears that she relies on child support payments or single parenting payments to get by, she is thrown out of the running to claim a vacant tenancy.

To the extent that landlords will occasionally give low-income earners a tenancy it is because certain government welfare programs grant rent assistance to poorer people. These include Housing NSW's Rentstart program through which low-income earners are granted financial assistance to establish a private rental tenancy. Yet such assistance is usually inadequate and the programs are badly underfunded and shaped by the Scrooge-like attitudes of the institutions running them, agencies which are steeped in all the prejudice that talkback radio and the like whip up against welfare recipients. For example, one reader of *Trotskyist Platform*, a single mother in dire financial circumstances, told us of her experience with the Department of Housing and its Rentstart program. The Department had at first promised her that through Rentstart they would subsidise her rental bond and two weeks initial rent if she succeeded in gaining private rental accommodation. However, once she, after months of knock backs, finally secured a tenancy, the Department tried to deny her the promised Rentstart assistance on the basis that .... she had since received the government's stimulus cash "bonus"!

In a situation where landlords have the luxury of selecting from so many prospective tenants, any racial or other prejudice from the landlords will see people from oppressed groups regularly denied their tenancy applications. That is why Aboriginal people face such difficulty in securing private

rental accommodation as often do Africans, Asians, people of Middle Eastern origin and international students. For a working class single mother seeking to exit an unpleasant relationship with a husband or de-facto, the difficulty in securing affordable accommodation can often force her to remain in an abusive relationship just so that she and her children can securely have a roof over their heads.

Those low and middle income people lucky enough to secure a tenancy still face a situation where landlords can exploit the fact that there are so many people waiting in the queue for tenancies. For avaricious landlords this means an "if you don't like it you can leave!" attitude to their tenants. What that spells for tenants is the landlord's refusal to do, or tardiness in doing, urgent maintenance. It also means rents rising much faster than wages. Over the 12 months to June 2008, the average rent in Sydney rose by 15% for houses and 11% for units (*Australian Property Monitors Media Announcement*, 23 July 2008) while average wages only rose by around 4%. In June 2007, the average weekly rent for a 1-bedroom dwelling in Penrith was \$153 but by June 2009 it was \$175. It is true that this year rents have stabilized but this is only because the economic crisis has forced many adults to move back in with their parents and others to move into shared accommodation.

Those unsympathetic to the plight of low-income tenants always like to point to the "neutral umpires" in the form of the Consumer, Trade and Tenancy Tribunals that will supposedly ensure fairness in rental arrangements. Except that these "neutral umpires" are paid by a state that serves the interests of the propertied classes! Notably, too, the tribunal members adjudicating on hearings are all wealthy people – the current annual salary for a senior member of the NSW Consumer, Trade and Tenancy Tribunal is a whopping \$188, 805 (see *Information Package for Applicants Seeking Appointment as a Senior member of the Consumer, Trader and Tenancy Tribunal*, [www.cttt.nsw.gov.au/pdfs/About\\_us/Whats\\_new/Information\\_package\\_SM.pdf](http://www.cttt.nsw.gov.au/pdfs/About_us/Whats_new/Information_package_SM.pdf)). This makes the "neutral umpires" naturally see things more from the point of view of the affluent landlords than from the perspective of struggling tenants. Indeed, since they are earning such a high salary, the tribunal members are likely to own a few rental properties themselves. That is why low-income tenants who have had experience with these tribunals understand all too well that these "neutral umpires" are actually biased towards the landlords. Furthermore, landlords inevitably have more resources - including the backing of agents with lots of time to sit around at tribunal hearings – with which to fight disputes than the tenants. Finally, if you are a tenant whose eviction is upheld by the tribunal then those guardians of the unequal social order, the police, may well knock on your door to heavy you into leaving soon.

Thus, for especially the poorest tenants and other renters with few options, the reality is very different to the formal rights that they are supposed to have. Many are bullied by the growing number of slum landlords in this country. Such slumlords typically squeeze several low-income tenants into small dwellings with poor facilities. Among those who are exploited by such landlords are international students. There are many cases where dodgy landlords crowd students three or four to a room in three-bedroom apartments. Yet there are examples of even more shocking overcrowding. One house in Sunnybank, Brisbane was found to have 37 overseas students herded into it (*The Australian*, 23 September.) Then there are the boarding house operators who are notorious for taking advantage of desperate tenants and socking them with filthy, overcrowded amenities. In some boarding houses, a few of which are operated by ex-brothel owners, the owners are known for physically intimidating their vulnerable tenants. In NSW, boarders and lodgers do not even have any formal tenancy rights. They are explicitly excluded from the limited protection offered by the *Residential Tenancy Act 1987*.

### **THE "FREE MARKET" FAILS ... AGAIN**

At the same time as there is a drastic shortage of low rent dwellings, the opposite is the case for up-market dwellings. So, according to the July figures published by property advisory firm SQM Research, there were 300 houses sitting empty in the swank suburb of Milsons Point and 152 untenanted on the other side of the harbour in Bellevue Hill. The suburbs with the highest vacancy rates were all wealthy suburbs like Gordon, Rhodes, Bellevue Hill, Milsons Point, Kirribilli, Rose Bay, Vaucluse and

St Ives. In contrast, the suburbs that are the hardest to get rental accommodation in are all working-class suburbs in Sydney's West and Southwest like Bonyrigg, Villawood, Landsdowne, Sadleir, Busby, Ashcroft, Cabramatta, Cecil Park, Greenacre, Chullora, Yagoona, Sefton, Liverpool and Bankstown.

So why this big disparity? Well, the fact of the matter is that investors can make more money renting to rich people seeking luxury accommodation than they can renting out to people struggling to make ends meet. And since the sole consideration that investment decisions are based on in the capitalist "free market" is the \$, there are not enough low cost dwellings being built. For the propertied classes this arrangement presents no problem. Many upper middle class "mums and dads" have become rich from the skyrocketing sale prices of their rental properties, assisted in good part by the various tax concessions and government grants given to property investors. Meanwhile, sitting above the "mums and dads" are the big-time developers. And they have been raking in a *killing*. Take a look at Australia's rich list and you will see that a good number of people in them have snared the majority of their wealth from property investment. Australia's third richest person, Harry Triguboff, has extracted a \$3.7 billion fortune largely through his Meriton Apartments. Meriton builds high-end dwellings and rent out 3200 apartments. Those apartments make no contribution whatsoever to helping low and middle income people find affordable rental accommodation – these luxury apartments all have rental rates of between \$150 to \$800 **per night!** Meanwhile, Australia's tenth richest man, arch union-buster Len Buckeridge, owns this country's biggest home builder, the Buckeridge Group of Companies (BGC.) The fact that this home building company is supporting a man with a \$1.95 billion fortune is hardly good news for tenants. The hundreds of millions going into the tycoon's bank accounts have to be paid for through higher home prices, which in turn spells higher rents for tenants of those dwellings that happen to be rented out.

Australia's housing system truly allows the wealthy to ride ever higher and higher. However, for low income households, the current system means a massive shortfall of 251,000 in the number of rental dwellings that are affordable and available to them. How can this shortfall be overcome? Well, the profit-driven private sector has thoroughly proven itself unwilling to and incapable of solving the problem. The only solution, then, is for the public sector to step in and provide a large amount of low rent accommodation. Yet, Australian governments have undermined public housing. Even as the population grew and the shortage of low rent accommodation ballooned out, the supply of public rental housing has been slashed from 372,134 in 1996 to about 338,000 in 2008. From 2001 until 2008, the proportion of people in public housing has dropped from 4.9% to under 4%. Yet even now some privatisation of public housing continues. Just 4 months ago, the NSW government started auctioning off 16 public housing properties at Sydney's Millers Point. **There urgently now needs to be built a mass working class-centred campaign to demand a big increase in public housing.**

Of course, more public housing places are not in themselves a panacea. Also important is the quality of the dwellings and the terms of the tenancy. During the Howard years not only did the quantity of public housing stock fall but the quality of dwellings deteriorated. This is because spending on public housing fell even faster than the number of dwellings – with federal funding for social housing falling by 30% in real terms. In the meantime, the amount that public housing tenants have to fork out has increased. Until a few years ago the standard rent for most public housing tenants was 20% of their income. But now it is 25% which if you are poor leaves you little for other necessities. Furthermore, in NSW, the Labor government has begun steeply increasing the rents of those people – youth and pensioners – who had previously been granted rents at rates lower than the standard 25%. Meanwhile, if low-income public housing tenants find work, their rents rise sharply to up to 30% of their new higher income. They will then be reassessed to see if they still qualify for public housing and may even have their tenancy terminated.

As well as higher rents, an additional charge that is heaped on public housing residents is a water usage charge. These unpopular water usage charges are also utilised by housing authorities to terminate tenancies. In the last three months of last year alone, Housing NSW made **633** applications for

orders terminating the tenancies of public housing residents for failure to pay water usage charges. *Trotskyist Platform* has been told by tenants that arrears of as low as \$11 could see a tenant hauled in to face the Tenancy Tribunal even if the tenant pays up the shortfall before the hearing date.

Although it is in the private rental sector where the most extreme bullying of tenants takes place, Australia's public housing authorities also treat their tenants in an arrogant and patronising manner. One public housing tenant, a reader of *Trotskyist Platform*, related his experience of trying to get Housing NSW to do urgent repairs to his toilet. After repeated requests they had after several days still failed to fix his toilet forcing him to pour urine down the bathroom toilet sink and have to go to pubs to defecate. Finally, after about four days he was able to get them to do the urgent repairs only after he threatened to piss in the corridors! He also related a story of how a mentally ill man was evicted from public housing for simply spitting once. The man now sleeps on the street. It is well known that it is far, far easier to get kicked out of public housing than it is to get into it. Furthermore, if a public housing tenancy ends in a bad way the former tenant has little chance of ever getting back into the public housing system.

**That is why alongside the struggle for more public housing must come demands for a better deal for public housing tenants. Stop the evictions! Abolish the water usage charges! Stop the rent increases faced by youth and pensioner public housing tenants!**

### **TWO STEPS FORWARD, TWO STEPS BACK ... AND ON A TREAD MILL HEADING BACKWARDS**

For all those who understand the need for more public and community housing the question then arises: how is this to be achieved? After the Howard government's neglect and privatisations of public housing, many hoped that electing a Labor government was the road to winning a significant boost in social housing. Indeed, to placate demands from its working class supporters, the new ALP government did with much fanfare announce in February a program to build 20,000 new social housing dwellings over four years as part of the stimulus plan. However, a closer look at this promise will find that it is but a very small proportion of what is needed.

For starters the 20,000 new social housing dwellings supposed to be built compares badly with an official social housing waiting list of 225,700 households. Furthermore, the waiting lists don't tell the full story of the shortfall. In good part because it is so infamous how long people have to wait before they get any public housing – some people have been on the waiting list for 15 years – there are actually twice as many poor people eligible for public housing who have *not* bothered to get on the waiting list as there are people on the actual list. Moreover, the criteria for getting on the waiting list has been made so stringent in recent years (an annual income of less than \$22,880 is now required) that most low-paid full time workers cannot even make it on to the list now.

It is actually questionable whether in four years the government's program will result in **any** reduction in the shortage of social housing. For although a relatively small number of social housing dwellings have been promised to be built, some other public and community housing is having to be knocked down due to their poor state while other units are outrageously still being sold off. This can be seen by looking at Housing NSW's own projections based on the NSW Labor government's 2009-2010 budget. Due in part to the privatization of 948 units, the stock of public and community owned housing in NSW will actually be 388 **less** in June 2010 than it was in June this year. Due to some leasing of dwellings there will end up being a measly 63 extra dwellings available for social housing in June 2010. This includes an increase in the amount of Aboriginal housing of just 13 dwellings – an insulting increase of just 0.2%. All this will not even come close to covering the extra demand for low rent accommodation due to population growth let alone the greatly increased need caused by higher unemployment and underemployment.

One of the reasons why the government has inadequate money in its housing budget for public housing is because it has to pay for its new scheme to encourage low rent private accommodation. Under this

National Rental Affordability Scheme (NRAS), the government will grant a \$90,000 subsidy per dwelling over 10 years **not to poor tenants but to private landlords and developers** who agree to build low rent dwellings. There are of course other ways to increase the supply of affordable accommodation in the private rental market that do not involve subsidising the rich. In China in 2006, measures were introduced that made it mandatory for 70% of the dwellings in any residential development to have a floor area of less than 90 square metres. Here, however, the government serves the rich and thus even in trying to reduce rents it chooses a scheme that will hand large swathes of cash to affluent landlords and rich developers. And that's money that could have been used directly for social housing!

To add insult to injury, on August 27 the Rudd government announced a savage \$750 million cut to the social housing component of its stimulus package. This will result in an estimated 800 fewer dwellings being built than had previously been announced. The government stated that the money was needed to make up for a shortfall in the school improvement package. There is indeed a need for a big increase in public education spending. This, however, should come not at the expense of public housing but from other sources. While the ALP government claimed that it did not have the money for the education package, the previous month it introduced tax cuts targeted towards the rich - tax cuts that granted those earning over \$180,000 per year an extra \$41.35 a week while those earning less than \$34,00 got absolutely nothing. Another area where greater funding for public education and public housing should come from is the current government funding for private schools. A fair chunk of Rudd's school stimulus program is actually going to wealthy private schools. So the first round of the National School Pride Program saw \$200,000 granted to Sydney's fabulously resourced King's School while another \$200,000 was doled out to the elitist Knox Grammar School for its already lavish sporting grounds. We say: **Slash all state funding to private schools - More funding for public schools and public housing!**

#### **KEVIN RUDD: JOHN HOWARD VERSION 07**

As well as failing to adequately rebuild public housing, the Rudd Labor government is undermining Aboriginal housing. Though in particular targeting Aboriginal housing in Alice Springs (that is serviced by Tangentyere Council) they are actually attacking Aboriginal housing throughout the whole country. Following through on the paternalist policies of John Howard, they are refusing to provide Aboriginal communities with the services that most other citizens take for granted as a right and are starving Aboriginal housing administrations of the funding needed to provide proper maintenance. Then with utter racist cynicism, they are promising to provide these services and maintenance only if the communities hand over total control of the housing to the government and thus relinquish even the most minimal Aboriginal self determination.

In summary, the overall housing policy of Rudd and his housing minister Tanya Plibersek can be said to reflect much of the essence of this Labor government. This essence of the Rudd government consists of the following characteristics: lots of spin about being better for "working families" than the Liberals, some minor concessions to its working class base in some areas but essentially the same anti-working class and racist program as its predecessor. So, over Industrial Relations, while scrapping the hated AWAs, Rudd/Gillard have maintained common law individual contracts, have upheld the ABCC union-busting authority targeting the CFMEU construction union and have renewed the anti-strike laws present in Howard's *Workchoices*. Mainly, the ALP has merely repackaged the essence of *Workchoices* under the new name of *Fair Work Australia*. Much like how Howard's "Pacific Solution" for refugees has been replaced by Rudd's equally racist "Indonesian Solution." And in the meantime, the Labor government earnestly continues with Australia's participation in the murderous imperialist occupation of Afghanistan. The one major difference between the current government and the previous one is that the parties running the last regime were based on the upper and upper-middle classes while the current government is a government also serving the capitalist rich but ironically administered by a party based on workers.

So, given that the ALP government is not going to deliver for working class people, how will progressive change be facilitated, at least on the issue of affordable housing? Some concerned about the lack of affordable accommodation have become involved in various lobby groups like the "Tenants Union" and Shelter. As part of their work, these groups lobby for more public and community housing. They also broadcast valuable information about the crisis in low-end housing. Yet they have a fatal weakness. All these groups are largely government funded. The "Tenants Union" services are funded by the NSW government's Office of Fair Trading while the Commonwealth government funds the National Shelter group. In the 2007-08 Annual Report of Shelter NSW, Chairperson Andrew Meehan wrote:

The bulk of Shelter's funding comes from Housing NSW. My sincere gratitude goes to then Minister for Housing, the Hon. Matt Brown MP, and the Director-General of Housing NSW, Mike Allen, and Housing NSW staff for their support. It is heartening that we enjoy a positive and productive working relationship with both the minister and Housing NSW.

A similar working relationship is emerging with the new federal Minister for Housing, the Hon. Tanya Plibersek MP, who is also Shelter's local member. I thank the minister for her willingness to engage with the organization and look forward to building our already positive relationship.

Needless to say, an organisation that is government-funded cannot be a vehicle for mobilising effective political campaigns against the policies of the government. It is notable that when the Rudd government announced its social housing stimulus package, Shelter responded with overly exuberant praise. Shelter, meanwhile, is also pushing to bring in more private sector investment into community housing – a move that would necessarily force these operations to both be tougher on tenants and to displace lower income tenants with higher rent paying ones in order to produce a return for their private investors. Shelter also generally supports the government's landlord-friendly NRAS scheme. To be sure, groups like Shelter and the "Tenants Union" can still be critical of the government as they were over its August cut to the social housing budget. Yet the minor irritation that such groups cause the ruling class is more than outweighed by the fact that they direct steaming community anger over government policy into tame channels like letter writing, behind-the-scenes discussion and lobbying – methods that pose no real challenge to the rulers' agenda. Simultaneously, these groups co-opt serious activists into their fold and thus neutralise the political threat to the ruling class' agenda that these ex-activists could have posed had they remained outside the government-funded circles.

### **FOR MASS ACTION TO WIN HOUSING FOR THE MASSES!**

To be able to effectively struggle for more public housing we need to clearly understand that the reason that Australian governments are neglecting social housing is not because they are poorly informed of the issues but because they serve the interests of the wealthy propertied classes. Thus the struggle to win housing for the poor involves not in educating the government but fighting **against** it to **force** it to make concessions to working class people. This in turns requires mass political action. That is why activist groups are building a rally on November 5 in Sydney to demand a massive increase in public and community housing places. This united front protest will bring together *in action* groups from a wide range of perspectives: from the EAST housing and community activist group to leftist groups like the Social Justice Network, the Sydney District Committee of the Communist Party of Australia and ourselves in Trotskyist Platform. The rally will start at 4pm outside the office of the Minister for Housing, Tanya Plibersek at 111-117 Devonshire Street (near the Elizabeth Street corner and just a short walk from Central Station.) All those in Sydney who support the interests of the working class, Aboriginal people, the poor and single mothers should join this action. The November 5 rally will mark the **start** of a crucial campaign.

Trotskyist Platform believes that to really put fear into the ruling class over the public housing issue we need the power of the union movement behind this campaign. The organised workers movement has a direct interest in fighting for public housing because it is working class people who form a disproportionate percentage of tenants. Those unions that organize lower paid workers like cleaners,

process workers, hospital services employees, liquor and hospitality workers and warehouse and supermarket employees will be especially crucial to this campaign.

To achieve union support for a campaign such as this one is not simply a matter of proclaiming the wish for it. Much patient work involving endless hours of discussions with individual unionists will be required. Before any organized union support is won, several individual union activists may first have to be motivated and energised on the issue through, for example, being won to participating in protest demonstrations. These worker activists will then become the spearhead for winning organized union support for the campaign. If the campaign grows and union contingents participate in mass protests the point may then be reached when industrial action to demand more public housing will actually be posed.

If the movement develops it would merge into struggles for other demands that are in the urgent interests of working class people: for free quality healthcare for all, for free childcare, for permanency for casual workers and for secure jobs for all. In response to all these demands, the capitalists will try to set the middle class against the working class by claiming that the demands can only be paid for if there are big tax increases on the middle class. We will respond that it is the capitalist exploiters who should pay. We could note, for example, that Australia's richest 200 people have a combined wealth of \$114.1 billion (see this year's *Rich 200* issue of the *BRW* magazine.) We would then explain that if these people's wealth was stripped down to just a comfortable \$2 million each, the funds gained would be enough to pay for the Rudd government's four-year social housing stimulus package **20 times over**. That would indeed be more than enough to solve the homelessness and low-end housing crisis!

However, the capitalist system depends on exploitation and so the greedy capitalists will do all in their power to resist such workers' demands. On the public housing issue, if after the mass movement has become powerful the ruling class still does not accede to its demands then the movement should turn to a more direct way to solve the low-rent accommodation crisis. This alternate method flows from the fact that there are 830,000 unused dwellings in Australia (National Housing Supply Council, *State of Supply Report 2008*) – a number that far exceeds the shortfall in low rent housing. These dwellings are unused for a number of reasons but quite a few of them are unused holiday homes of rich corporate owners and executives. Additionally, there are vacant rooms in extravagant mansions as well as much unused office space. **If the government refuses to adequately construct public housing then we should build mass, union-centred actions to seize unoccupied vacation homes and the like in order to house the homeless and to relieve the pressure of others living in overcrowded arrangements.** If such actions were pulled off they would electrify the whole working class. For the house seizures would show to all the downtrodden that their needs can indeed be met through struggle against the ultra-rich propertied class.

Of course, any such struggle that impedes on the property "rights" of the ruling class, just like picket lines and factory occupations do, will face repression from the various organs of the capitalist state – including the police, courts, ASIO etc. To protect themselves against this force, workers and their allies must build up effective and well disciplined self-defence systems. Ultimately, any gains made by working people in their struggles can only be secured when the capitalist state is defeated and the organs of the working class and poor assume state power.

Then the new political power based on elected councils of the most active masses will, instead of forcing the homeless to justify their residence in crisis accommodation each week, be immediately allocating to the homeless the unoccupied 2<sup>nd</sup>/3<sup>rd</sup>/4<sup>th</sup>/ .... 10<sup>th</sup> homes of tycoons or the spare rooms of especially gigantic occupied mansions. More centrally, the means of production itself – the factories, mines, land, banks and transport operations – will be taken into the collective hands of the masses so that the economy can be planned not for the profits of a few but for the needs of the people. For starters this would mean that every unemployed person would be granted a secure job and

the necessary training. And underemployed workers would get the number of work hours that they wanted. Secondly, with the likes of Lend Lease, Mirvac, Meriton Apartments, BGC etc all nationalised, resources can finally be diverted away from building extravagant mansions – many of which will be unused - and into constructing quality, low cost housing for the masses.

Even in the existing workers states in the world – all of which are deformed in various ways by the hostile encirclement of world capitalism – we can see some of these advantages of a socially-owned economy. For example, in the Peoples Republic of China, for all its partial concessions to capitalism, the state has started building a total of 9.9 million low-rent public housing dwellings to be completed by 2011. Nearly ten million public housing dwellings! Now one can, of course, point to the fact that China's huge population makes every figure related to that country sound big. But even if we take into account that China's population is 65 times greater than Australia's, we still find that China's public housing program is proportionately equivalent to building an impressive 152,000 units in Australia. This, in three years, is almost **eight times** more than what the ALP government will be doing for social housing in four years! Furthermore, the public housing program of socialistic China is even more striking when you consider that China is per head of its population still six times poorer than Australia (China is still pulling herself up from the terrible poverty and colonial subjugation of her pre-1949 capitalist days.)

The reason that socialistic China is able to achieve such a public housing program is that the decisive sectors of its economy are under state ownership or state control. This includes not only its biggest home builder, China Vanke corporation but also the biggest steel and cement companies whose products would be used in housing construction. Due to the control of these enterprises by the working class people's state, these enterprises can be commanded to meet the ambitious public housing construction program even though building such low cost dwellings would not be the most financially profitable way for the various enterprises to use their resources.

If the working class in a rich imperialist country like Australia were to take power, it would be able to harness even more resources to develop housing and other social programs than the likes of Cuba and China currently can. Of course, when the working classes in the West finally seize state power one of their first duties would be to render assistance to the long embattled socialistic states in Cuba, Vietnam, China and North Korea.

### **BREAK ALL ILLUSIONS IN ALP SOCIAL DEMOCRACY!**

Currently, we are a fair way from a socialist revolution in Australia. But this is not because the masses are satisfied with their current lot. Far from it! Rather, it is because they have illusions that their lives can be improved if only a "better" government is elected to administer the existing "democratic" state. For most workers and leftists this "better government" will be a "true" ALP government whom they would hope to lobby to serve their interests. These illusions not only undermine the struggle for a socialist future but they harm even the most basic struggles that are posed today, including ones for public housing and for workers rights. That is why we believe it is worth reasserting here some of the points we made in the period leading up to the last federal election which explain why the ALP always betrays its working class supporters:

The fundamental cause of attacks on workers rights is the fact that industry, mines and transport systems are owned not by the masses who do the work but by a small rich class whose wealth **depends** on how much they can exploit their employees. Rudd and Gillard are totally committed to this system of ownership and haven't the slightest intention of challenging the "right" of capitalists to manage their enterprises solely in accordance with what makes them the most profit...

... Today, as it gets nearer to government, Rudd's ALP is falling over itself to assure the capitalists. After eleven years of Howard's union busting and racism, working class people rightly want to get rid of the Liberals. But the bitter truth is that no parliamentary party is worth supporting in the upcoming election.

... **if some of the most respected shopfloor workers are won to the understanding that no**

**party bidding to be the capitalist government offers a way forward and that toilers can only rely on their own power, then the working class is much better prepared to defend itself no matter which stripe of government is in office after the next election....** Socialists must patiently explain that whichever party runs parliament it is merely overseeing a state apparatus (including courts, police, commissions etc) that has been constructed to serve only the capitalists and that is tied to the corporate big wigs by a thousand threads.

- *Trotskyist Platform*, Issue 8, Aug-Nov 2007

These points have direct relevance to the current campaign over public housing. There must not be any hint that we should avoid attacking **head on** the federal government over its grossly inadequate social housing program just because it is a Labor government. Or else we run the risk of weakening people's commitment to the campaign. We must be clear that the Labor government is our **enemy** – it may be a government run by a workers-based party but it is a government that is running the capitalist state machine in the service of the capitalist exploiters.

### **WHAT TYPE OF ALTERNATIVE TO THE ALP DO WE NEED?**

Labor federal and state governments' failures to deliver on affordable housing and health care and their right-wing attacks on refugees and the right to strike have prompted some left groups to organise various electoral coalitions that seek to in some way be an independent left challenge to Labor. The Democratic Socialist Perspective (DSP), the then ISO (now Solidarity) and others formed the Socialist Alliance (although the DSP is the only group left in the Alliance) in 2001. Left-leaning and anti-racist migrants in Sydney's Southwest later formed the Social Justice Network. And more recently the Communist Party of Australia and several migrant communist party organizations are building a Communist Alliance to run in future elections.

Now, socialists can indeed usefully stand in elections as a tactic to win a wider hearing for their views. Whether this electoral work actually benefits the class struggle and the overall fight for socialism depends on whether the work meets several criteria. For starters, any socialist electoral formation must genuinely be independent of the ALP and its electoral ambitions. Otherwise it is not really a left alternative to the ALP but rather a *loyal* left critic of the ALP. Unfortunately, on this criteria itself, the Socialist Alliance bombs out. At the last election, Socialist Alliance in part acted as a vehicle to help Rudd get elected. This can be seen in an article by a DSP/Socialist Alliance leader immediately following the last federal election. Although the article is titled, "Howard overboard – but the struggle continues", the article candidly described Socialist Alliance's response to Rudd's victory and in part took credit for the election result:

The Socialist Alliance "Howard Overboard" election night party in Green Left Weekly's offices in Sydney spontaneously spilled into the streets when John Howard conceded defeat. Jubilant activists celebrated with chants, whistles and pots and pans in a lap around the block which drew out people from their homes. A right-wing government that has plagued Australia since 1996 has been defeated and we have much to celebrate.

Socialist Alliance national coordinator Dick Nichols told GLW that it was movement's against Howard's policies, in particular those against Work Choices and the pulp mill in Tasmania, that made sure the Howard government was smashed. 'The Socialist Alliance played a big role in building these movements, and did well in those seats where that work was most visible', he said.

- *Green Left Weekly*, 25 November 2007

The second criterion is that any left formation must understand that parliament is not the road to progressive change – it should be purely used as a tribune from which to address the masses. In particular, communist parties should not aim to capture government through parliamentary elections either by themselves or in coalition with other parties. No matter whether a party says it is "socialist," "communist", "Trotskyist" or some other –ist, if it administers the existing state it is administering the state that has been built up and perfected to serve the capitalists. Thus, it can do nothing but act against the interests of the working class and poor. Let us take the example of Chile today. In Chile

there is currently in office a government headed by the Socialist Party's Michelle Bachelet. Bachelet was once a tortured political prisoner under the right wing military dictatorship of Augusto Pinochet as was her father who died in custody. Yet, as president, she continues the free-market anti-working class policies of the past, including privatisation. Meanwhile, in India, the Communist Party of India (M) is in office in three provinces. Yet the parliamentary governments that it heads are noted for their capitalist "neoliberal" economic policies. That is why the left parliamentary formations here must explicitly make clear that their perspective is not to similarly enter governments in capitalist parliaments. It does not matter whether this scenario is at present likely or not, the perspective must be absolutely clear from the start. Indeed, when a Marxist party stands in elections it must be extra careful to educate its supporters that so-called "democracy" under capitalism is only a democracy for the capitalists and that the road to socialism can only come through dismantling the existing capitalist state.

A third crucial criterion is that the left formation must base itself entirely on the methods of the class struggle. It would, of course, raise demands that crash up against the bounds of what is acceptable to the capitalist rulers – like, for instance, calling for a massive increase in public housing or for jobs for all. However, in raising these demands it should follow up by explaining that such demands cannot be realized by appealing to the good will of capitalist governments, courts or commissions. They can only be won through mass struggle. It is through the class struggle that the working class gets a sense of its own power and learns from its own experience that all the institutions of the capitalist state are its enemy.

Today, with the ALP regime shafting the homeless, knifing in the back restaurant employees working shifts and intensifying the oppression of Aboriginal people, workers and the downtrodden do more than ever need a party that will not kowtow to the exploiting class. A party that will understand that the enemy of working class people is not only the actual capitalists themselves but also the capitalist state that serves the interests of the rich. Such a party will be built in the course of struggles over urgent questions facing the masses. One of these questions is the struggle for public housing.

Socialists must be actively involved in organising and building the campaign to fight for more public and community housing. They must do so in order to help win some badly needed improvement in the lives of the poor. And they must in the course of participating in the campaign always advocate a strategy that teaches the masses to rely solely on their own collective power and unity. All struggles for immediate gains must contribute to preparing the toiling masses for the eventual future struggle for power. Today, the toiling masses will fight for more affordable housing. In the future they will fight to wrest control of the very machines used in construction. The working class masses will take control of the whole construction industry and indeed the whole economy and society. **Then we can finally proceed to build a fair, egalitarian and humane society - a society where every single individual is guaranteed the basic right to a decent home.**

  
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