



*A market-prone Labor politician discovers  
 the Coalition pushes happiness, not incentive*

IT'S THE CONSERVATIVES WHO WOULD DESTROY REWARD FOR EFFORT

CRAIG EMERSON

AS winter descended on Canberra and I sniffled under the doona after a parliamentary sitting day, I sent a text message to my sweetheart in Queensland. I'm sick, lonely and tired. What's the gummit gonna do about it? I demanded. By return stratospheric mail she messaged back: Oh but dear, you *are* the gummit!

That exchange, inspired by former NSW Treasurer Michael Costa's hilarious lament in these pages a couple of years ago that he was bald, fat and grumpy, so what was the government going to do about it, distilled my 35 years of public policy thinking.

A child of the Whitlam era and a product of a University of Sydney clash of economic philosophies between Marxists and Conservatives, I have yearned for a fair society in which every young person has the same opportunity in life.

Fairness, I believed, could only be achieved in a growing economy, where one child's opportunity gained was not another's opportunity lost.

Open, competitive economies offering reward for effort, risk-taking and entrepreneurship could generate the prosperity out of which opportunity-enhancing, high-quality education for all could be afforded.

Market-based economic policy would be the vehicle for delivering the socialist ideal of a fair society. Anti-competitive business behaviour would be deplored.

Punitive taxation to redistribute income from those working hard to others demanding money for nothing would be condemned. And governments would leave citizens at liberty to make their

own choices, free of unwarranted laws and regulations.

Two prime ministers, both Labor, embraced this same democratic, market-based, socially progressive philosophy. Bob Hawke and Paul Keating fashioned Australia's open, competitive economy that has yielded two decades of strong, recession-free economic growth. They invested heavily in providing educational opportunities for the disadvantaged. They provided a health-care safety net through Medicare. And they boosted income support for the underprivileged, based on the principle of mutual obligation that while the government would help them, they would need to help themselves off welfare and into work.

But when the bounty of reform and the China boom began raining from the sky in the mid-2000s, a profound shift in political strategy took place. The conservative Coalition government started to offer voters not opportunity but happiness. Australians could become relaxed and comfortable in the knowledge that Canberra would provide.

Opportunity was squandered in favour of middle-class welfare, a total repudiation of the needs-based philosophy of the Hawke-Keating era. Families earning \$54,000 a year paid no tax, the Coalition boasted. In truth, they paid lots of tax but got it all back in a money-go-round, the fortnightly cheques generously handed to them by a benevolent government seeking re-election. Dependency was achieved and the contract signed; keep voting Liberal and we'll keep sending you cheques.

So institutionalised has middle-class welfare become that when the Gillard government announced a modest curtailment at family incomes of \$150,000, Tony Abbott and *The Daily Telegraph* shrieked with outraged indignation. Families earning \$150,000 a year aren't rich, they frothed. Nobody in the Labor government ever said they were, of course, but that didn't quell the conservative hysteria.

By promising happiness instead of incentive, money instead of reward for effort, and dependency instead of liberty, politicians destroy human dignity for their own personal gain.

In his book *Battlelines*, which is proving to be a pretty accurate blueprint for his official Coalition policy positions, Abbott advocates removing means tests for family payments, the baby bonus and the age pension.

Abbott's philosophy is big government providing welfare for all: a growth-destroying, opportunity-crushing government dependency that would make my Sydney University socialist lecturers proud.

So where does that leave us?

I'm fed up with false promises of happiness by selfish career politicians. I know, I'll cuddle my children, invite my sweetheart under the doona and watch the mighty Bulldogs achieve a great and glorious victory. And I don't need the gummit to do it.

Gotta go, I think I'm on to something. See ya.

*Craig Emerson is the Minister for Trade.*