Bill Shorten made the wrong call and missed the right opportunity to own up to it

By David Crowe
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The one thing Bill Shorten could not bring himself do to on Friday was admit he got it wrong.

The Opposition Leader stumbled on Tuesday by taking a new position on company tax that surprised his own side and antagonised small employers.

In his attempt to clean up the mess on Friday, he risked antagonising even more employers.

Labor leader Bill Shorten reverses his 'captain's call' on a proposed $20 billion tax hike on 20,000 Australian businesses.

Shorten’s new position means 940,000 small and medium companies will pay a higher company tax rate under Labor than the Coalition over time.

This has been a shockingly bad week for Labor because it struggled for days to decide its policy after realising there was a huge danger in what Shorten thought the policy was.

Confused? So were they. In a long press conference on Friday, Shorten and his colleagues were heavy on soundbites but light on the detail of what they had just decided.
At first, they claimed almost every company would be better off under Labor because a Shorten government would keep tax cuts already legislated for companies up to $50 million, as well as offering other policy wins.

Only later did it become clear that Labor's new position would set the rate at 27.5 per cent.

The government now offers all these companies a lower tax rate of 25 per cent, if they are patient for the changes to take effect over the next nine years.

Experts can argue over whether the different rates matter that much, but the bald fact is that the companies are not better off under Labor. They are worse off. Those statements to the cameras on Friday were wrong.

Labor displayed strong discipline in Parliament this week to fend off the government’s attacks while furiously rewriting its policy behind the scenes.

For some, the need to fix the policy deepened the impression that too many decisions are left to the small leadership team around Shorten. The process this week reasserted the authority of the full shadow cabinet. It was a reminder to Shorten that his authority is not absolute.

Admitting a mistake should be welcomed when any politician owns up to it, but that did not happen on Friday. Shorten justified what he said on Tuesday by claiming he simply announced the position taken by the expenditure review committee of shadow cabinet.

This was too cute by half. In reality, Shorten announced a $10 million threshold that had not been endorsed by shadow cabinet. The idea that it was an expenditure review committee decision was news to more than a few.

Asked on Friday if he had got it wrong, Shorten dismissed the “word games” and moved to another question.

The problem is obvious. The fact that his announcement had to be revoked within days means Shorten made the wrong call. That leads to the question of whether his judgement was flawed.

And that ends up with speculation about whether Anthony Albanese would do a better job.

Labor’s infrastructure spokesman called one week ago for Labor to work more closely with business. The mistakes of this week prove he was right.

There are concerns within the caucus over Shorten’s lack of popularity and the way this may weaken Labor at the byelections on July 28 and the general election to follow. There are disagreements about the scale of the problem.

That means his judgement is under scrutiny like never before.