

Australian Labor Party suffers humiliating by-election defeat in Wollongong

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The voters of Wollongong, a major industrial city 80 kilometres south of Sydney, delivered a humiliating defeat to the Australian Labor Party and its leader, Simon Crean, last Saturday. In a by-election caused by the sudden resignation of the sitting member, Labor lost the federal seat of Cunningham for the first time.

Since its establishment in 1949, Cunningham has been one of Labor's safest seats. Before last November's general election, the party held the seat with a 17 percent margin. Last Saturday, however, its vote plunged to 38 percent, down by 6 percentage points, on top of a 7.5 percent swing last November.

Labor's collapse enabled the Greens to win their first-ever lower house seat in the Australian parliament. With the help of second preference votes from all 11 other candidates, the Green candidate Michael Organ prevailed with a primary vote of 23 percent, a swing to the Greens of 16 percentage points.

The election campaign was dominated by deep-seated disillusionment with Labor and overwhelming rejection of the Howard government's planned involvement in the impending US-led invasion of Iraq. The Greens carefully positioned themselves to take advantage of these sentiments by declaring opposition to the war, while Labor kept quiet on its support for an intervention, with or without UN sanction.

The vote marked a decided shift to the left among working people, students and professional layers, seeking to express anti-war and broader anti-capitalist sentiments within the restrictive framework of parliamentary politics. In the Senate last month, Greens leader Bob Brown lined up behind an attack on Iraq, provided it was rubberstamped by the UN. But in the election, the Greens presented themselves as definitively anti-war.

Traditionally, Australian by-elections see an anti-government swing, as voters take the opportunity to vent their hostility to the incumbent federal administration. On this occasion, however, Labor became the first official opposition party to lose a federal seat in a by-election since 1921. Prime Minister John Howard's ruling Liberal-National Party decided not to stand.

A local Liberal Party member, David Moulds, running without any party support, picked up less than 14 percent of the vote, while local trade union council president, Peter Wilson, backed by the region's "left" union officials, won 10.5 percent. Wilson ran on a ticket of protesting against Labor's right-wing apparatus and its bureaucratic installation of Sharon Bird as Labor's candidate, by blocking a pre-selection ballot by local party members.

Significantly, the absence of a Liberal candidate did not produce an increased vote for the extreme right-wing, anti-immigrant Pauline Hanson's One Nation party. Campaigning prominently, its vote fell 0.6 points to 4 percent. The Australian Democrats, an avowedly "middle ground" party, suffered a debacle, with its vote falling from 4.9 percent to 2.2.

Wollongong is a working class heartland, substantially based on the Port

Kembla steelworks, formerly owned by BHP, and associated heavy industries, including coal mines, a copper smelter, fertiliser plant, cargo terminals and coke works. Over the past two decades, under both Labor and Liberal governments, state and federal, it has been devastated by unemployment and the gutting of health, education, housing and other social services.

With the assistance of Labor and the trade unions, BHP and other corporations have ruthlessly slashed jobs, while driving up output and continuing to poison workers and local residents with toxic emissions. Only 10 years ago, the steelworks employed 22,000 workers, down from a peak of more than 30,000. Today, its workforce is less than 6,000. A decade ago, 15,000 miners worked in the coal pits; today there are less than 4,000.

Labor officials and some media commentators sought to dismiss the anti-Labor swing as the result of demographic shifts, because better-off middle class people have moved into the northern beach districts of the Cunningham electorate. But the vast majority of the electorate lives in the working class suburbs surrounding Wollongong and stretching north through Corrimal, which includes a public housing estate, to Bulli and Thirroul. Thousands of young people also live in these areas—more than 40 percent of Cunningham's residents are under the age of 30.

Labor's loss of Cunningham reveals the depth of opposition among ordinary people to the looming war against Iraq. With the by-election being held a week after the October 12 bombing atrocity in Bali, distrust and fear of the war's implications were prominent in polling day interviews conducted by the *World Socialist Web Site* (see accompanying story).

Almost everyone we interviewed agreed that the impending attack on Iraq is being motivated by a drive to control oil supplies and establish global strategic hegemony, not protect ordinary people from terrorism. "Money", "oil" and "power" were the terms commonly used. Likewise, there was an overwhelming feeling that the Bali bombings were connected to Australian support for the Bush administration and its war plans. Only confirmed Labor voters expressed support for the war.

Labor badly miscalculated on the impact of the Bali blast. On the Monday before polling day, a spokesman claimed that Labor's campaign would be saved by the "Bali factor" after Brown, the Greens leader, publicly suggested that the bombings were attributable to the Howard government's backing for war preparations against Iraq. Crean formed a bipartisan front with Howard, insisting that the carnage in Bali meant that the "war on terrorism" had to be escalated. But the events in Bali only reinforced the misgivings of ordinary people.

The Labor leaders were not the only ones alarmed by the anti-war sentiment. Just two days before the election, the US Embassy confirmed it had requested a series of unprecedented meetings with the Greens and other minor parties and candidates in order to ascertain the level of opposition to the war in the electorate. Clearly concerned about the public mood in Australia, a key US ally in the "war on terrorism", the embassy

put out a statement, indicating its interest in gauging public opinion in the lead-up to the November 5 mid-term Congressional elections in the US.

Senator Brown initially declared that the request could infringe the Vienna Convention against foreign interference in domestic political affairs. Nonetheless, the next day—the last day of campaigning in Cunningham—the national and local leaders of the Greens dutifully met US diplomats. The local daily, the *Illawarra Mercury*, published a photograph of Brown, fellow federal senator Kerry Nettle, the candidate Michael Organ and two other Greens representatives sitting around a table answering questions from US officials.

Wollongong provides a case study in Labor's degeneration into a bureaucratic shell, run by handfuls of "left" and "right" factional powerbrokers, whose sole preoccupation is dispensing parliamentary seats and other lucrative posts.

For more than a decade, local Labor branches have been shamelessly "stacked" by the two rival factions. Each has signed up hundreds of nominal members, often on the basis of ethnic background, in order to win pre-selection battles for federal and state parliament, as well as positions on the Wollongong City Council, which has planning powers over local real estate and development deals. The party's actual membership has fallen to such low levels that local business operators have sought to buy control of entire branches by paying for bulk memberships.

Voters who spoke to the WSWS expressed disgust with Labor's corruption, lack of democracy and indifference to the needs of ordinary people. Many were scathing of the business dealings of former Labor Lord Mayor George Harrison, who resigned earlier this year after being declared bankrupt. Such has been the collapse in popular support that the party was unable to mobilise sufficient local members to hand out its how-to-vote cards at polling booths.

Labor's candidate, Bird, personified Labor's machine politics. A local union official, she was a long-time aspirant for parliamentary office from the "left" faction, until two years ago, when the national Left installed former Australian Council of Trade Unions president Jennie George as the Labor candidate for Throsby, Wollongong's other federal seat. Bitter at being passed over, Bird promptly quit the faction and joined the Right, which controls Labor's New South Wales state branch.

Two months ago, the right-wing machine rewarded her by using a controversial party rule, known as N40, to insert her as the candidate for Cunningham. A membership ballot was considered likely to produce a victory for Chris Christodoulou, a "left" union official who is deputy secretary of the NSW Labor Council.

The by-election was caused by the resignation of Stephen Martin, a former federal Labor shadow minister and Speaker of the House of Representatives, who held the seat for 18 years. Martin quit less than eight months after the general election, following his dumping from the Labor frontbench. Claiming his decision was motivated by unstated family pressures, he was almost immediately appointed a highly-paid professorial fellow in Wollongong University's business school. The university, which has long had substantial sponsorship from BHP and other large companies, announced that Martin would develop links between the business school and the "business community".

Crean, who assumed party leadership in the wake of last November's general election loss, Labor's worst defeat since 1906, declared the Cunningham by-election to be a test of his leadership. He personally backed Bird's undemocratic pre-selection, repeatedly extolled her as a model candidate and visited the electorate at least four times during the six-week campaign.

Halfway through the campaign, Crean convened a national Labor rules conference to push through reforms supposedly designed to break the grip of the factional warlords. The conference became a predictable farce, with the faction bosses stitching up last-minute deals on every issue.

Such was the infighting generated by the conference that the NSW head

office, which bitterly opposed some of Crean's measures, distanced itself from the Cunningham campaign as soon as opinion polling began predicting a possible loss. Despite having handpicked Bird as the candidate, the NSW Right left Crean's office to run the campaign, in the hope that the defeat would destroy his leadership.

As soon as the extent of the debacle became clear, the factional wrangling intensified. Representatives of the NSW leadership demanded Crean's removal, with Health Services Union national secretary Craig Thomson issuing the first public call for Crean to quit.

For his part, Crean blamed the NSW machine, claiming that the only "message" of the by-election was the need for Labor to get its organisational house in order. There was no question of changing policy, particularly on the war against Iraq.

Geoff Kitney, commenting in the *Sydney Morning Herald* pointed out that, while Crean claimed the result was "a wake-up call... the message from Cunningham is not a message Crean wants to hear in terms of repositioning Labor. The voters of Cunningham voted for a lurch left. After the Bali bombings and the new national sense of insecurity that they have created, this is the last place Crean will want to take Labor."

There is every indication that Labor will only move further to the right, continuing to try and outbid the Howard government on "law and order" and strengthening the police-military apparatus on the pretext of pursuing the "war on terrorism". The day after the by-election, NSW Premier Carr called for the establishment of a federal Ministry for Homeland Security, along the lines of the Bush administration's Department of Homeland Security. Its purpose would be to put the armed forces, federal and state police, intelligence agencies and emergency services under a single command.

Howard and the Liberals have been unusually low-key in their celebrations over Labor's loss, since it points, unequivocally, to a growing anti-war sentiment and a deepening alienation from the official political establishment. While the Greens have initially benefited, it will not be long before their fundamental agreement with the "war on terrorism" will become crystal clear—as it has in Germany, where their counterparts have served as coalition partners in the government for half a decade, enthusiastically supporting Germany's military intervention in the Balkans and the beefing up of its military presence in Europe and internationally.



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