

Australia:

Media pushes for a majority Labor government in Victoria

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In the final days of the campaign for the Victorian state election this Saturday, the media has blitzed voters with predictions that the Labor government will win a landslide victory. Kerry Packer's *Bulletin* news magazine, which this week features a smiling Premier Steve Bracks on its front cover, has even forecast a "Bracks era" that will stretch for a decade or more.

Every daily newspaper—the Murdoch-owned *Australian* and *Herald-Sun*, and the Fairfax-controlled *Age* and *Australian Financial Review*—published election-eve editorials calling for the return of the Labor government with a clear majority in its own right. Even the *Herald-Sun*, which has traditionally backed the conservative Liberal Party, advocated a strong vote for Labor, under the headline: "Needed, a clear winner".

This media campaign has a definite purpose—to boost the chances of a majority Labor government, ending three years in which Bracks has survived with the support of three rural-based independent MPs, and has been forced to make social concessions to appease public disaffection. Behind the headlines, there is anxiety that the result will be far less certain, possibly resulting in a more precarious government, dependent on Green MPs as well as independents.

Although the published opinion polls indicate a decisive majority for Labor over the Liberal opposition, Labor's predicted vote has fallen from 54.5 percent to 47 percent during the campaign, with the Liberals clawing their way back from 32 percent to 35 percent. While the gap remains wide, it will not necessarily translate into electoral gains. No less than 29 of the 88 seats are regarded as "marginal"—where the result is uncertain. And because of an electoral redistribution, Labor needs a swing of 2-3 percent just to retain office. Moreover, the polls show that up to a quarter of voters are still to decide, underscoring the volatile political situation.

On November 28, for all the hype about a crushing Labor victory, both Bracks and Liberal Party leader Robert Doyle warned voters against supporting the Greens. Together with a near-record number of independents, the Greens are seeking to cash in on the hostility to both major parties. The Green vote has reached 11 percent, and 14 percent in Melbourne—about three times higher than in 1999. By some accounts, the Greens could pick up inner Melbourne and regional seats on the distribution of second preferences.

Just three years ago, the same media pollsters and pundits predicted a sweeping win for Brack's predecessor, Liberal Party Premier Jeff Kennett, who was hailed as a charismatic strongman of the prevailing pro-market agenda. But a groundswell of opposition in both urban and rural areas against years of job destruction and the dismantling of basic public services wiped out Kennett's 25-seat majority, handing Bracks an unexpected victory.

Because of that reversal, which flowed onto every other state election between 1999 and 2001, Bracks' government felt compelled to restore

about 5,000 of the 13,000 teachers' and nurses' jobs axed by Kennett. In rural and regional areas, it spent some \$1 billion on various programs to partially revive devastated services. At the same time, Labor maintained the vast majority of Kennett's cuts, earning praise from the financial markets, but provoking anger among ordinary people.

Bracks called the election on November 4 at the earliest date possible under the state's constitution, a full year ahead of schedule, and allowing only 25 days—the legal minimum—for the campaign. Reflecting business demands for a stronger government, he insisted that his administration could not continue any longer without its own "mandate".

In part, his timing was triggered by turmoil in the Liberal opposition. Just weeks earlier, bitter factional infighting culminated in the dumping of Denis Naphine as Liberal leader. Little-known Robert Doyle, a protégé of federal Treasurer Peter Costello, replaced Naphine, who was backed by Kennett and Prime Minister John Howard. The rifts have worsened during the campaign, with one of Doyle's closest supporters, shadow treasurer Robert Dean, disqualifying himself by failing to enrol to vote.

Bracks further exploited a split between the Liberals and the Nationals, their former rural-based coalition partners. Having been reduced to a rump of six seats in 1999, the Nationals have made a desperate bid for survival by refusing to sign a coalition agreement with the Liberals. They have issued a "non-negotiable" demand for any coalition government to spend \$1.45 billion on rural infrastructure and electricity subsidies, at the expense of urban projects.

Labor also sought to get the election out of the way before next year's predicted national economic downturn. In Victoria, the real estate boom that has underpinned economic growth over the past three years has begun to burst. In the September quarter the state fell behind the rest of the country in jobs, retail sales and housing approvals, and in October 23,000 full-time jobs were lost, while 16,500 part-time jobs were created.

At the same time, the Bracks government was aware of mounting opposition to the impending US-led invasion of Iraq, an assault that Labor has declared its readiness to support. On October 13, 35,000 people marched through Melbourne against the planned military onslaught. The next weekend, Labor suffered an unprecedented defeat in the federal by-election in the Wollongong electorate of Cunningham, losing the working class seat for the first time ever to the Greens, the only party that offered any, even limited, opposition to the war.

There are fears in ruling circles that the anti-war sentiment can develop in unpredictable ways, and feed into wider discontent, with destabilising consequences. These concerns are particularly acute in Victoria, Australia's most industrialised state, home to key sections of the working class.

During the election campaign itself, both Bracks and Doyle have tried to woo voters with long lists of promises to alleviate conditions in the

schools, hospitals, public housing and community services. By the *Sun-Herald's* calculations, Bracks has offered \$4.5 billion worth of promises, while Doyle has made \$5.3 billion worth. Once the election is over, business and the financial markets will demand the jettisoning of these pledges.

Writing in the *Australian Financial Review* on November 25, Martin Cox, the Australian chief executive of the International Chamber of Commerce, declared that whoever won the election would have to slash business costs, scrap minimum wage laws and abolish "restrictive work practices" to attract foreign investment. After complaining of Bracks' failure, in his first term, to tackle these issues, Cox declared: "To Bracks' credit, he realises the challenge he faces if he wins a second term."

The Greens and independents are striving to divert alienated voters into a host of so-called local issues, ranging from environmental damage to unwanted real estate developments. Since the Cunningham by-election, the Greens have downplayed their position on the war, barely mentioning it in their Victorian campaign and avoiding any criticism of Labor's readiness to back a US assault on Iraq. They are signalling their readiness to join a Labor-led coalition in Victoria, or support the Bracks government in parliament. As another indicator, the Greens have allocated their voting preferences to Labor, while federal leader Bob Brown has called for a Green vote in order to keep the government "on its toes".

Throughout the campaign, the business and financial leaders have increasingly thrown in their lot with Labor. In the last week, leading companies such as Nestles, Heinz, Siemens, Nokia, Hewlett-Packard, Kraft and Arnotts dealt the Liberals a body blow. They denounced the unauthorised use of their names in Liberal advertisements that accused Labor of driving employers away from the state because of its union links. Australia's largest construction company, Grocon, shattered what was left of the Liberals' campaign by expressing "disappointment, puzzlement and amazement" at plans by federal Workplace Relations Minister Tony Abbott to stage a media conference outside a Grocon building site to attack Labor's record.

The impact was devastating because Doyle has focused the Liberals' entire campaign on accusations that Labor is beholden to the unions, insisting that this is the central issue in the election. The state's major employers, however, have made plain their continued readiness to work with Bracks and the union leadership to smash up jobs and working conditions.

It is not difficult to see why, given the lack of a viable Liberal-National alternative, business is pushing for a strong Labor government. Over the past three years, Labor has worked with the trade union leadership to suppress industrial militancy and assist companies to axe tens of thousands of jobs in basic industry.

Those that have shut plants or laid-off workers include Heinz, Daimaru, Bradmill, Email, BAE Systems, Bonlac, One Tel, Gate Gourmet, Nestles, Arnotts, Coles-Myer, BTR, Dorf, Yakka, Pilkington Glass, General Motors Holden, South Pacific Tyres, Holeproof, Coogi, Ericsson and Westpac bank.

The government itself boasts of halving industrial disputes in three years. Early in 2000, it used emergency services legislation against locked-out Latrobe Valley power workers, forcing them back to work. Last November, Bracks sent in more than 100 police against textile workers on the Feltex picket line. On both occasions, the union leadership prevented any substantial industrial response and imposed sellout settlements.

Of the 71,000 public sector jobs eliminated by Kennett, including those of some 9,000 teachers and 4,000 nurses, Labor has restored less than a third. Of the nearly 400 schools shut down over the past decade, only one has been earmarked for reopening. Bracks halted the sell-off of the Austin Repatriation Hospital but has reopened none of the 60 hospitals and 1,300 beds closed in recent years.

The only area of staffing that has returned to pre-Kennett levels is the

police. Bracks has made "law and order"—increased police powers, and harsher laws and sentences—the centrepiece of his government, boosting police numbers by 800 and pledging another 600. In 2000, Bracks ordered police to attack demonstrators outside the World Economic Forum and subsequently praised the assault, which hospitalised 50 people.

During the campaign, Bracks has seized upon the October 12 Bali bombings and the "war on terrorism" declared by Bush and Howard to introduce sweeping police powers. He announced a \$37 million anti-terrorism package, establishing an elite terrorist squad, expanding the paramilitary Special Operations Group and setting up a crisis centre to coordinate federal and state police operations, and outlined plans to authorise police to covertly enter and search homes and other premises.

Labor has extended Kennett's wholesale privatisation program, but in the guise of so-called public-private partnerships, which involve corporate construction and ownership of public facilities, including schools and hospitals. Bracks and his Treasurer, John Brumby, have pushed ahead with these projects, despite a vote at the state Labor conference to reject them.

The government has also propped up Kennett's privatisations to the tune of \$600 million, including \$270 million for cost over-runs on train and tram ticketing machines, \$189 million to subsidise private bus operators, \$110 million to bail out private train and tram operators after they failed to provide contracted services.

Bracks has declared that cutting business taxes is his priority, rejecting calls to reduce the government's dependence on regressive gambling taxes, the revenue from which has increased by 30 percent under Labor to \$1.9 billion a year.

Beneath the media-generated appearance of overwhelming popular support for Labor, millions of people are disaffected, and their alienation can find no genuine expression in this election. To the extent that working people vote Labor or Green, or give Labor their preferences, many will be doing so without any real conviction. The only means of addressing the root causes of this unease and opposition is through a socialist program, against imperialist war and for a fundamental reorganisation of society to meet the needs of working people rather than the profit requirements of a tiny elite.



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