

Australia: Mark Latham and Liverpool Council-what the record shows

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24 September 2004

One of the scare campaigns launched by the Howard government for the October 9 election has been that a Labor government led by Mark Latham could not be “trusted” with the management of the economy. Apart from claiming that housing and other interest rates would soar under Labor, Prime Minister John Howard and senior coalition ministers have accused Latham of ruining the finances of Liverpool Council, in suburban Sydney, when he was mayor of the municipality between 1991 and 1994.

In all the misleading claims and counter-claims over the issue, there has been barely a mention, let alone any serious examination, of Latham’s real record as mayor. That is because it offers a damning insight into the agenda that a Latham government would adopt toward the working class.

Latham is accused of having engaged in a \$A36 million (\$US25.5 million) spending spree, increasing rates and charges for property owners and leaving the council in massive debt. His official response was given in parliament on June 1, where he declared that in 1994 he left the council budget in surplus to the tune of \$1.6 million. He went on to insist that the council’s debt servicing ratio fell from 17.2 percent to 10 percent as a result.

Emphasising the job cuts he had made during his tenure, Latham said “council staff members fell from 500 to less than 400, a sign of the financial disciplines that were applied.” He further boasted that: “The efficiency gains were realised through a combination of strategies involving commercialisation of council functions, contracting out, the commercial management of council assets and significant labour market reform, moving away from the centralised award to the first enterprise agreement in the council’s history.”

Latham was at the forefront of the “labour market

reform” offensive launched by the Keating government, with the assistance of the ACTU trade union leadership. It consisted of slashing secure, full-time jobs, forcing workers into single-enterprise agreements, destroying longstanding conditions and basic rights, and privatising, corporatising or outsourcing public services, from the Commonwealth Bank to Qantas.

In line with this program, Latham introduced staff performance contracts and set up a business unit called Liverpool City Works, which tendered for work both from the council and external clients. Council employees bore the brunt of these policies. Less than a year into his term, 243 council workers passed an unprecedented vote of no confidence in him. Latham responded that some outdoor workers “are beneath contempt and decent human standards”.

A former outside worker, who was employed by the Council for 18 years, but lost his job while Latham was mayor, told the WSWS: “The council started putting in contractors. No one lost their jobs directly, but they ended up handing in their jobs. The council said no one would be dismissed, but suddenly some of us found that our jobs were no longer there.

“As part of the changes, I was made redundant because the job I used to do, which was washing down concrete footpaths, was no longer required. The council got rid of the night garbage collectors and put contractors in. As Latham said, they did cut a lot of people.

“The council also changed the name we were employed under, to Liverpool Contracting Services. We had to tender against other councils for work, such as building new bus shelters. It wasn’t only Liverpool Council—all the councils did it, except for the wealthy councils, who did not need to tender for work.”

Latham told parliament that the council fell into deep debt after he left to take his parliamentary seat, because it reversed his initiatives. “Unfortunately, the councils elected in 1995 and 1999 abandoned these strategies. For instance, they returned the outdoor works function to in-house management and staff, and wound back the commercialisation process and the contracting out.”

Once Latham had carried through his attacks on the council workers, the right-wing Labor Party machine in the state of New South Wales rewarded him in late 1993 by installing him undemocratically as the party’s candidate for the local federal seat of Werriwa. Treasurer John Kerin had vacated the seat after the near-defeat of the Keating government earlier that year.

Following a crushing defeat for Labor in the South Australian state elections in late 1993, and to avoid further electoral fallout, Labor Prime Minister Keating decided to call a snap by-election for Werriwa over the 1993-94 Christmas holiday period, effectively preventing any serious campaign. Labor’s normal pre-selection process was called off, and every other contender was prevailed upon to withdraw, leaving Latham with the uncontested Labor nomination.

This was the second time in five years that the Labor machine had attempted to foist Latham on the working class voters of the Liverpool region. In 1989, he was declared pre-selected as the party’s candidate for the state parliament seat of Liverpool, only to be dumped by Labor’s head office when the party’s “Left” faction produced damning evidence of blatant ballot-rigging in the pre-selection vote.

When Latham was elected Labor leader last December, the *World Socialist Web Site* warned that he won the job because Labor MPs understood that his right-wing political agenda had the approval of powerful elements within the ruling elite.

Within these circles, there was mounting impatience that the process of economic de-regulation and restructuring, begun under Hawke and Keating in 1983, had stalled under Howard, who has been unable to carry through any of the big ticket items demanded by corporate Australia: the gutting of social programs, the full privatisation of Telstra, the removal of “unfair dismissal” laws, and media de-regulation.

In repeated guest columns in the Murdoch press and the *Australian Financial Review*, Latham argued that Keating’s economic rationalist agenda had to be

revived and developed. While, for electoral reasons, the party leadership of Kim Beazley and Simon Crean sought to distance itself from the worst excesses of the Hawke and Keating governments, Latham fashioned an even more market-oriented platform, based on the “self-provision” of education, health and employment services, and the imposition of “reciprocal responsibility” on all welfare recipients to repay—or work for—any benefits.

Latham’s record of job-shedding and contracting out at Liverpool Council constitutes yet another demonstration of the socially regressive character of this program.



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