

Australia: State Labor premier and deputy depart for greener pastures

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Last Friday, state Labor leader Steve Bracks announced he was resigning as Victorian premier and from state parliament. Less than four hours later, John Thwaites, Bracks's deputy and the Victorian minister for water, held a press conference to say he was also quitting. Both men said they would back Treasurer John Brumby as leader and he was appointed state premier on July 30.

While the Australia's ruling elite and the corporate media appeared to be caught by surprise by the resignations, they soon found their stride, showering Bracks with eulogies.

Tim Piper, Victorian director of the Australian Industry Group, and Richard Pratt, the multi-billionaire chairman of Visy Industries, praised Bracks for his collaboration with big business. Australian Prime Minister John Howard, Treasurer Peter Costello and former Liberal Premier Jeff Kennett also paid their compliments, while the *Age* newspaper described Bracks as "the most successful Victorian Labor premier in history".

The premier, the newspaper continued, was "a man with a sense of community spirit and responsibility," "moral decency," and "basic humanity" who had "ruled for all Victorians".

Notwithstanding the media puffery, Bracks did not "rule for all Victorians" but led a pro-business regime which maintained the sweeping free-market job destruction policies introduced by his predecessor, Kennett.

The Bracks government was elected in September 1999 on a wave of popular hostility against the Kennett government, which axed 50,000 public sector jobs, closed hundreds of schools and privatised electricity, gas, transport and other state-owned industries.

While Bracks was marketed in the local media during

his eight-year premiership as a bland and benign political figure, his government maintained Kennett's vicious assault on the working class.

Vital social services, such as health, education and transport, were run down while state taxes and charges were slashed to assist big business and attract investment. Pro-market, privatisation policies were continued via "private-public partnerships" in essential infrastructure and services, with investors securing windfall profits.

With the assistance of the trade union movement, Labor also ensured that working class opposition to the drastic down-sizing of manufacturing jobs and working conditions was contained and dissipated. In Victoria, 4,000 jobs in auto assembly and parts were axed under Bracks, along with hundreds of jobs in food, clothing and other manufacturing industries. Thousands of full-time jobs were replaced with low-paid casual or part-time work throughout the state.

Bracks, like other state Labor leaders, seized upon the so-called "war on terror" to overturn long-held democratic rights.

His government passed legislation enabling Canberra's anti-terror laws in Victoria and actively participated in every terror scare whipped up by the Howard government, including the demonisation of Jack Thomas and the detention without trial of 13 young Muslims from Melbourne over the past 18 months.

While Bracks, 52, cited a recent family crisis as one of the reasons for his resignation, it is clear that the former premier, like an executive running the state branch of a major corporation, decided to use his managerial experience and insider knowledge to head off to greener and more lucrative pastures.

Last weekend's *Sunday Age* reported that Bracks and

Thwaites could secure high-paying advisory positions with corporations planning to do business in public sector transport, infrastructure or utilities industries.

Tony Beddison, chairman of the Beddison Group, said Bracks was young, experienced and had “impeccable international connections”. He predicted an annual salary of \$3.5 million or more at somewhere like Macquarie Bank, where Bracks could earn a state premier’s annual income each month. This was the path taken by former New South Wales Labor leader Bob Carr, who resigned as state premier in 2005 and took up a part-time consultancy position with Macquarie Bank, reportedly on a \$500,000 annual salary.

Commenting on the elevation of John Brumby as state premier, an editorial in the *Australian Financial Review* on July 31 made clear what the new regime should be doing.

Citing a recent Productivity Commission report on the performance of government trading enterprises, the big business journal complained that half the state-owned firms were not “measuring up” and that a new round of national economic restructuring was required in “energy, water, transport and red tape”.

“What’s needed to overcome the complacency and reform inertia of the good times is a national plan for reform and a champion of that plan ... [and] Mr Brumby is ideally suited for this role.” Brumby, the editorial continued, “needs to explain [to his fellow premiers] that they risk further more federal takeovers of state powers if they don’t get their infrastructure industries up to speed.”

In other words, Brumby’s government has to seize the initiative with a new plan for cost-cutting and productivity measures and immediately deepen the assault on the working class.

The sycophantic praise from Prime Minister Howard, Treasurer Peter Costello and the corporate media for departing premier Bracks and his deputy Thwaites once again demonstrates that there are no fundamental differences between Labor and the Liberal-National coalition parties. Whether in or out of government, these parties have established an unprecedented degree of political bipartisanship, all functioning for the same purpose—to serve the profit interests of their corporate masters.



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