

# Queensland Labor proceeds with privatisations, despite last weekend's electoral rout

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Despite the Labor Party suffering an electoral rout in the state of Queensland in last Saturday's Australian federal election, the state's Labor Premier, Anna Bligh, backed by the Murdoch media, has vowed to proceed with her government's most unpopular program—the privatisation of up to \$30 billion worth of public assets at the bidding of the financial markets.

Bligh declared on Monday that while her government would now “listen more” to the public, it would not back away from its privatisation agenda. “We have got what it takes to make the tough decisions,” she insisted.

At least 10,000 jobs are being destroyed directly as a result of Labor's sell-off, which includes the Queensland Rail (QR) freight and coal haulage operations, Queensland Motorways, the Port of Brisbane, Forestry Plantations Queensland and the Abbott Point coal-loading terminal. Opinion polls indicate that 80 percent of Queenslanders oppose the plan, and over 90 percent of people in regional areas reject the rail privatisation.

Bligh has received strident support from the Murdoch media. Today's *Australian* editorial hailed her for setting a national example. “Ms Bligh's willingness to show a degree of political courage has become far too rare on both sides of Australian politics at state and federal levels,” it declared, praising her as “commendable” for “staring down” vehement opposition.

With both caretaker Prime Minister Julia Gillard and Liberal leader Tony Abbott currently courting the support of four independent MPs to try to form a minority government, the Greens, among others, are promoting illusions that the outcome will be a more democratic political system, more attuned to the sentiments of ordinary people.

Bligh's backing by the corporate media underscores the fact that whichever party takes office federally, it will be committed to satisfying the dictates of the money markets for deep spending cuts and other austerity measures, regardless of the mounting hostility of working people.

Last Saturday, Labor's vote fell in every state and territory, except for Tasmania. But Queensland recorded the largest loss, with the Gillard government's vote dropping by 9 percentage points, almost twice the national average of 4.9.

Of that swing, only 3.2 percentage points went to the conservative Liberal National Party (LNP) coalition, while the Greens picked up 5.2 points. In the House of Representatives, Labor's Queensland primary vote was just 34 percent. In the Senate, the vote plunged even further—by 9.5 points to 29.78 percent.

As a result, Labor has lost up to seven lower house seats in Queensland, along with two LNP-held seats that became notionally Labor as the result of an electoral redistribution. These losses have become a crucial factor in the overall election impasse, with neither major party able to form a majority in parliament for the first time since World War II.

The greatest collapse of Labor's vote came in working class areas. Across Brisbane's southern suburbs the falls included Bonner (13 percentage points), Moreton (12.4), Oxley (11.2), Rankin (11.0) and Forde (9.0). Bonner and Forde were lost to the LNP. In the northern suburbs, Labor lost Dickson with a 10.9-point drop in its primary vote.

Further west, in the electorate of Blair, which includes a major Queensland Rail (QR) workshop where 700 workers are employed in the regional city of Ipswich, Labor's vote dropped 9.9 points to 42.4 percent. The party narrowly held the seat, with the help of Greens preferences, but only because the sitting federal Labor MP, Shayne Neumann, spoke publicly against the privatisation plan.

To the north, Labor lost the key regional seats of Flynn and Leichhardt. In Flynn, which covers the central coal mining areas and the industrial city and port of Gladstone, its vote dropped 7.0 points; in Leichhardt, which covers the tourism centre of Cairns and Cape York, the fall was 8.4 points. Labor just retained another mining-based seat, Capricornia, covering Rockhampton and adjoining inland

areas, despite a 9.4-point swing.

The mass media has generally attributed the Queensland rout to a combination of profound dissatisfaction with the state government and resentment over the backroom coup that ousted former Prime Minister Kevin Rudd, a Queensland MP, to make way for Julia Gillard. There is no doubt that Rudd's ruthless removal, behind the backs of the population, caused deep concern among working people, intensifying the mounting hostility toward both the federal and state Labor governments.

At the state level, Queensland Labor has been in office for more than 12 years, and 19 of the past 21 years. It has presided over scandalously poor public hospitals, deteriorating public transport, electricity failures and water shortages. While Queensland is invariably depicted as a "boom state," riding on the bonanza produced by coal and other mining exports to China, working people have experienced the development of mass unemployment and under-employment on a scale not seen since the Great Depression of the 1930s.

Decades of factory closures and de-industrialisation, particularly in Brisbane, have had a devastating impact, which has deepened since the economic crisis erupted in 2008, cutting a swathe through industries such as tourism, home building, commercial construction and property development.

According to the latest available Small Area Labour Markets data from the federal employment department, during the first quarter of this year, the jobless rate in Brisbane's southern suburbs was as high as 21 percent in Woodridge and Kingston, 18 percent in Richlands, 17.6 percent in Inala, 17.5 percent in Redland, 17.3 percent in Acacia Ridge and 16.9 percent in Willawong. Some of Labor's heaviest electoral losses occurred in these areas.

Over the past two years, unemployment has also risen sharply in Cairns, where the downturn in tourism has sent the jobless rate to as high as 13.1 percent in some suburbs.

The national unemployment statistics, which show a figure of just over 5 percent—used by the Rudd and Gillard government to claim it "saved" hundreds of thousands of workers from recession—mask the extent of the crisis and the widespread introduction of casual, temporary and part-time work, usually with insecure and substandard conditions. In the central Queensland mining regions, fears of unemployment were likely a factor in the ability of the giant companies, led by BHP Billiton, Rio Tinto and Xstrata, to mount a scare campaign against the Rudd government's proposed super profits tax—a major factor in his ousting eight weeks before the election.

The Greens, who tapped into the hostility to the assets sale and declared their opposition to it, directly benefited in the

election. In both Oxley and Blair, their votes almost doubled to 11 percent. Larissa Waters, a lawyer, will become the state's first Green Senator, with the Green ticket winning 12.77 of the vote, up by 5.45 points.

The Queensland privatisation plan has been able to proceed only because the unions have called off strikes against it, and confined workers to impotent protest rallies (see: "Australia: Unions try to head off public anger over Queensland privatisation plan").

On Monday, Bligh declared that she had been elected with a strong mandate at the March 2009 state election and would not walk away from unpopular policies. In reality, Bligh failed to mention the sell-off during the 2009 election campaign, only announcing it in June, three months later. Labor devised the plan after international ratings agencies, Standard and Poor's and Moody's, stripped Queensland of its AAA credit rating, citing the impact of the global financial crisis on the state's economy.

Since Saturday's election, several state Labor MPs, in a bid to save their own scalps, have belatedly called for a caucus debate on the asset sales. According to media reports, Bligh could face a leadership challenge when the MPs meet next Monday. Seeking to shore up her position, she has lashed out publicly, declaring that she will not be made a scapegoat for the election result and have Queensland infected by the "disease" of the constant party leadership changes that have occurred in neighbouring New South Wales.

The Murdoch media has bluntly denounced any move against Bligh. Jamie Walker wrote yesterday in the *Australian*: "The white-anting of Anna Bligh's leadership in Queensland is another act of grand folly by Labor. The party has not only lost its nerve, but its decency too. Bligh is being run down for doing the right thing by the government, and by her state, by privatising assets."

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