

# The Australian Labor Party and its property developer candidate for Broadmeadows

**Peter Byrne SEP candidate for Broadmeadows**  
**9 February 2011**

The nomination of wealthy property developer and businessman Frank McGuire as the Labor Party's candidate for Broadmeadows in the February 19 by-election, underscores Labor's extraordinary hostility and contempt for working people. The episode demonstrates yet again that the Labor Party is nothing but a moribund, bureaucratic apparatus that functions as a vehicle for the interests of big business and finance capital.

The Broadmeadows by-election was triggered by the resignation of former Labor Premier John Brumby, following his defeat in last November's state election. Labor factional apparatchiks immediately set to work to determine who would be awarded the "prize" electorate, a working-class seat that has long been one of Labor's safest.

An alliance of the so-called Socialist Left and part of the Right faction, with federal parliamentarians Bill Shorten and Stephen Conroy playing the leading roles, settled on Frank McGuire and had the Labor Party national executive ratify the decision. The factional chiefs did not even bother to provide their manoeuvres with a "democratic" gloss by taking a vote of local Labor members. McGuire himself only signed up as a Labor Party member a few days before he was officially nominated as its candidate.

A bloc of bureaucrats from four trade unions—the Shop, Distributive and Allied Employees Association (SDA), the National Union of Workers (NUW), the Health Services Union (HSU) and Construction, Forestry, Mining and Energy Union (CFMEU)—unsuccessfully challenged the national executive's decision in the state Supreme Court. The unions demanded that the candidate for Broadmeadows be chosen through a ballot of local party members.

The unions' demand had nothing to do with any concern for "democracy" within the Labor Party. Instead, unsurprisingly, factional considerations were at stake. Local councillor Burhan Yigit had hoped to secure the Broadmeadows seat and was aggrieved when McGuire was parachuted in. According to the *Crikey* website, federal Senator David Feeney—one of the key factional leaders who helped orchestrate Kevin Rudd's removal as prime minister—would require, at the next federal election, the votes of Yigit and his supporters to hold onto his senate spot after

2013. The unions that backed Feeney, *Crikey* continued, thus mounted a court challenge over McGuire's nomination, because "a lack of action could have seen Yigit walk to the ShortCons [the rival Shorten-Conroy faction]".

None of the trade unions and factions involved in the turf war for Broadmeadows raised a single concern over policy issues. No-one discussed anything related to the devastating social crisis in the area, including its mass unemployment, high poverty rates, and dearth of basic social infrastructure. Nor was there any debate over why the Labor government had been thrown out of office last November, or why Brumby suffered a massive 11 percent swing against him in Broadmeadows. The absence of any concern about these issues reflects the right-wing, pro-business unanimity between Labor's rival factions and cliques.

Talk by Yigit and his trade union backers about the need for the Labor membership in Broadmeadows to vote was an utter fraud. For one thing, there are virtually no genuine members of the party in the area, or anywhere in the country, for that matter. The majority of Labor's nominal membership comprises paper members, or "stacks", enrolled by aspiring Labor careerists in order to boost their numbers within the apparatus.

*Crikey* referred to concerns among unnamed Labor "party insiders" that the squalid Broadmeadows internal faction fight could threaten to "shine a light on the electorate's notorious history of branch stacking". There are just over 500 "official" Labor members in the Broadmeadows electorate—yet at the last state election the party had to bus volunteers in from other areas to ensure that all of the few dozen voting centres were manned. Nearly half of the local "membership" is concentrated in what *Crikey* described as the party's "Coolaroo 'ghost branch', in which over 200 members never meet and a mysterious anonymous benefactor services most of the membership fees". The Coolaroo branch is Labor's largest in Victoria.

As soon as the unions' legal challenge failed, Prime Minister Julia Gillard rushed to endorse Frank McGuire and the pre-selection process. She told ABC Radio that whenever Labor "is looking for candidates we should look as broadly as possible".

Frank McGuire, 52, is the brother of prominent media

“personality” Eddie McGuire. He has worked as a journalist, corporate media strategist, and political advisor. He was the chief media and advertising advisor for the Australian Democrats, now an all but defunct bourgeois party that failed to win a single seat in the last federal election, leading up to the 2001 federal election campaign. McGuire has also run his own advertising and public relations business, and previously produced television programs through McGuire Media, co-owned with Eddie. More recently, he has focussed on property development and been involved in major projects. In 2007, for example, McGuire was part of a consortium headed by multi-millionaire Andrew Fox of Linfox Property, which bid for the \$400 million St Kilda Triangle development that was later scrapped.

McGuire’s personal wealth and intimate familiarity with Melbourne’s well-heeled corporate establishment has lent a provocative character to his nomination as Labor’s candidate for Broadmeadows.

The working-class area in northern Melbourne has been hard hit by the protracted deindustrialisation drive, which has seen countless factories shut down, and by the stepped up efforts of manufacturers since the 2008 global financial crash to boost profits by extracting greater productivity and wage concessions from their employees. Broadmeadows has an official unemployment rate of 15.9 percent. More than one-third of families, according to the latest available data from 2006, have a total weekly income of less than \$650, the highest proportion of any area in Victoria.

A vast class chasm separates McGuire and his ilk in the Labor Party from ordinary working people.

This found reflection in a February 1 *Age* article on the Broadmeadows campaign. According to the newspaper, “He [McGuire] said manufacturing jobs were leaving Broadmeadows and going overseas because of the cost of labour.” The *Age* did not say what McGuire’s attitude to this was, or whether he had any solutions. Presumably the Labor candidate, like the leader of his party, Prime Minister Julia Gillard, would favour wages being further lowered to make local workers “competitive” with those workers being exploited by the same companies in low-wage platforms in Asia.

McGuire is a thoroughly right-wing figure, who has long promoted American-style corporate philanthropy as a solution to the economic and social crisis in Broadmeadows. He boasts of helping deliver the suburb’s first ever public library, part of the Hume Global Learning Centre, in 2003.

McGuire had been tasked by the local council with securing corporate sponsorship for the library and community centre, and he used his connections to score donations from companies including Ford, the *Age*, and Visy. The companies, which all have production facilities in the Broadmeadows area, took advantage of the useful publicity opportunity, and even insisted on “naming rights” for the new facilities—hence “The Age Library”. The state

Labor government contributed just \$2.5 million of the Learning Centre’s \$12.6 million construction costs.

McGuire has hailed the Hume Global Learning Centre as a model for corporate involvement in public infrastructure development. In an op-ed piece published in the *Age* in April 2008, “Rudd can follow Broadmeadows’ lead”, he urged the federal government to extend such programs nationally. Describing how he won corporate sponsorship for the local library, McGuire wrote: “Noblesse oblige is a virtue. Enlightened self-interest is a more persuasive pitch. Rather than go cap in hand, we cut deals that delivered benefits for the community and business.”

I am standing, on behalf of the Socialist Equality Party, in the Broadmeadows by-election against Labor’s McGuire and every other candidate in order to provide a genuine alternative for the working class. It is now long overdue for ordinary working people to make a decisive political break with the Labor Party, as the first step towards establishing its own mass revolutionary party based on a socialist and internationalist perspective.

Basic social services such as libraries, cultural centres and sporting facilities, accessible to all working people in their local areas, should be a social right, not the product of corporate largesse. Similarly, a decent job, a living wage, and access to free and high quality education, healthcare, and other public infrastructure must be guaranteed to all. The resources exist, but under the profit system are misappropriated and misallocated by the ultra-wealthy elite to serve the profit interests of a tiny minority. As the SEP candidate in the February 2011 by-election, I urge workers and young people in Broadmeadows and more broadly to actively support our campaign and to join our movement.

*Authorised by Nick Beams, 113/55 Flemington Rd, North Melbourne 3051.*

*The author recommends:*

The socialist alternative in the Broadmeadows by-election  
[31 January 2011]



To contact the WSW and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**