

# Australia: Facing landslide defeat, NSW Labor issues “fairness” package

Mike Head  
10 February 2011

Facing an electoral demise of historic proportions at the March 26 New South Wales election, the 16-year-old Labor government in Australia’s most populous state has unveiled a phoney “fairness for families” package as its main campaign platform.

In what was billed as a campaign launch, Premier Kristina Keneally announced the package at a gathering of 400 carefully-screened party supporters and candidates in Sydney’s western suburbs on Sunday. She claimed that the measures would shield working people from soaring electricity, water, public transport and other government fees and charges.

Keneally was installed as Labor leader in a backroom coup 15 months ago, allegedly in an effort by party hacks to forestall almost certain electoral defeat. According to media polls, however, Labor’s support has now dropped below 30 percent. Keneally’s government could retain just a dozen of its 50 seats in the 93-member lower house of parliament, reducing the party to a shrivelled rump in the state that has for decades been the base of its national political apparatus.

Former Labor heavyweight Graham Richardson—who ran the NSW party machine before becoming a senator and cabinet minister in the Hawke and Keating governments of the 1980s and 1990s—has publicly predicted an “electoral slaughter”. “And it’ll be the likes of which we’ve never seen,” Richardson told ABC television’s “Q&A” program on Monday night.

Over the past six months, no less than 22 Labor MPs—almost half the total—have deserted the sinking ship, declaring they will not contest the election. They include former senior minister and faction boss Joe Tripodi, and Environment Minister Frank Sartor, as well as a long line of ex-ministers, such as Tony Stewart, David Campbell, Phil Koperberg, Diane Beamer, Graham West, John Aquilina and Paul Gibson.

Many will use their years of service to the corporate elite to secure lucrative positions, following in the footsteps of former Labor Premier Bob Carr, who became a highly-paid consultant to Macquarie Bank, a finance house that has benefitted to the tune of billions of dollars from the privatisation process in NSW and elsewhere. They are also entitled to generous pensions. Tripodi told the *Daily Telegraph* he would “have a rest” and then “look for a job”. He will receive an annual pension of about \$150,000 once he turns 55.

Such is the stench surrounding Labor that its remaining candidates are running as “locals,” with references to the party buried away in their campaign material, or eliminated altogether. Campaign posters for Robert Furolo, MP for Lakemba in Sydney’s mid-west, for example, make no mention of the Labor Party.

There is immense disgust toward Labor among ordinary people across the state. For 16 years, property developers and financiers—by far the party’s biggest donors—have prospered, while essential public facilities like schools, hospitals, public transport, housing and basic infrastructure have seriously deteriorated. At the same time, soaring bills for electricity, gas and water services—all now handed over to corporatised or fully privatised companies—have intensified the cost of living pressures on millions of people.

In the guise of easing these pressures, Keneally’s package is designed to salvage as many individual seats as possible, while paving the way for further utility sell-offs in the future. Households with a combined annual income of less than \$150,000 would receive a \$250 rebate on their annual electricity or gas bill from July 1, 2012. Rises in public transport fares would be pegged to the inflation rate for four years, as would increases in a range of government charges, such as stamp duties, land tax, motor vehicle taxes and driver’s licence fees.

Keneally promised legislation to prevent the privatisation of the state-run water companies and Sydney's recently-built water desalination plant.

None of this can be believed. Carr, who quit as premier in 2005, made almost identical promises in 1991, when he vowed to introduce a Family Relief Bill. Once Labor was elected in 1995, the promise quietly disappeared.

Just last year, Keneally's government sanctioned electricity price rises of 64 percent over the next three years, on top of about 25-30 percent over the previous three years. For many people, such hefty cost increases have become unsustainable. In the financial year 2009-2010, 18,000 households in NSW had their power disconnected because of non-payment. Moreover, in December 2009, public transport fares rose by up to 8 percent, before the government moved last year to contain fare hikes in the leadup to the election.

Keneally emphasised that her "fairness" package—said to be worth \$913 million over four years—was "fully costed and fully funded". However, she refused to provide any details or disclose how her government would pay for the measures, given that her intention is clearly to impose further cuts in social spending. Significantly, the premier sought to undercut the Liberal opposition from the right, accusing its leader, Barry O'Farrell, of being unable to make a similar commitment that his election promises would not come at the expense of increased government spending.

Both Keneally and O'Farrell are studiously avoiding any mention of the savage austerity measures and public sector job cuts that will follow the election, regardless of the outcome, as has occurred in the wake of recent state elections in Tasmania and South Australia.

In her campaign speech Keneally made an apology to the electorate, declaring "many would say we have recently lost our way, and they would be right". Like her "families package", her mea culpa was also borrowed—in this case from Prime Minister Julia Gillard, who made a similar remark after deposing Kevin Rudd last June. Gillard has since made clear that Labor will aggressively prosecute the free-market agenda introduced by the Hawke and Keating governments, and implement deep cuts to social spending.

Working closely with the Labor Party state office, Keneally has orchestrated an infusion of "new blood" to replace the departing MPs. Last September, she declared that she and head office would actively recruit candidates, including non-party members, to "reinvigorate" the party. Given Labor's dismal immediate prospects, however, it seems few high-profile candidates could be found. Nevertheless, the new recruits, nearly all imposed by the party machine, are indicative of the thoroughly business-dominated character of the Labor Party. They include small business operators, lawyers, real estate agents, accountants, development industry consultants, local power brokers, trade union officials and ministerial staffers.

The bureaucratic installation of these candidates, stitched up with the agreement of the various faction leaders, and undertaken without even the pretence of a vote by local party members, demonstrates yet again Labor's hostility and contempt for the working class. It has evolved into an apparatus of self-serving careerists, financed by developers and other corporate concerns, serving the interest and profit requirements of a tiny wealthy elite.



To contact the WSWS and the  
Socialist Equality Party visit:

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