

Australia: Labor faces electoral rout in Queensland

Mike Head
16 March 2012

Australia's longest-surviving incumbent Labor state government is heading for a landslide defeat in the Queensland election on March 24.

According to opinion polls, Labor's rout will be of a similar magnitude to its crushing loss, one year ago, in neighbouring New South Wales. There is deeply-rooted hostility among youth and working people to Labor's record, both state and federal. In Queensland there is disgust with the state government across the board, from its privatisation of state assets to the running down of health, education and public transport services.

The Australian Labor Party (ALP) has held office in the state for 19 of the past 21 years, carrying out a pro-business agenda, including the imposition of federal Labor's cost-cutting measures on the working class. However, there is little positive support for the opposition Liberal National Party (LNP). Its leader, former Brisbane lord mayor, Campbell Newman may lose his bid to win a seat in parliament, potentially triggering a political crisis, as there is no clear alternative premier in place.

In the media coverage of the election, no reference is being made to the worsening worldwide financial turmoil, yet this will dominate the policies of the next government, whether LNP or ALP. The banks and financial markets are dictating austerity measures throughout Europe and the United States. Hit by the downturn in these major markets, China's economy is slowing sharply, producing a substantial cut in the price of coking coal, Queensland's biggest export.

The suppression of these issues mirrors the last election, held in March 2009. The Labor government narrowly survived, first by installing Anna Bligh as premier to replace her discredited predecessor, Peter Beattie, and then by calling the election six months early, before the full impact of the global recession hit

Queensland. Bligh made the centrepiece of her 2009 campaign a vow to create 100,000 jobs, and to maintain, not cut, public services.

Within just three months, in a bid to restore the state's AAA credit rating, she announced a \$15 billion selloff of key rail and infrastructure assets, eliminating an estimated 10,000 jobs. Bligh also axed the state's petrol subsidy, violating another election pledge. These measures fuelled intense public disgust. According to polls, 80 percent of Queenslanders opposed the rail privatisation.

Bligh proceeded regardless, backed to the hilt by the federal government. Labor relied on the trade unions to suppress the working class opposition. When rail workers learnt that their maintenance workshops would be included in the sell-off, they walked out. The stoppages, however, were confined to one-day actions and the unions permitted no further strikes. Months later, in March 2010, the Queensland Council of Unions called limited protest rallies to divert the anger into futile pleas to the government to abandon the sell-off.

Assisted by the unions, the Bligh government continued slashing public sector jobs. The 2011 state budget eliminated 3,500 positions, followed by another 1,500 this year. Public services and infrastructure has deteriorated, with declining conditions in public schools, transport breakdowns, and longer hospital waiting lists. After years of chronic under-funding of the health system, growing numbers of patients are waiting, some more than 12 months, just to see a specialist in order to get on a hospital "elective surgery" waiting list. By March last year, 218,423 patients were on specialist waiting lists, up 10 percent from a year earlier.

One area of government spending has soared. Since

1998, Labor has boosted the number of police officers by 3,850, a 57 percent increase, substantially higher than the population increase of around 33 percent. The essential purpose of this expansion is to bolster the capacity of the state to deal with social and political unrest.

Bligh's record has won the praise of the financial elite. The *Australian Financial Review's* March 12 editorial stated: "While she is suffering for it in the polls, Ms Bligh should be given credit for pushing through a \$14 billion privatisation program in 2010." Making it plain that much more must be implemented, the editorial denounced the LNP's Newman for being "too scared to mention the word privatisation".

Queensland's economy depends on mining exports, particularly coal to China and other Asian markets. Mining, however, employs less than 3 percent of the state's workers. The immense revenues derived from mining have simply enriched the giant companies, such as BHP-Billiton, Rio Tinto and Xstrata, and a tiny wealthy layer, at the expense of the vast majority of working people.

Beneath the veneer of the mining boom, a social chasm has opened up. According to the Queensland rich list, in the year to August 2010, the ten wealthiest people increased their fortunes by \$2.35 billion to \$15.6 billion—a 20 percent jump. At \$6.48 billion, coal mining magnate Clive Palmer was Queensland's richest resident.

Much of the rest of the economy, however, has been hit by the global financial crisis, compounded by a series of floods and cyclones, and the high value of the Australian dollar. In many working-class Brisbane suburbs, the official unemployment rate stands at almost 20 percent. The figure is as high as 10 percent in regional centres, such as Cairns and the Gold Coast, that rely on tourism and property development. Almost 1.5 million people, or one third of the population, are either living below the poverty line or in severe financial stress, according to the Queensland Council of Social Services.

In an obvious bid to distract attention from its record, the Bligh government has focussed its election campaign almost entirely on attacking Newman with corruption allegations, involving associates from his time as Brisbane lord mayor.

The Greens and the Australian Party, recently

founded by rural independent Bob Katter, are seeking to fill the political vacuum and contain widespread popular disaffection within the parliamentary framework. The Greens, currently propping up the minority federal Labor government and in coalition with the ALP in Tasmania, are bidding to play a similar role in Queensland. In a March 10 media release, in an obvious pitch to the powers that be, Queensland Greens convener Andrew Bartlett said the Greens would "provide a safe pair of hands". He declared: "Greens have shown in Parliaments around the country that we can deliver positive results and change for the better."

Bob Katter's Australian Party has advanced a nationalist and protectionist program, combining demagogic opposition to privatisation with demands to curb foreign imports, especially of food. Katter's campaign has been financially supported by James Packer, one of Australia's richest men, together with the Victorian branch of the Electrical Trades Union. This sordid alliance of convenience underscores the fact that protectionism is not about defending the interests of workers, but protecting sections of business.

Whatever the outcome of the election, the next government will continue the offensive to make the working class pay for the deteriorating state of the global capitalist economy.



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