Greens enter government in Australian Capital Territory

Mike Head 8 November 2012

The Australian Greens have formed a coalition with the Labor Party in the Australian Capital Territory (ACT), keeping the 11-year-old Labor administration in office for another four years. The move underscores the increasingly crucial role played by the Greens within the Australian political establishment as a prop for the major parties.

The ACT election had seen a major swing to the conservative Liberal Party, resulting in Labor and Liberal being tied on eight seats each in the territory's 17-seat legislative assembly. The Greens suffered significant losses in the October 20 poll, losing three of their four seats, including that of leader Meredith Hunter. Their vote fell by nearly one third, from 15.6 percent to 10.7 percent. The shift away from the Greens largely went to the Liberals, whose vote jumped by 7.3 percentage points to 38.9 percent, exactly equal with Labor, whose vote rose 1.5 percentage points.

The outcome left Shane Rattenbury, the Greens' sole surviving member, to decide whether to help form a coalition government. In return for backing Labor, Rattenbury accepted a cabinet post, complete with a ministerial staff. He will become one of just five cabinet ministers, with direct responsibility for implementing the policies of the territory and federal Labor governments.

Rattenbury's deal with the Labor Party followed the lead set in the state of Tasmania, where the Greens have shared office, and ministerial posts, with Labor since March 2010, and federally, where the Greens have propped up Prime Minister Julia Gillard's minority government since September 2010 (but without ministerial representation).

The Greens' decision rescued the ACT's Labor government, which has been in office since 2001. The Greens previously supported minority Labor administrations without joining the government. Since Labor took office federally in 2007, initially under Kevin Rudd, Labor has lost elections in every other state and territory, except Tasmania and South Australia.

The ACT, with a population of about 370,000, is the smallest state or territory in Australia, but covers Canberra, the national capital, with a substantial number of public sector workers. While it lacks statehood, the ACT government, like its larger counterparts, is responsible for most frontline basic services, including health, education, housing and transport.

Media commentators, and Rattenbury himself, attributed the collapse in the Greens' vote to disaffection with the minor party's role in maintaining the Gillard government for the past two years. That support has included backing Labor's deepening austerity program, which has already eliminated thousands of public service jobs, imposed draconian "efficiency" dividends on government workers, severely cut welfare entitlements and eroded basic public services, notably health and education.

The Gillard government's latest May 2012 budget alone eliminated 4,200 federal public sector jobs, and cut an estimated \$2.2 billion from government departments. As a result, waiting times in government agencies, such as Centrelink social security offices, have increased by 75 percent, according to a recent survey of public servants.

Federal cuts, combined with the recession gripping much of the economy, are also devastating the ACT budget, as well as those of the states. The ACT government's latest budget cut \$180.5 million from the territory's public service over the next four financial years, including \$74 million in employee costs. After a week of negotiations with Labor and Liberal leaders, Rattenbury signed on to deepen that offensive. He said his primary reason for joining a Labor-led government was that he would become a cabinet minister. "I believe it is time, after 17 years of the ACT Greens being represented in the LA [Legislative Assembly] and on the cross bench, for the ACT Greens to play a role in the government," he told a November 2 media conference.

The Greens MP hinted at fears that his party could be further discredited by entering government. "There is no doubt there are pros and cons to taking a Ministry," he stated in a press release. He indicated that he acted on the advice of federal Greens leader Christine Milne, describing her as "very wise, and very experienced" because she had "been in balance of power situations, in both the Tasmanian parliament and now in the federal parliament."

Milne was a participant in the 1989-92 Labor-Green Accord in Tasmania, and has pushed for a similar role in federal politics, repeatedly claiming credit for the deep cuts in public spending made under that Accord. She also led a similar partnership with a Tasmanian Liberal government in 1996-98, and has left open the possibility of a federal coalition with the Liberals.

Rattenbury said Greens members had been divided over whether to form government with Labor or the Liberals. He emphasised that he had "constructive conversations" with the Liberals, who "put forward some interesting ideas on policy." The Greens had similarly considered an offer of a ruling coalition with the Liberal Party following the 2008 ACT election, and were advised by then federal Greens' leader Bob Brown to accept cabinet posts. "My counsel throughout this election was for the Greens to take ministries, to share government," Brown explained. Instead, the ACT Greens, both in 2008 and now in 2012, sided with the Labor Party.

Rattenbury insisted that the Labor-Greens coalition deal would mean the delivery of nearly 100 policies, such as a light rail system, cleaning up Canberra's lakes and waterways, greenhouse gas reduction targets, same-sex marriage and homelessness programs. The signed agreement makes clear, however, the right-wing agenda of the new administration.

Labor and the Greens confirmed "their commitment to fiscal responsibility and the maintenance of a balanced budget through the economic cycle." The document outlines a "joint vision of a sustainable and productive economy" that "can lead the nation on key policy areas." The key undertaking is to "make Canberra a preferred location for business to operate through red-tape reduction and a fairer, simpler and more efficient taxation system." In other words, the Labor-Green administration will compete with other governments to attract investment by lowering taxes on business and further de-regulating their operations.

This Labor-Green pact epitomises the right-wing trajectory of the Greens. While they previously appealed to layers of young people, largely on the basis of concerns about the environment and war, the Greens rest on an upper middle class layer that is preoccupied with lifestyle and identity issues, while enforcing job and service cuts against the working class, and functioning as crucial props for the existing parliamentary political set-up.



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