

Australian state Labor government wracked by factional turmoil

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Just eight months after coming to office, the state Labor government in Victoria has been hit by bitter factional infighting.

Premier Daniel Andrews last week forced the resignation of his small business minister, Adem Somyurek. The ousted minister responded by accusing his factional rivals within the Labor Party of concocting bullying allegations in his office to bring him down. Somyurek and his supporters have threatened to retaliate by ousting deputy premier and education minister James Merlino, a move that would blow up the fragile factional balance of power that Andrews' rule rests upon.

The political crisis—involving a series of sordid manoeuvres by rival right-wing, pro-business cliques within Victoria's Labor Party apparatus—is being fuelled by mounting dissatisfaction within corporate circles with the Andrews government. The turmoil is symptomatic of broader trends as governments at the state and federal level, Labor and Coalition, are under intense pressure to make deep inroads into the living standards of working people.

A state election held last November saw the incumbent Liberal government ousted in its first term, the first time this has happened since 1955. The vote reflected mounting hostility towards the entire political establishment, not only in Victoria, amid an escalating economic crisis that involved the destruction of entire sections of manufacturing, including the car industry.

Andrews came to office after pledging big business to step up “free market” reforms, including privatisations and new corporate subsidies, while at the same time making limited appeals to popular anger over his predecessor's austerity measures targeted the public education and health systems. The government's first budget, delivered in May, involved modest increases in public spending, with the budget surplus of \$1.2 billion down from the previously forecast \$3 billion.

The meagre budget measures were denounced as a “spendathon” in the pages of the Murdoch and financial media, which demanded stepped up austerity measures against the working class. Allowances for public sector

worker wage rises—though only marginally higher than the official inflation rate—were likewise attacked by big business groups.

Andrews has been repeatedly accused of being too dependent on the factional support of sections of the trade union bureaucracy. These complaints escalated after the government earlier this year confirmed it was proceeding with the creation of two new public holidays—for Easter Sunday and on the eve of the Australian Rules Football grand final—a move that the Australia Industry Group claimed would cost business as much as \$1 billion a year in additional penalty wage rates. The new holidays had been demanded by the Shop, Distributive and Allied Employees Association (SDA), a right-wing union that wields extensive factional power within the government.

This is the context within which the bullying allegations against small business minister Adem Somyurek emerged.

Somyurek, first elected to the Victorian upper house in 2002, had been one of several Labor parliamentarians whose positions were based on their long standing support for the SDA. The “shoppies” union—which for decades has been controlled by tightknit anti-communist Catholic groups that have worked with business to cut retail and other low-wage workers' living standards—controls an estimated one-fifth of state Labor Party conference delegates. The union was hit in April, however, by the factional defection of Somyurek and several other government MPs. Only three government MPs, led by the deputy premier and education minister, are now considered SDA loyalists.

Somyurek and his fellow defectors joined an expanded right-wing “Centre Unity” faction, led by forces loyal to federal Senator Stephen Conroy and federal Labor leader Bill Shorten. At the time, this development was reported as a potential boost to Shorten's factional base, with the *Age* newspaper declaring on April 22 that the “shake-up will potentially end a decade or more of instability in Mr Shorten's Labor Right power base, which is split into four groupings aligned with different unions.”

The instability has, however, only escalated. On May 23,

Victorian Premier Daniel Andrews announced that he had received a bullying complaint against Somyurek, issued by the minister's chief of staff, Dimity Paul.

An investigation was carried out for the government by former Office of Police Integrity director Michael Strong. Strong's report, the release of which triggered Somyurek's sacking last week, concluded that the minister had bullied Paul and other staff.

The report itself, however, provided no evidence for its conclusion. It stated that the minister typically conducted himself in an "appropriate and professional" manner, while occasionally expressing himself in a "verbally aggressive" way towards staffers when he was under stress. This is hardly an unusual occurrence in bourgeois politics—and has certainly never before led to a minister's sacking.

There was only one allegation of physical aggression. Dimity Paul claimed that on February 13, Somyurek "took her by the arm to prevent her leaving his office then took her chin in his hand and shook it gently from side to side as a form of admonition."

Somyurek flatly denied any physical contact with his staffer. There were no witnesses to the alleged incident. Moreover, the official report concluded that the staffer's testimony had featured "occasional conscious exaggeration." The report nevertheless accepted her version of events over Somyurek's.

The minister had insisted from the outset that the allegations were part of a SDA-organised operation. Paul is married to Raff Ciccone, a member of the senior SDA leadership in Victoria. The 28-year-old staffer, who received a \$150,000 base salary, reportedly aspires to enter the federal parliament.

The former minister's lawyers were prevented from cross examining Paul and were denied access to her text messages and emails. The report into the alleged bullying simply dismissed out of hand any suggestion that the SDA may have had a hand in the affair. It insisted: "This theory portrays Ms Paul not only as a fabricator of evidence but as a schemer of the first order. It is implausible in my view."

Sections of the political establishment have sought to draw a line under the affair by closing ranks against Somyurek.

An *Age* editorial last Wednesday called on the former minister to resign from the parliament—an extraordinary demand to issue to an elected representative who has not been charged with, let alone convicted of, any crime—on the basis that he had "unfairly denigrated" his accuser, by responding to her allegations in "a self-interested, juvenile and defensive manner." A similarly unprincipled statement had been previously issued by several feminists around the Labor Party, including former equal opportunity commissioner Moira Rayner, characterising Somyurek's

defence as "victim intimidation."

At this stage, it is unclear whether the affair will ultimately have any significant implications for Bill Shorten and the federal Labor Party.

Within Victoria, however, there remains an explosive situation within the cesspool of the Labor Party's factional machine. Somyurek's supporters have threatened to oust the deputy premier. The *Australian* cited one government minister saying that James Merlino's position was "untenable," and that it was "just a matter of time" before he was removed by the caucus. This would likely shatter the "pact of stability" that has been in place between the right and so-called "left" factions within the Victorian Labor Party over the past several years, potentially destabilising the premier's position.

Daniel Andrews has responded to the political crisis by stepping up his efforts to counter criticisms of his government and win the backing of big business.

In a speech to the Melbourne Press Club that was delivered as the official investigation into Somyurek was still underway, Andrews announced the formation of a corporate led "Investment Panel" to dispense \$500 million of public funds to select businesses. The premier declared he was determined to undertake "hard work and [make] big decisions" to promote investment. He referred to advancing the "the Kennett-Bracks legacy"—a reference to the ruthless austerity and pro-business measures implemented by the Victorian Liberal government between 1992 and 1999, and its Labor successor between 1999 and 2010.

This revealing acknowledgement of the shared right-wing agenda of both major parties underscores the class issues underlying the Somyurek affair. Within the incestuous world of Labor factional politics, there are no differences of policy or principle. For the rival cliques of self-serving careerists jockeying for power and influence, parliamentary politics consists of backroom manoeuvres, character assassination and dirty tricks. Entirely separated from and hostile to the lives and interests of working class people, the political elite function only to enforce the diktats of finance capital and the ultra-wealthy.



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