

Ruling elite fears Liberal Party wipeout in Western Australian election

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Western Australia (WA) state Premier Mark McGowan launched the Labor Party's campaign for the March 13 state election on Sunday, with another pitch for the continued backing of the mining conglomerates and other big business interests that dominate the state's economy.

Within the ruling class, however, fears are rising that the election could result in the Liberal Party—the party of Prime Minister Scott Morrison—being reduced to a tiny rump. That is largely because McGowan's government has cynically exploited popular concern over the COVID-19 pandemic by taking a seemingly hard line on border closures and lockdowns.

As in recent elections in Queensland and New Zealand, Labor is seeking electoral favour by posturing as taking a stand for public safety.

A Newspoll published in the *Australian* newspaper last week showed Labor on 59 percent of votes, with the Liberals on just 23 percent. If that pattern were reflected in the election result, the Liberals could be reduced to just two seats in the 59-seat lower house of state parliament, and lose their official opposition status to the rural-based National Party.

The potential electoral landslide underscores the fragility of Morrison's federal Liberal-National Coalition government, as it ramps up its drive to fully reopen the economy—despite the danger of further coronavirus outbreaks—and push jobless workers into lower-paid and insecure employment.

State Liberal leader Zak Kirkup has all but conceded defeat, saying the Liberals face a “difficult election” and warning against Labor gaining a majority in both houses of state parliament. Kirkup, 33, was installed as party leader in December, despite being in just his first term in parliament, in a desperate bid to prevent such an outcome.

Labor gained office at the last WA election, in March 2017, after a record statewide electoral swing against the previous Liberal Party government. That Liberal defeat

helped intensify the crisis of Morrison's predecessor, Malcolm Turnbull. It was his first electoral test since narrowly surviving the July 2016 federal election, clinging to a one-seat majority. Eighteen months on, Turnbull became another victim of the factional turmoil wracking the Coalition, and was replaced by Morrison.

In Sunday's campaign launch speech, McGowan nakedly appealed to Liberal and National Party supporters on the basis that Labor would provide the best conditions for business. “If you're thinking about voting for me and WA Labor this election, for the very first time, you should feel confident in that decision,” McGowan said. “I will lead a sensible, responsible, experienced government.”

McGowan, a former naval officer, attacked the Liberals from the right, saying they would “bankrupt the state,” referring to their refusal to have their election commitments independently costed.

The Labor leader promised to “create” 125,000 new “local” jobs if re-elected for a second term. This is a fraud. Ahead of the 2017 state election, Labor promised to fix WA's “unemployment crisis” by creating 50,000 jobs. That pledge was recycled in February 2019, when Labor vowed to create 150,000 jobs within five years, but the plan was shelved “indefinitely” after the COVID-19 crisis erupted.

In reality, the thrust of all Labor's “jobs plans” is to boost the corporate elite, while peddling parochial and nationalist propaganda about “keeping WA strong.”

Via the latest plan, \$15 million would be funnelled into helping “local” manufacturers produce components for rail wagons, used by the iron ore industry. Another \$120 million would be poured into the film industry, including building a film studio and screen production facility.

McGowan's government has become notorious for handouts to the wealthiest layers of society. In response to the pandemic, it produced a \$3.5 billion business stimulus package, on top of the more than \$400 billion in corporate

subsidies and loans provided nationally by the Morrison government. Labor's package included a \$20,000 building bonus that provided subsidies for dozens of new homes in some of WA's wealthiest suburbs.

Then there was a deal to sell the East Perth Power Station riverfront development site, in WA's capital, to two of the state's billionaires, media tycoon Kerry Stokes and iron ore magnate Andrew Forrest, followed by election-eve environmental approvals for a major gas project, part-owned by the Stokes-backed Beach Energy group.

Forrest's agricultural company Harvest Road Group received a \$700,000 government grant toward a new aquaculture facility, and the hydrogen arm of his Fortescue Metals Group received \$2 million for a renewable hydrogen mobility project.

In addition, according to the *Australian*, \$200 million in royalty relief was given to mining company Mineral Resources when it took over the Koolyanobbing iron ore mine. Mineral Resources, whose founder Chris Ellison is one of WA's richest men, has generated more than \$1 billion in earnings from the mine.

So close are Labor's ties to the tycoons that comparisons are being made in the media to the 1983-88 WA state Labor government of Brian Burke, whose mutually beneficial relations with wealthy businessmen—whose enterprises later collapsed disastrously—led to the "WA Inc" royal commission into improper government dealings.

Some commentators have drawn attention to Labor's identification with big business. In the *Australian*, senior reporter Paul Garvey wrote: "This year's WA election campaign is a topsy-turvy world where up is down and right is left."

Garvey noted: "We have a Labor Party that casts itself as the party of fiscal conservatives ... It is Labor, rather than the Liberals, that will enjoy the proceeds of a lavish fundraising dinner at the Royal Freshwater Bay Yacht Club in Perth's Golden Triangle, supported by billionaire property developer Nigel Satterley."

Garvey added that while Kirkup, the Liberal leader, feigned sympathy for Perth's homeless, the Labor government "exercised special powers to force the removal of a tent city in Fremantle."

Rather than "topsy-turvy," these developments demonstrate once more that Labor is a party of big business, no less than the Liberals and Nationals.

Thus far, McGowan's government has benefited from record iron ore prices and exports from the state's north,

primarily to China. More than \$10 billion of mining royalties are expected to flow into government coffers this financial year, an unprecedented windfall.

But that rich stream could be affected by the Biden administration's escalation of the conflict with China, in which the Australian ruling elite is playing a leading role.

Most workers have seen nothing of the bonanza. Unemployment in working class areas around Perth is at some of the highest levels nationally. By the latest available local statistics, the jobless rate in Kwinana, an industrial suburb south of Perth, was 11.3 percent in last year's June quarter, and only slightly lower in surrounding regions. That social crisis will deepen as the British oil and gas company BP closes its refinery in Kwinana by the middle of the year, destroying at least 590 jobs.

No less false are Labor's claims to have protected the population from COVID-19. The government has benefited from Western Australia's geographical isolation and has repeatedly instituted border closures to insulate it from outbreaks in other parts of the country. But the same inadequate and business-driven response to the pandemic, that has led to major eruptions of the virus elsewhere in Australia, has been on display.

Earlier this month, a hotel quarantine failure led to a five-day lockdown of Perth and nearby regions. A security guard at the hotel had contracted the virus because neither the government nor his contract employer required mask-wearing or other basic safety procedures.

Throughout the pandemic, Labor has also exempted fly-in-fly-out mining workers from quarantine requirements, for the benefit of the mining companies. And last April, the government stood down a school principal for informing parents that her school was not prepared for the mass influx of students required by the government's scheduled resumption of classes during the pandemic.



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