

Australia: Victorian election highlights crisis of two-party system amid business austerity demands

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Saturday's election in Victoria is shaping up as a major crisis for the political establishment, not only in that state, but nationally. The campaign for the parliament of the country's second largest state has degenerated into a debased spectacle of mutual recriminations and dirty mudslinging. Labor and the Liberal-National Coalition, the mechanisms of capitalist rule since World War II, are widely discredited and have lost much of their mass base of popular support.

The Victorian election campaign, like almost every recent ballot in the country, has exposed the immense gulf between a political and media establishment that serves the corporate elite, and the sentiments of working people.

When the election was called last month, it was widely presented in the official media as little more than a formality. The Labor government of Premier Daniel Andrews, after two terms in office, was to be comfortably reelected amid an historic crisis of the Coalition, whose May federal election result was its worst in some seventy years.

In the space of weeks, those complacent calculations have been upended. Media polls are notoriously unreliable, but a plethora of them over recent days are telling the same basic story. The primary support for Labor and the Coalition is almost identical and it is less and less likely that either will be able to form a majority government in its own right.

A Resolve Strategic survey, conducted for the *Age* newspaper, for instance found Labor and the Coalition sitting on a primary vote of 36 percent each. The poll indicates that 28 percent of the electorate may vote for "third-party" candidates, including the Greens, smaller parties and a plethora of independents.

Their numbers have reached record levels, in another sign of the breaking grip of the two-party set-up and the fracturing of the electorate. A record 740 candidates are standing for the Legislative Assembly, the lower house of the state parliament, compared with 507 in 2018 and 543 in 2014. For the Legislative Council, the upper house of the state parliament, there are 454 contestants as against 380 four years ago.

As in the federal election, a number of "teal" independent candidates are seeking to win support by posturing over the

climate crisis, while defending the profit system that is its cause. The Greens are trying to pick up several relatively affluent inner-city Melbourne seats and are appealing to Labor for a power-sharing arrangement in the event of a minority government, again underscoring their character as a right-wing party of the establishment.

Other independents and smaller parties are pitching to a variety of grievances related to the environment, the infrastructure crisis and a host of other issues. Some are associated with the right-wing anti-vaccine and anti-lockdown movement that was actively incited by sections of the corporate elite as a battering ram against public health measures to tackle COVID.

Whatever the result, however, by far the most significant aspect of the election is the crisis of Labor. The Resolve Strategic polling found that the biggest shift compared with the 2018 election was a seven percent decline in Labor's primary support. Separate polling has indicated that Andrews' own seat may be in jeopardy.

The shift is hardly the result of any strength on the part of the Victorian Coalition. It is in shambles, with a host of candidates embroiled in scandals. Its leader Matthew Guy is a widely despised figure, associated with reactionary "tough on crime" rhetoric and opposition to popular COVID safety measures. He was deposed by the Liberals after presiding over their resounding loss in the 2018 election.

The trend, of Labor's plummeting support, echoes the May federal election. Labor recorded its lowest primary vote since 1934, receiving the first preference votes of less than a third of the population. It was only able to scrape into office because of the implosion of the Coalition.

As the WSWWS explained, the federal election confirmed that after decades of implementing the dictates of the financial elite for cuts to jobs, wages, working conditions and social services, Labor had lost any mass base of support in the working class. More and more, it is correctly regarded as a party of big business that is indistinguishable from the Liberals.

Labor's difficulties in the Victorian election are of national significance, not only because they confirm that basic

assessment. The Andrews government, the longest in office of any current state or territory administration, has played a critical role for the Australian ruling class over the past year.

Andrews was, in the first two years of the pandemic, associated with lockdowns and other measures aimed at suppressing COVID. These policies were implemented begrudgingly, in response to the demands of health workers, teachers and epidemiologists, and contained a host of pro-business exceptions. They did, however, limit illness and death and repeatedly succeeded in eliminating transmission of the virus.

While governments chipped away at and undermined the suppression measures for months, the key turning point came last December. In that month, all of the state, territory and federal governments adopted an open “let it rip” policy, which have resulted in more than 13,000 deaths and the infection of the overwhelming majority of the population.

Andrews was key. He worked in a triumvirate with former Coalition Prime Minister Scott Morrison and extreme right-wing New South Wales Premier Dominic Perrottet to enforce a full profit-driven return to work, including the dangerous reopening of the schools. Morrison and Perrottet could not have implemented this agenda alone. As Perrottet has publicly stated, Andrews previous credentials on the pandemic were decisive.

The Victorian Labor government has also been at the forefront of the attacks on workers’ pay and conditions associated with the “reopening.” Earlier this year it imposed, with the critical assistance of the Australian Education Union, an industrial agreement limiting public school teachers’ pay increases to less than two percent per annum, amid inflation of more than seven percent, and entrenching intolerable conditions.

Given this record, the state election, like its federal predecessor, has been devoid of serious policy discussion. Andrews and Guy have largely dodged the issue of the pandemic. Both have made meagre healthcare promises, which, even if implemented, would do nothing to reverse the breakdown of a hospital system that is among the most under-resourced in the country.

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Indicating the right-wing character of Labor’s campaign, Guy, an advocate of privatisation and ardent free marketeer has criticised Andrews for failing to do anything about the state’s failing public healthcare system.

The real agenda of whichever party forms government is being concealed from the population. But it is being discussed in the pages of the financial press. Their commentary has focused on Victoria’s enormous state debt, which is predicted to reach \$165.4 billion in 2026, more than the combined debt of New South Wales, Queensland and Tasmania. The liabilities are the result of lockdown expenditure, centreing on major

government handouts to the corporations and business-oriented infrastructure projects.

An editorial in the *Australian Financial Review* this week, calling for the ouster of the Andrews government, proclaimed that “What’s needed is a Kennett-style pro-business, fiscally responsible agenda focused on growing the state out of its COVID-19 hangover, and out of deficit and debt.”

Jeff Kennett’s Coalition government, installed in 1992, presided over a major slash and burn operation. It privatised state assets, including the Gas and Fuel Corporation and State Electricity Commission, closed 19 public hospitals and more than 30 schools, eliminating 50,000 education jobs. The government implemented a host of “reforms” in the interests of property developers and the corporations.

The editorials in the financial press calling for the end of the Andrews government have expressed no confidence in Guy and the Coalition. Nor have they seriously questioned Andrews well established pro-business credentials. Instead, there are fears that he and Labor are effectively a squeezed lemon after two terms of office and widespread anger over the social crisis and the consequences of the “let it rip” agenda.

What is shown is a deepening crisis of capitalist rule. The next Victorian government will be compelled to carry out sweeping austerity. But so too is the federal Labor government, which snuck into office with a historic low vote. It immediately ditched its election promises of a “better future,” to declare that working people had to accept “sacrifices” including years of real wage cuts and the slashing of social spending.

Business commentary on the Victorian election is no doubt also aimed at sending a message to federal Labor that it must press ahead with actually implementing this agenda.

But the plans of the ruling elite, dictated by the deepening crisis of world capitalism, face one major obstacle: the mass opposition of the working class, and its reentry into major social struggles. Under conditions of a breakdown of Labor’s support, and a crisis of the discredited and corporatised trade unions, there is a resurgence of the class struggle that heralds far greater upheavals to come.

The Victorian election will resolve nothing for workers. The task is to build the socialist leadership in the working class for the struggles that are emerging against austerity, war and growing authoritarianism.



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