

# Australia: NSW election sees further crisis of Liberals, but no landslide to Labor

Oscar Grenfell  
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Saturday's election in New South Wales (NSW), Australia's most populous state, represents a further deepening of a nationwide crisis of the two-party system. The Liberal-National Coalition, having governed for the past 12 years, has been thrown out of office, but there was no landslide to the Labor Party.

On Saturday evening, just hours after polling closed, corporate media outlets proclaimed a sweeping Labor victory, but with vote counting continuing today, Labor has still not secured a majority in the Legislative Assembly, the lower house of the state parliament. If, as appears likely, Labor does win a majority, it will be wafer thin, setting the stage for ongoing political instability.

The election took place with the Coalition wracked by intense factional conflicts. Last year, the Liberals were obliterated in the May federal election, registering their worst result in more than 70 years. The same thing occurred in the state of Victoria, where the Liberals were reduced to a rump in last November's state election.

The official campaign was characterised by a conspiracy between all major political parties and the media that the burning issues facing ordinary people would not be discussed. The election coincided with the announcement by Labor Prime Minister Anthony Albanese that, as part of the AUKUS alliance, \$368 billion would be spent on nuclear-powered submarines for the accelerating war drive against China.

This gargantuan sum will be gouged from government spending both in the states and nationally. Rising inflation, interest rates, job cuts and wage suppression will be the real agenda for the Labor administration in NSW, whether it is a majority or minority government.

Defeated NSW Coalition Premier Dominic Perrottet was a widely reviled figure. A representative of the far-right faction of the Liberal Party, he did not win an election as premier. Instead, he was installed as leader of the government after the previous premier, Gladys Berejiklian, was ousted in a manufactured scandal involving the Independent Commission Against Corruption.

Perrottet's signature measure was to end all public health restrictions aimed at containing the pandemic. This program resulted in the deaths of more than 22,000 people across the country last year, the majority of them in NSW and Victoria, where Labor Premier Daniel Andrews collaborated closely with Perrottet in the profit-driven reopening.

Notwithstanding its completely bipartisan character, Perrottet was the face of the end of health measures. Even prior to becoming premier, it is known that he bridled against any restrictions that

would impact on business activities. Upon becoming leader, Perrottet proudly proclaimed that he would take his advice from economists and business, not medical experts.

Perrottet also confronted the state's nurses, teachers and other public sector workers when they took multiple strike action over staffing, wages and intolerable workloads. The Liberal premier sought to impose major pay cuts on workers who had not long before been hailed as the pandemic's heroes. This offensive occurred as the worst cost-of-living crisis in decades began. Workers are increasingly unable to afford the basic essentials as housing costs, electricity and food prices soar.

At the same time, Perrottet rejected any measures to address the breakdown of the public healthcare system, including nurse-to-patient ratios. This provoked the first mass nurses' strikes in decades.

Under these conditions, the most striking aspect of the election is that Labor picked up only a fraction of the widespread opposition to the government. Chris Minns, Labor's leader and new premier, marched in lockstep with Perrottet on every substantive issue, from the pandemic to the need for budget austerity.

Across the state, the Liberal Party primary vote fell by 4.7 percent. The traditional party of bourgeois rule received just 27.6 percent of the primary vote. The vote for the Nationals, the regional and rural-based coalition partner of the Liberals, fell by 2.2 percent to just 7.3 percent of the total.

Labor's primary, however, increased by only 3.7 percent from the historic lows of the previous three elections, which it lost by substantial margins. With Labor's primary at around 37 percent, it and the Coalition received only 71.9 percent of first-preference votes. That is a substantial fall on the 74.9 percent in the 2019 NSW election.

Labor was able to win some support in marginal electorates on the basis of intense hostility to the Coalition. An Australian Broadcasting Corporation analysis has shown that several of the seats that swung to Labor had a disproportionate number of public sector workers, underscoring the ongoing determination of that section of the working class to fight against the onslaught on jobs, wages and conditions.

In Penrith and Camden, two western Sydney seats that Labor won from the Liberals, 13 percent of the population is employed in the public sector. In the southern Sydney seat of Heathcote, which Labor also secured, one in six voters are in the public sector.

At the same time however, there were notable swings against

Labor in a number of the “safe seats” that once made up its working-class base.

For instance, in the southwest Sydney electorate of Cabramatta, there was a 7.9 percent swing against Labor. The Liberal primary vote there only increased by 2 percent. In nearby Liverpool, Labor’s vote was down by 7.4 percent.

### Political crisis

Those results point to a growing hostility among workers to Labor, and a nascent recognition that it is not a “lesser-evil” to the Liberal Party. These sentiments have deepened since the election of a federal Labor government last May.

In last year’s election, Labor campaigned on the slogan of a “better future.” As soon as it scraped into office on the back of a Liberal Party collapse, Albanese’s administration proclaimed the need for working people to make “sacrifices.” It has slashed funding for health and education while pressing ahead with tax cuts for the ultra-wealthy and unprecedented military spending in preparation for war.

In an analysis of the result today, the *Australian Financial Review*’s John Black stated that some of the biggest increases in Labor’s vote were among wealthier cohorts. It was solidifying its status as the “high-income party of Australian politics,” while “traditional battlers,” were increasingly no longer supporting Labor.

That is part of an historic shift, with the Labor Party’s erstwhile base in the working class collapsing. Since the 1980s, Labor governments, in partnership with the trade unions, have spearheaded the deregulation of the economy, the destruction of hundreds of thousands of jobs and a decades-long suppression of wages.

Notably, despite the decline in the two-party vote, other capitalist parties which falsely posture as an alternative did not pick up substantial support. Statewide, the Greens’ primary vote remained virtually stagnant, increasing by just 0.4 percent, and did not exceed 10 percent of the total.

Over the past 15 years, the Greens have shifted dramatically to the right, joining Labor in de facto coalitions at the state and federal level that have cut wages and social services, while doing nothing to address climate change. The Greens vote is almost entirely concentrated in the affluent inner-city of Sydney.

The so-called Teal independents, who won several seats in the federal election by raising environmental issues in middle-class areas traditionally held by the Liberals, also gained no substantial support. Nor did the far-right populist parties, such as One Nation. Its primary vote was up just 0.7 percent, to 1.8 percent of the total, despite substantial publicity and media promotion.

The vote for “others,” that is smaller parties and independents whose campaigns were generally ignored by the corporate press, increased by 3.9 percent to almost 15 percent of the total. That underscores the growing search for a political alternative by broad sections of the population, who are being politicised by the social crisis, the experience of the pandemic and the ever-more evident danger of a major war.

The result underscores the historic crisis of the Liberal Party. Perrottet announced his resignation after the defeat. Deputy leader Matt Kean, considered his presumptive replacement, declared that

he will not contest the leadership. It remains unclear who will be Liberal leader.

Labor is now in office in every state and territory, bar Tasmania, and governs federally.

But that is a crisis, not only for the Coalition, but for Labor and the ruling elite. The two-party system, used to confine social and political discontent within safe channels, is blowing apart, raising the spectre of new oppositional political movements emerging to fill the vacuum.

The corporate elite, moreover, is depending almost wholly on Labor and its union backers to impose an agenda of sweeping attacks on social and living conditions, amid a major crisis of the global capitalist system.

Some workers voted for Minns to express their hostility to Perrottet’s attacks on public sector pay and conditions. But Labor has rejected any pay rises in line with the rate of inflation. It has declared, moreover, that any nominal pay increases, in reality, real wage cuts, will be paid for by increased “productivity.” That means a stepped-up assault on working conditions.

In his acceptance speech, Minns made clear that the right-wing bipartisanship that marked his time in opposition will continue in government. Minns expressed his admiration for Perrottet. He hailed the election campaign as a model of “civility” and a “battle of great ideas.” The unprecedented unanimity between the leaders of the two major parties arises because they have identical programs.

A colourless careerist politician, who has avoided stating his opinions for the past 20 years, Minns is now tasked with escalating major attacks on the working class. That sets the stage for a further growth of the class struggle, directly against Labor and the trade unions.

The situation underscores the importance of the campaign waged by the Socialist Equality Party. The SEP alone told workers the truth: that the election would resolve nothing, and that whichever parties took office would do the bidding of the financial elite.

The SEP raised the critical issues of war, austerity and opposition to “let it rip” COVID policies. Above all, it sought to use the election campaign to take forward the fight for a new revolutionary leadership in the working class. That is the critical issue that must be taken up by workers, young people and serious layers of the middle class.



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