

Australia's right-wing Coalition re-forms but rifts continue

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In what appears to be, at best, a fragile truce, the two leaders of Australia's right-wing Liberal-National Coalition jointly announced a shadow ministry this week, just eight days after declaring a split between their two parties.

Despite the patch-up for now, the historic crisis of the Coalition—one of the two main components of the country's post-World War II political setup, together with the Labor Party—is likely to only get worse.

The May 3 election saw the Liberal Party vote plunge to its lowest level since it was formed in 1944, while the rural-based Nationals' vote stagnated. That allowed the Albanese Labor government to win a commanding majority of seats in the House of Representatives, despite obtaining only about a third of the primary vote.

Above all, the Liberal implosion was a widespread popular repudiation of US President Donald Trump's program of trade war, militarism and dictatorship, with which the Coalition was identified. It also followed years of factional conflict within the Liberal Party, with its "moderate" wing weakened by the emergence of "green" industry-backed "Teal" independents.

None of the issues that led to the split, nor the collapse of support for the Liberal Party, have been resolved. Such is the instability that as soon as Liberal leader Sussan Ley and Nationals leader David Littleproud named their frontbench selections, several high-profile dumped members publicly objected.

Altogether, the shadow ministry includes 42 out of the rump of 70 surviving Coalition MPs and senators in the 227-member parliament. In effect, 60 percent of them have been handed portfolios in an effort to keep the official opposition together.

The scale of the electoral defeat also meant the selection of nine new members of the shadow cabinet to replace those who lost their seats, like Coalition leader Peter Dutton, or were seemingly axed because of their contributions to the rout.

The shadow ministry formation process amounted to a purge by two stop-gap leaders trying to shore up their positions by rewarding their key supporters and excluding their enemies, while giving potential leadership rivals enough senior posts to keep them at bay in the short term.

Ley narrowly won the Liberal Party leadership after the election debacle, backed by the supposed "moderate" and

"centre right" factions of the Liberal Party. She gave their representatives high-profile portfolios. That included Alex Hawke, the "centre right" powerbroker who previously backed Scott Morrison, who led the Coalition to defeat at the 2022 election.

Ley also axed or demoted right-wing MPs who had backed her defeated leadership rival Angus Taylor, such as Jacinta Nampijinpa Price, who defected from the Nationals after the election, hoping to run as Taylor's deputy in the leadership ballot.

At the same time, Ley allocated major posts to senior "conservative" faction members, notably Taylor (defence), Andrew Hastie (home affairs), Jonno Duniam (education), James Paterson (finance) and Michaelia Cash (foreign affairs).

Littleproud, who narrowly retained the Nationals leadership, excluded his key opponents in the rural-based party—his defeated leadership rival Matt Canavan and former Nationals leaders, Barnaby Joyce and Michael McCormack, who had spoken publicly about "rolling" Littleproud.

Price, Canavan, Joyce and McCormack, among others, have openly criticised the outcome.

According to various media reports, numbers of Liberal MPs are "fuming" over the makeup of the new shadow ministry, warning that the rewarding of supporters and sidelining of factional rivals was a "Treaty of Versailles"-type peace deal that would cause long-term unrest.

The Treaty of Versailles was the punishment inflicted on Germany after World War I, whose measures exacerbated the unresolved inter-imperialist conflicts that triggered World War II.

Corporate media commentators made similar predictions. Greg Sheridan, international editor of the Murdoch media's *Australian*, wrote: "This is a weird selection of a shadow ministry and one that stores up bountiful troubles for the future."

Simon Benson, the newspaper's political editor, said the new appointments would mean a continually divided parliamentary party room. "Having been papered over for three years under Peter Dutton, the divisions remain real and will become more apparent over time."

The joint frontbench was announced after Ley and

Littleproud reportedly agreed “in principle” on terms to end the week-long split, which had apparently erupted after Littleproud demanded that Ley agree to retain four policies that the Coalition took to the election.

The Nationals had reportedly advanced four “non-negotiable” policy demands, including a maintenance of the Coalition’s support for nuclear power, a \$20 billion regional fund, legislation to compel mobile networks to provide coverage in rural areas and the possible divestiture of major supermarket chains over their profit-gouging prices.

After meeting with Ley on Monday, Littleproud claimed: “We stared them down, we didn’t blink.” This indicates the continuing tensions, despite the rush to re-form the Coalition after senior political establishment figures, such as ex-Coalition prime ministers John Howard and Tony Abbott, voiced concerns about the breakup of the two-party system.

Neither Ley nor Littleproud would commit to maintaining support for net zero carbon emissions by 2050, a promise that the Labor government is already failing to keep because emissions are rising as Labor approves new coal and gas projects or expansions. Key figures such as Hastie, Joyce and Canavan are calling for the dropping of the target.

Particularly ferocious factional warfare is wracking the Liberal Party in the two most populous states. In New South Wales (NSW), Abbott, who remains a powerbroker despite losing his own Sydney seat in 2019, has given Ley a deadline this week to persist with Dutton’s seizure of control over the party’s state division, in order to purge it of “moderate” domination.

In Victoria, Moira Deeming, a far-right state upper house Liberal MP, is threatening to bankrupt former state Liberal leader John Pesutto over huge legal costs she was awarded when she won a defamation case against him for implying she associated with neo-Nazis.

The May 3 election shattered the Liberals. They now have just 18 seats in the 151-member House of Representatives, alongside 16 for the joint Liberal National Party in Queensland and nine Nationals in NSW and Victoria.

Over the past two elections, the Liberals have been substantially wiped out in the capital cities. They have been left with just eight of the 88 metropolitan seats in the House of Representatives.

In the Senate, the upper house, the Coalition disaster means that the Labor government will now be able to push legislation through with the support of the Greens, who went to the election seeking a partnership with the government.

Apart from Labor, the other main beneficiary of the Liberal implosion was Senator Pauline Hanson’s far-right anti-immigrant One Nation. It has ended up with four Senate seats, double its previous number and equalling its highest representation since it was formed in 1997.

This was not the result of any swing to the right by voters. One Nation’s vote barely rose. It won Senate seats in NSW,

Queensland and Western Australia (WA) with primary votes of around 6-7 percent, up about 2 percentage points since 2022 in WA and NSW, and slightly down in Queensland.

Due to the vagaries of the vote preferencing-swapping system, however, One Nation benefited from preferences from other less successful far-right formations, such as billionaire Clive Palmer’s Trump-style Trumpet of Patriots, as well as preferences from the Coalition, which reversed a previous policy of refusing to preference One Nation.

Beneath the political crisis is the breakup of the post-World War II social base of the Liberals, who could appeal to middle-class layers during the relatively stable period in which home ownership once grew. Now professionals, including doctors and teachers, are being proletarianised, and small businesses are under intense financial pressure, while billionaires’ fortunes soar.

As with conservative parties around the world, the Liberals and Nationals have been riven by factional conflicts generated by the rise of far-right and fascistic forces, such as Trump, fostered by elements of the corporate elite to develop authoritarian forms of rule in response to growing social opposition.

So far, such parties, including One Nation, have gained little support. Instead, Labor and the Coalition have adopted many of their policies, particularly blaming immigrants, refugees and international students for the worsening cost-of-living and housing affordability crisis.

The disintegration of the middle-class electoral base of support for the Liberal Party, the traditional party of big business, makes the ruling capitalist class very dependent on the Labor Party and its trade union partners to enforce its agenda of militarism, austerity and suppression of dissent.

Amid the global upheavals set loose by the Trump administration’s “Make American Great Again” aggression, that agenda includes historic cuts to social spending, to force the working class to pay for the economic crisis, and a vast military expansion in preparation for war, above all for a US-led conflict with China.

Albanese’s government and the increasingly distrusted union bureaucrats will face mounting working-class opposition, under conditions where the Coalition crisis has undermined the two-party system of rule.



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