

Rifts intensify in Australia's Liberal-National Coalition

Mike Head

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Sharp divisions are erupting inside Australia's opposition Liberal Party and its coalition with the rural-based National Party, producing a potentially existential crisis for one of the mainstays—together with the Labor Party—of post-WWII capitalist rule.

The immediate trigger for the latest public rifts were comments by Senator Jacinta Nampijinpa Price, one of the Liberals' most strident advocates of Trump-style far-right authoritarianism. She accused the Albanese Labor government of bringing in migrants because they voted Labor, and she nominated people from India as an example.

Despite demands from other Liberal leaders, worried by the impact on their already decimated voting base (almost two million people of Indian origin now live in Australia), Price has refused to apologise to Indian voters for her remarks, instead claiming they were taken out of context.

Price was clearly making a pitch to the efforts of far-right forces to make immigrants, along with refugees and international students, scapegoats for the continuing cost-of-living, housing affordability and social crisis affecting millions of working-class households. Her remarks followed far-right rallies, given extensive media coverage, featuring anti-immigrant racism, across Australia on August 31.

For all the criticism of Price for being so blatant in singling out Indian immigrants, she is far from alone in promoting anti-immigrant sentiment, thus providing fodder to far-right groups. The Labor government itself has slashed university enrolments by international students, rushed through plans for mass deportations to Nauru and announced plans to halve overseas migration to 235,000 annually for the next three years.

Nevertheless, Price's stance has further exposed the intensifying tensions within the Liberal-National Coalition following its crushing defeat at the May 3 federal election, which saw the Liberals reduced to a parliamentary rump, holding only a handful of seats in urban areas.

Price has become a spearhead of moves to shift the Coalition into a more Trump-like formation. During the campaign for the May 3 election, she was particularly open

in her embrace of Trump, declaring it was necessary to "make Australia great again" at campaign events.

The then Liberal leader Peter Dutton appointed her the shadow minister for government efficiency, a position modelled on the destruction of government services conducted by Trump and Elon Musk. Dutton was later compelled to withdraw the keynote policy associated with Price's ascension—the sacking of more than 41,000 federal public sector workers—because of widespread hostility.

As soon as the election was over, however, Price jumped ship from the National Party to the Liberals and immediately sought to continue the Trump-aligned push. She put herself forward as a candidate for the party's deputy leadership, on a mooted ticket with Angus Taylor from the party's most right-wing faction.

In Trumpian fashion, Price blamed the Liberal and Coalition defeat on media lies. She declared that the Liberals had to return to values of "liberty," "individual freedom," "minimal government intervention" and "most of all, love for our nation, Australia."

Taylor failed by just a few parliamentary party room votes to defeat Sussan Ley, the candidate of the party's so-called moderate and centre-right factions, who is currently the Liberal leader.

Ley's tenuous hold on the leadership has since also been shaken by moves within the National Party, including by former Nationals' leader Barnaby Joyce, to match the Trump administration by overturning—in the interests of the mining giants—the previous bipartisan policy of supposedly achieving net zero carbon emissions by 2050.

These splits are emerging amid an historic crisis in the political establishment that has already deepened since the May 3 election.

Labor's win was a negative one. It obtained only a third of the primary vote, a near record low vote for Labor, but gained a large parliamentary majority by associating the Coalition with the trade war, war and the fascistic agenda of Trump.

The Liberals' electoral disaster also followed years of

factional conflict, with its “moderate” wing weakened by the emergence of “green” industry-backed “Teal” independents who have captured parliamentary seats in affluent former Liberal strongholds.

The wipeout further demonstrated the breakup of the middle-class constituency on which the Liberals had been based since World War II, shattered by the enormous growth of social inequality. Despite being a party of big business, the Liberals could appeal to middle-class layers during the relatively stable period in which home ownership grew. Now professionals, including doctors and teachers, are being proletarianised, and small businesses are under intense financial pressure, while billionaires’ fortunes soar.

These processes have riven apart the Liberals as a “broad church” conservative party. There has been a protracted conflict between hard right tendencies within the party and so-called moderates, many of whom have left and/or supported the “Teals.”

The last “moderate” Liberal leader—investment banker Malcolm Turnbull—became prime minister in 2015 in an inner-party coup, but lasted less than three years before being ousted by the right-wing Scott Morrison prior to the 2019 federal election.

Four months on from this year’s election, there is rising popular opposition to Labor’s pro-corporate, anti-immigrant and militarist program, including its continued support for the intensifying US-backed Israeli genocide in Gaza and alignment behind the Trump administration’s war drive against China.

Under these conditions, sections of the ruling class are seeking to develop vehicles for more far-right and authoritarian forms of rule to exploit and divert the social and political discontent, along the lines of Trump’s fascistic takeover of the Republican Party, Nigel Farage’s Reform UK, Marine Le Pen’s National Rally in France and the AfD in Germany.

These efforts are continuing despite the failure, so far, of openly far-right parties to garner substantial votes. These have included Senator Pauline Hanson’s anti-immigrant One Nation and billionaire Clive Palmer’s two efforts, the United Australia Party and his most recent Trump-style Trumpet of Patriots.

Among the billionaires pushing for such a political shift is mining magnate Gina Rinehart, who issued a statement to the *Daily Mail* after the May 3 election, accusing the Liberals of being too frightened to pursue “Trump-style ‘make Australia great’ policies via cutting government tape, government bureaucracy and wastage, and hence being able to cut taxes.”

At the same time, there is nervousness in ruling circles, reflected in Ley’s elevation as Liberal leader, at the danger

of the break-up of the two-party Labor-Coalition system on which capitalist rule has long relied. This concern found expression in a column yesterday by Greg Sheridan, the foreign editor of the Murdoch media’s *Australian* newspaper.

Berating Price’s “unbelievably ill-advised” remarks, and bemoaning the Liberals’ “mess,” Sheridan wrote: “The Coalition seems to confront two stark choices, both of which they must reject. One is to become a party of milksop centrists, Labor-lite, merely going along with the zeitgeist and fighting no big political battles, especially battles of principle.

“The other is to try to become a populist party, a la Farage or Donald Trump. That would be an unmitigated disaster for the Coalition, ensuring electoral impotence and needless community division for absolutely no benefit to anyone, least of all the Liberal Party.”

One of the reasons for such reservations is that, as in other parts of the world, the globalisation of economic life has produced an increasingly diverse population in Australia. About one-third of its residents were born overseas and more than half have parents born overseas.

The disintegration of electoral support for the Liberal Party makes the capitalist class especially reliant on the Labor Party and its trade union partners to enforce its agenda of militarism, austerity and suppression of dissent.

Amid the global turmoil fuelled by the Trump administration’s “Make America Great Again” aggression and tariffs, that program includes deepening cuts to social spending to boost corporate profits and a vast military expansion in preparation for war, above all for a US-led conflict with China.

Albanese’s government and the union bureaucrats, already widely distrusted by workers, will face mounting working-class opposition. Explosive struggles lie ahead, posing evermore the necessity for workers and young people to turn to the only alternative to the capitalist agenda of war and austerity—the socialist program advanced by the Socialist Equality Party.



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