

# South Australian election: Labor government campaigns on support for property developers, austerity and militarism

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26 February 2026

An election in South Australia (SA) on March 21 will resolve nothing for workers and young people, amid a cost-of-living crisis, a breakdown of essential public services and the deepening integration of the state into militarist preparations for war.

The state election is another marker of a sharp shift to the right by the entire political establishment, amid a crisis of the official parliamentary set-up.

All polling indicates that the incumbent Labor administration of Premier Peter Malinauskas will be returned to office. That does not reflect popular enthusiasm for Malinauskas, a right-wing figure who has broken the main promises he made in the 2022 election and has governed in the interests of big business.

Instead, it expresses the Liberal Party's historic crisis. The traditional conservative party of the ruling elite is in a state of breakdown, federally and in the states. Social polarisation has resulted in the collapse of its erstwhile base in the post-World War II middle class, and it has been roiled by intractable factional conflicts.

Some polling suggests the Liberals, which once had a substantial presence in SA, may not win a single seat in the election. The One Nation party is gaining greater prominence as sections of the capitalist class seek to build a new far-right formation.

As is the case nationally, the corporate and financial elite is dependent on Labor to press ahead with an agenda of social austerity, militarism and attacks on democratic rights.

Malinauskas launched his election campaign last Sunday, promising a bonanza for property developers who have raked in billions on the back of the housing affordability crisis. If given another term, Labor will create a \$500 million fund to purchase land, which it will then sell to developers at "fair" or "below" market rates, provided they pledge to begin construction rapidly.

The dwellings that are created will be privately owned and sold. There is no suggestion that the program will increase public housing stock in the state, where there is an estimated shortfall of more than 36,000 affordable dwellings and at least 7,000 people are homeless.

Even more blatant was Labor's pledge last October to underwrite private apartment construction to the tune of \$500 million. The private apartments will be in the central business district, meaning they will be at the top end of the market. That underscores the reality that Labor is not trying to increase housing

supply for working people, but to further inflate the already skyrocketing property market to the benefit of big business.

The Malinauskas government is doing that under conditions where it has already inflicted a massive cost-of-living and housing crisis on the working class. PropTrack's February Home Price Index showed that the median house price in Adelaide now sits at \$996,000, up more than \$100,000 over the past year. According to some measures, the cumulative increase in dwelling prices since 2020 is 80 percent or more.

While young people are denied any prospect of purchasing a home, rents are also at record levels, with a median of around \$630 a week. SGS Economics' 2025 Rental Affordability Index found that Adelaide was as unaffordable for renters as Sydney. It noted that the median rent consumed 30 percent of average rental household income, the standard threshold for "rental stress."

There is growing social misery. The Salvation Army reported last year that more than 17 percent of children in the state live in poverty, higher than the national average. Government figures show that 16 percent of households are struggling to purchase enough food to feed their family.

As with state administrations across the country and the federal government, Malinauskas has responded with what amounts to a shrug. His government's last budget assigned a miserly \$118.3 million to cost-of-living relief measures. The policies, such as \$20.7 million over four years to fund a minor reduction to public transport fees for students, and a \$1.6 million subsidy over one year to reduce regional fuel costs, can only be described as contemptuous.

The government's real focus has been on slashing expenditure to vital and already crisis-ridden social services, in line with the dictates of the financial markets. In its victorious 2022 election campaign, Labor pointed to the dire state of the health system, under conditions of widespread opposition to the adoption of a "let it rip" COVID policy that overwhelmed the state's hospitals.

But while Labor touts headline figures of billions in health spending, it is funding the sector at below projected operating costs. Last year's budget demands that SA Health find \$1.3 billion in "savings" over four years, up from \$1.1 billion in the 2024 budget.

In 2022, Malinauskas pledged to resolve the most visible manifestation of the health crisis, "ramping," where ambulances

are forced to wait outside hospitals with patients because of a lack of beds. Ramping, however, has increased each year under Labor, reaching a record of more than 52,000 cumulative hours in 2025, compared with 28,000 in 2021 when it was in opposition.

While health workers are reporting record rates of burnout and stress, teachers have raised that the public schools remain chronically under-resourced and overcrowded.

Labor, hand in hand with the corporatised trade union bureaucracy, is attacking both sections of the working class. With the election campaign beginning, the Australian Nursing and Midwifery Federation South Australia last week shut down all industrial action by its 20,000 members and rammed through a deal with the state Labor government, which will do nothing to address the crisis in the sector and locks in real pay cuts beneath the soaring cost of living. In 2023, the Australian Education Union similarly suspended industrial action by teachers and rammed through a wages deal below even the understated inflation rate.

While the government claims there is “no money” for decent public education and health, it has already earmarked almost \$1 billion to transform the state into a hub of the AUKUS pact between Australia, the US and the UK. Malinauskas began his election campaign this month with the announcement, alongside the federal Labor government, of a new production facility at the Osborne Naval Shipyard to build nuclear-powered submarines.

The claims that this is a job creation program are derisory. As few as 10,000 positions will be established over the life of AUKUS, i.e. 20 to 30 years, far fewer than the thousands of jobs lost through the shutdown of the South Australian car industry, enforced by the auto companies, Labor and the union bureaucracy. Instead, the Malinauskas government is a partner in Australia’s integration into advanced preparations for a US-led war with China that would be a global catastrophe.

Alongside supporting federal Labor’s militarism, the SA administration has joined in a crackdown on anti-war sentiment, particularly mass hostility to the Israeli genocide of Palestinians in Gaza. That included Malinauskas personally orchestrating the removal of Palestinian-Australian author Randa Abdel-Fattah from the Adelaide Writers’ Festival, because she is an outspoken opponent of the war crimes. In Trumpian fashion, Malinauskas defamed the respected author, even suggesting a connection between her and the Bondi terror attack, in comments that constituted inflammatory incitement.

The Labor government, in other words, is indistinguishable from the Liberals.

Under those conditions, there is growing hunger for an alternative. One Nation is seeking to exploit anger over the social crisis, directing it into the reactionary channels of anti-immigrant xenophobia. The scapegoating of migrants for the social crisis is a cover for the property developers, the banks and the corporate elites, and aims at dividing the working class.

For their part, the Greens and the pseudo-left are putting forward no genuine opposition to the Labor administration. Greens’ advertising material uncritically predicts a “Labor landslide.” It suggests only that people elect several Greens MPs, who would then supposedly pressure Labor for concessions on public transport and other limited social programs. In effect, the Greens

are pledging to partner with a pro-business and pro-war Labor government.

The campaign of the South Australian Socialists, an electoral front of the pseudo-left Socialist Alternative (SAlt), is similarly marked by parochialism and parliamentarism. Its handful of election posts are almost bereft of political content, declaring only that “We’re fighting for a South Australia that puts people before profit.” There is no indication of how that is to be achieved. And the suggestion that anything can be resolved in South Australia alone is a sham.

SAlt’s front groups, in SA and everywhere else, promote the fraud that reformist electoral campaigns, aimed at electing its candidates, will compel the political establishment, above all Labor, to shift to the left and implement limited reforms.

Under conditions of a breakdown of global capitalism and an agenda of militarism and austerity by governments everywhere, that line serves only to chloroform the working class. SAlt and its fronts speak not for the working class, but for an aspirational layer of the upper middle class, closely connected to the unions, the Greens and Labor itself.

The Socialist Equality Party (SEP) is alone in telling the working class the truth: The election will resolve nothing. Whichever government emerges from it will be tasked with intensifying the historic assault on social conditions. The SEP calls for workers to establish rank-and-file committees in the hospitals, schools and other workplaces, independent of the union bureaucracies, to prepare a political and industrial fight for high-quality public healthcare and education, with real wage increases for workers, not cuts.

The issue facing workers is not which of the pro-capitalist candidates they vote for. It is beginning the fight to build an independent political movement of the working class, directed against the entire political establishment, its program of austerity and war, and the capitalist profit system itself. We urge workers and young people seeking an alternative to contact the SEP today and apply to join.

**Contact the SEP:**

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