

South Australian election underscores crisis of two-party system

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Saturday's South Australian election has resulted in the return of a Labor Party government with a comfortable parliamentary majority. The outcome, however, shows a deepening crisis of the capitalist two-party system that has been in place, not only at the state level but also federally, for the past 80 years or more.

The election again highlighted the existential crisis of the Liberals, the traditional conservative party of the capitalist class. It confirmed electorally what polling has indicated, that the far-right, anti-immigrant One Nation party is on the rise. And it revealed a further disintegration of Labor's erstwhile base in the working class, after decades of having imposed the dictates of the banks and big business.

As of this writing, with 65 percent of the vote counted, Labor's statewide primary vote sits at just under 38 percent, a swing of around 2.3 percent against it compared with the last election in 2022. The Liberal vote plummeted by over 16.5 percentage points to just 19 percent of the total. One Nation substantially eclipsed that with over 22 percent.

With the outcome in eight electorates still uncertain, Labor holds 32 seats, more than the 24 required for a majority; the Liberals only 4; One Nation 1 and independents 2.

The ballot has national significance, as it is the first state or territory election held since the May, 2025 federal election.

It was also held in the shadow of the US-Israeli war on Iran, which threatens to transform into a broader, even global conflagration. An immediate impact of this war, which the Albanese government was among the first in the world to support, is the rising cost of fuel which itself will intensify the already dire situation facing working people in SA and across Australia.

The silence of all the political parties and the media on the issue of war only highlights the conspiracy to cover the real agenda being discussed behind closed doors.

That federal election had also been marked by the collapse of the Liberal vote, with the party receiving its worst result since its founding in 1944 and retaining just eight metropolitan seats nationwide. As in the South Australian election, Labor retained a majority federal government, but its primary vote was near historic lows at only 34 percent.

Since then, the federal Liberal Party, and their rural coalition partner the Nationals have been in a continuous crisis, with leadership changes, splits and defections, impacting on their state branches as well. The disintegration of the Liberals expresses the collapse of its erstwhile base in the relatively broad, post-World

War II middle class, which no longer exists after decades of social polarisation.

That tendency was displayed again in the South Australian election. Despite being an urban party, it may only retain one seat, Bragg, in the state capital of Adelaide, a city that once had a reputation of being something of a Liberal stronghold. The Liberals have lost more affluent seats that they had held for decades, including Unley.

In a sign of the scale of their crisis, some Liberals have depicted the result in a positive light, given that pre-election polling had indicated they may not have any seats at all.

That polling shaped the campaign. Under conditions where all indications were that they would win comfortably, Labor adopted a "small target" strategy, outlining only a handful of policies.

In the polling leading up to the election, the main concerns identified were the cost of living, health, manufacturing, jobs and housing. Nothing was presented by Labor or any political party to address these basic issues.

What *was* put forward was a pitch, not to popular concerns, but to the corporate and financial elite. Labor's housing policy, amid an unprecedented affordability crisis, consisted largely of promises to hand out a cumulative \$1 billion in state funds to property developers, to construct apartments and houses for the private market, and to make minor alterations to the tax regime to ensure continued home-buying demand.

On the eve of the election campaign, Labor Premier Peter Malinauskas had joined Prime Minister Anthony Albanese in the announcement of a \$30 billion program at Adelaide's Osborne shipyard for the construction of nuclear-powered submarines. That is one component of AUKUS, the pact with the US and the UK, and is aimed at rapidly advancing Australia's militarisation, above all to prepare for a war against China.

In the campaign itself, Malinauskas did not mention AUKUS. That undoubtedly expressed a fear over growing anti-war sentiment, especially amid widespread hostility to the illegal US war against Iran, that Labor federally is enthusiastically supporting and participating in. The pre-election pledge, however, was a clear signal of Labor's reliability to the military-intelligence apparatus.

In the 2022 election, when Malinauskas led Labor to unseat a Liberal government, he had pledged to end the crisis of public healthcare, particularly "ramping," the practice whereby ambulances are forced to wait outside hospitals because of a lack of available beds.

With ramping having reached record levels last year under Labor, Malinauskas sought to evade the issue. A handful of healthcare funding pledges did not alter the reality that Labor will continue to fund the sector at below projected costs. Promises on the cost-of-living were equally meagre, including such things as limited transport concessions for students.

One of the issues confronting the Liberal campaign was that Labor is now indistinguishable from what the Liberals once were.

Labor's character as the preeminent party of the bourgeoisie and the wealthy was reflected in the fact that the greatest swings to Labor were in the affluent areas of Adelaide. In five of the six electorates in the state, broadly described as the more wealthy, there were swings from the Liberals to Labor, including of around 10 percent in Unley, covering Adelaide's inner-south, and Dunstan, the inner-east, and over 18 percent in Waite which encompasses some of the city's sought after foothills suburbs.

The election was a microcosm of the dynamic that is facilitating the growing prominence of One Nation. With Labor having imposed the cost-of-living crisis and pitching itself to the ruling class as the "reliable" party of parliamentary rule and the Liberals in meltdown, One Nation was alone in making any pitch to deep-going discontent over the social crisis.

Its strongest results were concentrated in working-class suburbs, particularly in the north of Adelaide. The area has been decimated by the closure of the car industry, a process involving decades of job cuts enforced by Labor and the corporatised trade union bureaucracy, and completed with the final closure of the General Motors plant in Elizabeth in 2017.

The result has been conditions approaching economic depression, with real unemployment rates approaching 20 percent in some areas, entire generations condemned to low-paid and insecure work and high incidences of poverty and social distress.

In the seat of Elizabeth, there was a 14 percent swing away from Labor. With One Nation receiving 32.6 percent of the primary vote, compared to Labor's 41.5 percent, the governing party was dependent on preferences to retain a key working-class seat that it has always held. Similar, though less dramatic results were recorded in other working-class suburbs such as Port Adelaide, where One Nation received 20 percent of the primary vote, and Mawson, where they won over 25 percent.

One Nation also pitched to discontent in regional and rural areas, which also face a range of issues including a dearth of social services. Its only confirmed seat at this point is Ngadjuri, a regional seat north of Adelaide.

One Nation's appeals to social discontent are a fraud. The party's scapegoating of immigrants serves to divide the working class and to divert social opposition away from hostility to the banks, big business and the capitalist system.

While employing populist demagoguery, One Nation leader Pauline Hanson has been travelling the country in a private jet provided by mining magnate Gina Rinehart, Australia's wealthiest individual. She has often been accompanied by Barnaby Joyce, the former Nationals leader who defected to One Nation last year, having been a leading figure in multiple right-wing, pro-business Coalition federal governments.

Rinehart's backing for Hanson points to the fact that sections of

the ruling elite are seeking to develop a far-right, populist formation, under conditions where the Liberals and the Nationals are in crisis. The aim is to fill a developing political vacuum with a reactionary force that will aid and justify the assault on the social and democratic rights of working people.

The rise of One Nation, whose showing in the election was its best primary result since the 1998 Queensland election, does not express a shift to the right by working people. Polling has previously indicated that the majority of One Nation supporters are backing the outfit primarily because of hostility to the major parties and anger over the social crisis, not animosity to immigrants.

The dangers, however, are clear and should not be minimised. The ability of One Nation to exploit discontent is not only the result of Labor's pro-business policies, and its own attacks on immigrants and refugees, but also the transformation of the unions into corporatised entities that collaborate with governments and big business against the workers they falsely claim to represent.

Its pitch is also facilitated by the bankruptcy of the official "left." Under conditions of an election marked by the fraying of the two-party system and substantial social anger, the Greens' primary vote was stagnant on 10 percent. A pro-capitalist party representing a narrow layer of the upper middle-class and closely associated with Labor, they are incapable of making any appeal in working class areas.

The key issue is building an independent movement of the working class, based on the socialist perspective that alone can address the deepening social crisis by taking aim at its source, the capitalist system and the rule of the corporate elite. Such a movement, uniting workers internationally, is also the only means of halting the deepening plunge into militarist disasters, including the war against Iran and the threats against China.



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