

moves afoot to oust Archer from her seat when preselections were next held. Archer met with ‘teal’ Independent Kate Chaney in February, which was not popular with some party members (*Guardian*, 28 February 2023). Archer had crossed the floor at least twenty-seven times since her election including voting in favour of censure of former Prime Minister Morrison and against Peter Dutton’s negative position on the Voice to Parliament.

The state budget and the economy

In May, Treasurer Michael Ferguson brought down the state budget which he described as “safe” and “modest” with a forecast deficit of almost \$300 million for the 2023–24 financial year, returning to a small surplus of \$12.7 million in 2025–26. Despite measures to reduce costs through an efficiency dividend on public sector agencies of 0.75 per cent from 2024–25, to trim \$300 m in spending over four years, predicted spending for the financial year was expected to rise by just over seven per cent compared to the 2022–23 budget estimate to \$8.7 billion, with revenue of \$8.4 billion – an increase of five per cent over the previous year. Health and education accounted for 60 per cent of budget expenditure. The budget also included new funding to address the rising cost of living, with a \$45 million energy relief package as centrepiece of more than \$347 million worth of initiatives (*ABC News*, 26 May 2023).

However, when compared to actual budget outcomes, this represented a cut in expenditure of 1.3 per cent and a drop in revenue of 0.4 per cent. State debt was forecast to grow to \$3.4 billion in 2023–24, rising steadily to \$5.6 billion over the subsequent four years with interest on the debt reaching \$500 million next financial year, rising to \$700 m in 2026–27, or about eight per cent of total expenditure (*Mercury*, 25 May 2023).

Treasurer Ferguson warned of “undoubtedly challenging economic headwinds” but said Tasmania’s strong economy and budget had placed the state in a solid position to weather them. State final demand was expected to increase from just 1.5 to 2.75 per cent, unemployment to rise from four to 4.5 per cent and CPI to ease from 7.25 to 4.25 per cent in the year.

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South Australia

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The first half of 2023 in South Australia marked the one-year anniversary of Labor’s return to governmental office after the election of March 2022. It is telling how quickly memories have faded of the four-year tenure (2018–2022) of the Marshall Liberal government which Labor’s victory had brought to an end. Labor under Premier Peter

Malinauskas now seems well entrenched and set to continue a Labor dominance which, apart from the Marshall interregnum, has governed the State since 2002.

Health management

Labor's election campaign had emphasised one key claim: that the Liberals had badly mismanaged the public hospital system. The most conspicuous evidence for this was the persistent "ramping" of ambulances outside hospital emergency departments unable to accommodate additional patients. Labor, their campaign slogan had promised, would "fix the ramping crisis".

As the Liberal Opposition has been keen to point out, the Labor government has not yet been particularly successful in addressing this problem. At some points during the period under review, the incidence and duration of ambulance ramping reached record levels (*InDaily*, 6 April 2023). On the defensive, Labor pointed to its increased investment in the hospital system, to flaws in the national Medicare system which were diverting patients to public hospitals, and to chokepoints in the aged-care system keeping elderly patients in hospital beds (*Advertiser*, 27 March 2023). Each of these plausible responses had been proffered by the predecessor Liberal administration.

Labor added a new defence: that the fine detail of its electoral promise was not actually aimed at reducing levels of ramping. Rather, it was to improve ambulance response times. On that measure, there had indeed been an improvement (*Advertiser*, 22 March 2023). The Liberals were not convinced by what they regarded as mere verbal sophistry, though its March motion of no confidence in Health Minister Chris Picton was predictably defeated along party lines in the House of Assembly (*SA Parliamentary Debates*, 23 March 2023).

AUKUS, submarines and education

Premier Malinauskas's preferred policy subject has been the opportunities and challenges around the future construction of nuclear-powered submarines. The AUKUS defence agreement between Australia, the United States and the United Kingdom had confirmed in March that at least eight submarines would be constructed at Adelaide's Osborne naval yard.

According to the Premier, "AUKUS will transform South Australia's economy for generations" (*Advertiser*, 11 June 2023). The Prime Minister had compared the likely economic impact of the submarines program to the creation from the mid-twentieth century of the Australian car industry, an industry which had indeed significantly shaped SA's economy. For Premier Malinauskas, however, the analogy, while intended to impress, understated the significance of the submarine project. "The car industry was producing a consumer product aimed to be affordable", he observed, but what was in prospect was "producing the most complex machine ever built in human history. They are very different things in scale and scope but also ability to transform an economy" (*Advertiser*, 17 March 2023).

The submarine construction phase is not imminent. It is expected to begin near the end of the decade; the first submarines will not be delivered until the early 2040s. Nonetheless, there will need to be substantial near-term investment in port construction. Also needed in advance will be enhanced technological education and training, a requirement which, according to the Premier, represented the "single biggest risk" to the project (*Advertiser*, 20 March 2023). "Let me be blunt", Malinauskas stated, "there is no point in securing thousands of highly skilled, secure, well-paid jobs for our State for decades to come if we do not have the workers with the requisite skills to do these jobs". Five new high-school-level Technical Colleges are envisaged (the first of which opened enrolments in March for its initial 2024 intake) plus a

Commonwealth-supported Skills Academy aimed at “tailored education, training and skilling for our submarine and naval shipbuilding workforce”. The Commonwealth is also providing SA’s public universities with 800 additional funded places for STEM-related studies (*Advertiser*, 22 May 2023).

First Nations Voice

In late March, South Australia became the first Australian jurisdiction to institutionalise a formal Indigenous Voice to Parliament. For Premier Malinauskas, the *First Nations Voice Act* was “a momentous piece of legislation for our First Nations people” (*Advertiser*, 27 March). Prime Minister Anthony Albanese acknowledged the achievement in similar terms, as a “momentous and historic moment – not only for South Australians but for all Australians” with implications for the national Voice referendum anticipated for the second half of 2023 (*Advertiser*, 26 March 2023).

The Act creates a State-level First Nations Voice interconnected with six regionally defined “local” Voices. First Nations people residing in the State will elect members (half to be “female persons” and half to be “male persons”) to their respective local Voice. Each local Voice will have two presiding members (“being persons of different gender”) who in turn will comprise the membership of the State Voice, thus producing a State Voice with twelve members. The stated chief purpose of the State Voice is to “engage with and provide advice to the South Australian Parliament and the South Australian Government on matters of interest to First Nations people”. Its role is advisory; there is no obligation on the Parliament or government to accede to any advice (*First Nations Voice Bill*, 2023).

The State Voice is empowered to engage with the State Parliament and with the executive branch of the SA government in several specific ways. On the parliamentary front, it will deliver an annual report to a joint sitting of both Houses. It will be notified of each bill introduced into Parliament and is entitled to address either House (but not both) in relation to that bill. On its own initiative or in response to a parliamentary request, it may present its own reports to Parliament “on any matter ... of interest to First Nations people”. On the executive government front, the State Voice must meet with the Cabinet at least twice per year and, with the same frequency, meet with “the Chief Executives of each administrative unit of the Public Service”. There will be an annual “engagement hearing” which will “allow the State First Nations Voice to ask questions of the Ministers and Chief Executives relating to the operations, expenditure, budget and priorities of administrative units” (*First Nations Voice Bill*, 2023).

Passage of the *First Nations Voice Act* through both Houses of the SA Parliament was assured when the Greens in the Legislative Council pledged support. The Liberal Party, however, voted against the bill. Opposition Leader David Speirs declared his party “in principle supportive of the concept, but very concerned about the model”. For Shadow Minister Josh Teague, the legislated model was “not ... [what] we regard as effective or most effective, particularly in terms of engagement with Parliament” (*Advertiser*, 26 March 2023). It was “rushed, impractical, and will do nothing to improve outcomes for Aboriginal and Torres Strait Islander people”, and it “ignores existing engagement methods” (*Advertiser*, 21 February 2023).

Sensitivity around “existing engagement methods” had been apparent during the government’s public consultation on its initial draft bill. Native Title holders had complained that the proposed model would bring “another layer of complexity” to a “Native Title network [which] already exists and ... already perform[s] the functions prescribed” in the draft bill. It is, they asserted, “the traditional owners who speak for country and what happens – no one else has that ability” (*InDaily*, 20 January 2023).

The *First Nations Voice Act* as eventually passed establishes a First Nations Elders Advisory Committee, a First Nations Youth Advisory Committee, a Stolen Generations Advisory Committee and a Native Title Bodies Advisory Committee. These committees embody a doubtless sincere attempt to recognise and accommodate different and perhaps inconsistent representational perspectives. Their creation arguably also lends support to the “layer of complexity” complaint.

Protest politics

An extraordinary bipartisan crackdown on “obstructive” protests revealed, in the process, considerable disquiet among political “progressives” with some of the actions of the Labor government. The episode began with Extinction Rebellion activities in May protesting against an Australian Petroleum Production and Exploration Association conference being held at the Adelaide Convention Centre. Peak-hour traffic on the major CBD thoroughfare abutting the Convention Centre, and a short distance from Parliament House, was disrupted for about an hour by a protester abseiling down from an overhead bridge. Next day, the Extinction Rebellion action moved several blocks away to the headquarters of Santos Limited where climate change messages were daubed on the building including its independent ground-floor café.

Opposition Leader Speirs denounced the “out-of-touch greenie leftie losers” behind the disruptions. During a radio interview, he foreshadowed an amendment to the *Summary Offences Act* to sharply increase the penalties for obstructive activity. Whereas the existing law allowed for a maximum \$750 penalty, with no jail option, for obstructing a public place, Speirs proposed new maxima of a \$50,000 penalty and three months’ imprisonment. Within a day, Premier Malinauskas had agreed. The House of Assembly then took just 22 minutes to approve an Amendment Bill incorporating the new penalties, thus sending it to the Legislative Council for consideration (*InDaily*, 18 May 2023).

A range of organisations expressed their surprise at and condemnation of the government’s wholesale adoption of the Liberals’ proposal. A rally at Parliament House attracted expressions of concern from, among others, Amnesty Australia, the Human Rights Law Centre, SACOSS, the Ambulance Employees Association (a key Labor supporter during the March 2022 election campaign), the Australian Education Union and the Australian Nursing and Midwifery Federation (*Advertiser*, 30 May 2023). The Law Society of SA also expressed its misgivings. The Secretary of SA Unions, the umbrella trade union organisation, sought to remind the Labor government that the “Labor party was born from the protest movements of the late 1800s” and that the legislation was “at odds with [Labor’s] proud history of protest and demonstration” (*InDaily*, 29 May 2023). There were unverified claims that Labor’s parliamentary Left faction, led by Deputy Premier Susan Close, was “furious” at being locked into the Right faction Premier’s precipitous decision on the matter (*InDaily*, 26 May 2023).

Bipartisan Labor-Liberal support guaranteed passage of the bill through the Legislative Council in the face of protracted opposition from crossbench members. Greens MLC Robert Simms was “aghast by this assault on our democracy” (*InDaily*, 19 May 2023). SA Best MLC Frank Pangallo described the “rushed, populist legislation” as “the beginning of the slippery slide into autocracy” provoked by “largely harmless, grey-haired old rebel hippies and boomers with a modernist cause to pursue: climate change activism” (*SA Parliamentary Debates*, 18 May 2023).

In response, the Premier explained that there was no change to the right to protest as protected by the *Public Assemblies Act 1972*. The increased penalties were aimed instead at the deliberate obstruction of the public: “there’s peaceful protests and then

there's deliberately disrupting, obstructing people from being able to get on with their lives" (*InDaily*, 29 May 2023).

Notwithstanding marathon filibuster efforts from the Greens and SA Best crossbenchers, the Summary Offences (Obstruction of Public Places) Amendment Bill passed the Legislative Council after a 14-hour all-night sitting. Twelve amendments were formally proposed, of which three were accepted because, according to the Premier, they did not weaken the core objective of increasing penalties. Not satisfied with his surprising achievement in co-opting the government into his initial proposal, Opposition Leader Speirs complained that the Premier, in accepting these amendments, had been "pushed around" by the unions and the Labor Left (*Advertiser*, 1 June 2023).

Privatisation reversal

More in keeping with a traditional Labor approach was the Malinauskas government's fulfilment of an election pledge to return Adelaide's privately-managed train and tram services to public ownership. The services had been privatised under the Marshall Liberal government in 2021. The trains have been operated since then by Keolis Downer and the trams by Torrens Connect under eight-year contracts.

The government negotiated a return to public ownership without incurring financial penalties by agreeing to a phased transition period. While train operations will be back in public hands by January 2025, Keolis Downer will retain customer service and security work until June 2027 and continue with train fleet and infrastructure maintenance until 2035. The tram system will be in public hands by June 2025. The estimated transition cost to government will be approximately \$33 million.

For the Premier, this all constituted a redress of "the former Marshall Liberal government's failed privatisation of train and tram services". For the Opposition Shadow Minister Vincent Tarzia, it was a regrettable reversal: there had been "better service at a lower cost over the last two years" and, in any case, the continuing role for Keolis Downer represented "a variation of the contract, not a termination as Labor had promised" (*InDaily*, 3 April 2023).

Budget 2023–2024

The Malinauskas Labor government's second annual budget statement was delivered in June by Treasurer Stephen Mullighan. It was aimed, explained the Treasurer, at "the government's key priorities of health and housing ... [and] substantial cost-of-living support" (*SA Parliamentary Debates*, 15 June 2023).

The budget speech noted an odd conjuncture of ostensibly positive economic news alongside alarming negative trends. The SA economy, Mullighan exclaimed, "has never been stronger", as measured by employment statistics, and "export figures have broken all records". Yet households and businesses were experiencing "the dual blows of soaring inflation and the fastest increase in interest rates in a generation ... compounded by soaring housing costs" (*SA Parliamentary Debates*, 15 June 2023).

The cost-of-living and housing challenges were addressed through several initiatives. Energy cost relief was promised through a targeted subsidy program for which around 420,000 households and 86,000 small businesses are estimated to be eligible. Stamp duty was to be abolished for first-home buyers (again targeted, applying in full to properties up to \$650,000 in value and phasing out at \$700,000 or to vacant land up to \$400,000 phasing out at \$450,000). Housing supply was to be expanded via a raft of measures. These included building 564 new public housing units, not proceeding with the sale of 580 others, and a commitment to the development of 700 new "affordable" homes (*SA Parliamentary Debates*, 15 June 2023).

Given its electoral prominence, health expenditure was inevitably a major focus. The budget included \$1.3 billion over five years to “meet activity demand pressures in our hospitals” and more specifically \$200 million for “measures that seek to reduce ramping”. Projected capital works included \$1.2 billion over four years to start construction on a new Women’s and Children’s Hospital and \$100 million for a renewed Mount Barker Hospital in the rapidly-growing Adelaide Hills commuter belt (*SA Parliamentary Debates*, 15 June 2023).

Among various transport and infrastructure projects identified for capital expenditure, the allocation of \$5.4 billion over four years for the next phase of “the north-south corridor”, the long-awaited 80-kilometre motorway traversing the Adelaide metropolitan area, stood out. The future submarine project received modest funding for the establishment of a new State Office for AUKUS.

Consistent with Labor’s election manifesto, no new or increased taxes were proposed. A predicted surplus for the current (2022–23) financial year had evaporated, replaced by a projected \$249 million deficit, but a return to an annual surplus was expected from 2023–24. The State’s estimated net debt will grow from \$26 billion to more than \$37 billion by the end of 2026–27 (*Advertiser*, 16 June 2023).

Reactions to the budget were predictable. For Business SA, the budget was “a missed opportunity” to provide “much-needed relief” for business. For the welfare advocate SACOSS, the budget included “an admirable effort to lessen the impact of spiralling costs for many South Australian households” but only through “a short-term, one-off measure” (*Advertiser*, 16 June 2023). For the Opposition Leader, the revelation about the current-year deficit was evidence of the government’s “fiscal ill-discipline” while the statement as a whole lacked “a central vision for economic development for South Australia” (*SA Parliamentary Debates*, 27 June 2023).

Party politics

As the party in office, Labor continues to enjoy the advantages of incumbency as political life, so distorted during the pandemic years, returns to a more familiar pattern. Premier Malinauskas appears to be firmly in control of his party as evidenced by his success in holding it together despite apparent internal reservations about his handling of the public disruption legislation. Malinauskas seems to have gained public kudos from a couple of sporting triumphs enticed via the expenditure of public funds: an extension of Adelaide’s role as host of an annual Australian Football League “Gather Round” and (more controversially) hosting an international tournament associated with the Saudi-sponsored LIV professional golf tour.

For the Liberals, matters are more challenging. There are evidently continuing tensions within the party organisation between its progressive and conservative wings (*Australian*, 14 May 2023). In April, the Liberals released a seven-point “values statement” (“Opportunity”, “Individual, Family and Community”, “Freedom”, “Home”, “Responsibility”, “Service” and “Compassion and Respect”). Opposition Leader Speirs, in launching the statement, explained that “I want to lead a sensible middle-of-the-road but centre-right party”, an ideological positioning whose imprecision may be telling (*Advertiser*, 18 April 2023).

Speirs closed his budget-reply speech in June with a somewhat wistful characterisation of Labor’s enduring dominance of South Australian politics: “when they [the Malinauskas Labor government] came to power last year, they shrugged their shoulders and thought, ‘Well the planets have realigned: the four-year aberration is over. The Liberals will go back to being hopeless and we will go back to being in government’”. He concluded bravely: “That is not my vision for this opposition”

(*SA Parliamentary Debates*, 27 June 2023). The March 2026 election is a considerable time away but, from the vantage point of the first half of 2023, it will surely take extraordinary leadership, considerable effort, and good fortune for the Liberals to disrupt the long-term continuation of Labor's political dominance.

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New South Wales

January to June 2023

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The election

The Dominic Perrottet Coalition Government continued to be dogged by scandals as the 25 March election approached. In early January, enemies in the Premier's right faction leaked the fact that Perrottet had worn a Nazi uniform at his 21st birthday party (*Guardian*, 12 January; *Sydney Morning Herald*, 23 February 2023). Soon after, a Liberal MLC was disendorsed over his circulation of revealing photos of a female colleague (*SMH*, 18 February 2023). In February, Minister for Finance Damien Tudehope resigned over his failure to disclose shareholdings (*Guardian*, 17 February 2023). A report by the Auditor-General found that intervention by former Nationals Leader and Deputy Premier John Barilaro had prevented ALP electorates from receiving bushfire recovery funding (*Guardian*, 2 February 2023). A Legislative Council committee inquiry into allegations by a Liberal MP about improper dealings between Liberal members of Hills Shire Council and a major developer was impeded by the non-cooperation of Liberal activists, including two of the Premier's brothers (New South Wales Legislative Council, Portfolio Committee No. 7, *Allegations of impropriety against agents of the Hills Shire Council and property developers in the region*, Report No. 18, March 2023). The Independent Commission into Corruption, after the election, commenced an investigation into the allegations (*SMH*, 19 April 2023).

Factional divisions in the Liberal Party caused damaging in-fighting and delays in pre-selections. A month before polling day, the party did not have candidates selected in 20 seats (*Australian*, 27 January; *SMH*, 25 February 2023). Perrottet strongly pushed for the endorsement of more women candidates but with limited success. In the Liberal Party's heartland on Sydney's north shore, the party had only one female lower house candidate.

In spite of all this, a Newspoll released on 27 February showed the Coalition's primary vote was 37 per cent compared to Labor's 36 per cent; the two-party preferred vote was ALP 52 per cent to Coalition 48 per cent. This represented a swing to the Opposition, but not the 6.3 per cent two-party preferred swing needed to put it into office in its own right (*Australian*, 27 February 2023).

Arguably, the explanation came down to leadership. Perrottet, the conservative Catholic father of seven, initially seemed an unlikely successor to the popular Gladys