

The 2006 South Australian Election

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The 2006 (March 18) election in South Australia needs to be interpreted within a number of contexts. The 2002 election produced a hung parliament — in both houses. The 22-member Legislative Council, half of which was elected on a single State-wide electorate by proportional representation, produced a complex chamber: nine Labor, seven Liberal, three Democrat, one Family First, one No Pokies independent, and one former Labor member who had formed his own party — SA First.

The election for the 47-member House of Assembly produced Labor 23 seats and Liberal 20. The balance of power was in the hands of a curious collection of four independents, all of whom had won in safe Liberal seats, and two of whom were former elected members of the Liberal party. Which major party would form government was in the hands of these. On the surface, the Liberal party might have been confident in attracting their support.

But the Liberal party had burnt its bridges with all four before and during the campaign. It had campaigned bitterly against each, and had made it clear that each was *persona non grata* anywhere near the Liberal party. This proved to be a major error, and in the 2006 election, a fatal one.

In the days after the 2002 election, both Labor and Liberal made overtures to one of the independents, Peter Lewis, who had prepared a draft ‘contract’ for consideration by his suitors. Both agreed, and Lewis decided to support the Rann Labor party ‘in the interests of stability of government’.

The new Labor government, led by Mike Rann, established suitable ‘rewards’ for two of the four independents. Peter Lewis took the position of Speaker; Bob Such, having also given support to Labor, accepted the Deputy Speakership. This knife-edge and potentially unstable majority was tested when one elected Labor member decided to resign from the party. Kris Hanna, in the safe Labor seat of Mitchell, joined the Greens. But Premier Rann pulled an amazing pair of rabbits out of the hat.

Independent Rory McEwen and National party Karlene Maywald, both avowed 'conservatives', representing conservative rural electorates, were invited to join the Rann Labor Cabinet as full Ministers. Both accepted, under their own terms. They forced Mike Rann to allow them to absent themselves from Cabinet meetings if they wished, to dissent from cabinet decisions, and to vote against them. These unique provisions were a result of Labor's determination to cement itself in power, of Rann's pragmatism, and of the growing conservatism of the government.

The pact provided the first occasion since a 'lib-lab' government in 1906 that a Labor Ministry contained people who were not members of the Labor party, were not elected by the caucus, and had formerly been vehemently opposed to the Labor party. The Rann Labor government, through clever tactics, had completely outplayed the Liberal party, which had a natural expectation that the conservative independents would support it.

A further context was the environment of the campaign. This was the first fixed term election, and the permanent date in March was in the middle of a number of competing attractions. The Adelaide Festival, the Fringe, the Commonwealth games, WOMAD, and other events all managed to take the minds of the voters away from politics. This was not favourable for the Liberal party, which was fighting the election from well behind. It had to capture the attention of the voters, and keep that attention with a collection of attractive policies, different to those of the Rann Labor party. It succeeded in neither.

The public opinion polls for almost all of the four years since the 2002 election showed Labor well in front. The State's economy was healthy, and Labor made great play when its Standard and Poors AAA rating was returned. Further, Labor had managed to remain united and cohesive, with very few factional problems throughout its four years of government. The Liberal party, on the other hand, seemed constantly to be in turmoil, and publicly so.

One cause of this was the factional warfare which had convulsed the party since the 1960s. The moderate, small-l wing (with a history running from Steele Hall, through the Liberal Movement, to Dean Brown in the 1990s) was in bitter conflict with the neo-liberal right faction of the party. This conflict was in its second generation, and came to a head when Dean Brown resigned as Deputy Leader of the party in November 2005. The two factions pushed hard, with the moderates behind Vickie Chapman, daughter of former factional leader Ted, and the conservative right wing behind Iain Evans, son of former factional leader Stan. It was a case of the 1960s and 1970s re-born.

But the Liberal turmoil was party-wide. Parliamentary leader Rob Kerin slammed the 'old warriors' in the party, especially those in the organisational wing who 'had been undermining him in the media for some time ... because I won't do what they actually tell me to do' (*The Advertiser* 21 December 2005). The tensions even involved the current president of the party, banning the former president from

talking to party members ‘on any subject’. President Christopher Moriarty in 2005 had referred to some of his executive members as ‘treacherous bastards’ (*The Advertiser* 9 February 2006). It was not a happy party.

The fixed term caused some problems for the parties, especially in terms of when the ‘formal’ campaigns would start. Rob Kerin (affectionately known as Kero) took the Liberal party into the hustings very early. In a mini-campaign launch limited to his assembled front bench and staffers, he outlined the Liberal’s key themes — the poor state of the SA economy, more infrastructure spending, health, hospitals and education, and opposing the Labor party’s ‘endless spin’ (*The Advertiser* 7 February 2006). Mike Rann, on the other hand, held off the ‘official’ announcement of the election until the last minute.

Labor won the campaign by a long way. It had the benefit of incumbency and, until the writs were issued, it used millions of dollars of public money for a series of ‘feel good about the government’ advertisements on the electronic media which were justified by Mike Rann as ‘public interest’. It also had the benefit of very full coffers once it had to pay for Labor advertisements. The Liberal party, on the other hand, was severely short of money. Many of its traditional funders in the private sector had read the polls, and held back on donations. As a result, there was virtually no Liberal advertising on TV and radio until the last days of the campaign, and even then obviously constrained by a shortage of funds.

Further, the Liberal campaign was riddled with amateurish errors, which continued the perception of a party in deep trouble. A Liberal complaint about Labor advertising addressed to the Electoral Commissioner spelt her name incorrectly. A senior Liberal shadow Minister told a public meeting that, if elected, a Liberal government would not be able to deliver all of its promises (*The Advertiser* 15 March 2006). The party had to withdraw some TV advertisements when it misspelt Labor as Labour.

Given the electoral successes of the federal Liberal party and John Howard, the SA party could have expected strong support from the Prime Minister. But John Howard made only one, fleeting visit to the state, and in the process undermined one of the key components of the Liberal campaign. The SA Liberal party had argued that the economy of the State was not performing well. But Mr Howard praised the economic situation, and took the credit for it.

One of the major problems for the Liberal party was the fact that Labor ran a ‘presidential’ campaign. Mike Rann was the focus, and virtually the only face seen and heard. This was based on the fact that he had become the most popular Premier in Australia. His satisfaction rating was consistently in the high 60s; and he was just as consistently favoured as Premier over Rob Kerin by a margin of 60% to below 20%. ‘Media Mike’, as he was called, dominated the campaign.

Rob Kerin was highly regarded as a 'nice bloke', but he had real problems in countering Rann's media savvy, populism and plain good luck. Labor assiduously applied the 'good cop/bad cop' style, with Mike Rann presenting all of the good news, and Treasurer Kevin Foley putting the hard edge on the campaign. Rob Kerin announced that his approach was not just 'nice guy'. He stated that Mike Rann is 'not tough — I'm tough'. On the Labor government: 'We haven't seen this mob make tough decisions at all' (*The Advertiser* 5 March 2006).

The issues which dominated the campaign were the 'standard' topics of any State election — the economy, education, health and hospitals, and law and order. Added to these were specific SA themes, such as electricity supply, privatisation, and infrastructure. The priorities were set by Mike Rann as early as November 2005 in press advertisements headed 'My Pledge to you' (*The Advertiser* 14 November 2005), and by the series of public funded TV advertisements — a 'feel good' campaign.

This campaign, which continued from November 2005 to the issue of the Writs in February 2006 was severely criticised by the Liberal party as blatant use of public money for partisan political purposes. And justly so. Labor attempted to justify the massive expenditure on the grounds that it was simply following what the former Liberal party government had done. But when it was pointed out to the Treasurer, Kevin Foley, that he had been very critical then of the Liberal party's activities, his response was that he had been wrong then.

The argument over the economy was straightforward. Liberal leader Kerin put the case that SA's economy had declined under Labor, to trail the other states. Premier Rann had an equally straightforward claim: 'Our economy is in its best condition for more than a generation' (*The Advertiser* 8 February 2006). Unfortunately for Kerin, the business commentators, John Howard, and a majority of the voters, seemed to agree with Rann.

Both parties had similar policy planks on education — more money, smaller classes, more teachers. Labor decided to reverse the errors of the period when the 'tech' schools were closed down, promising to re-create the sector. The Liberal party, on the same day, announced that its policy included \$32 million extra funding for private schools.

Electricity was a 'sleeping' issue. It had the potential to be a key factor if the long hot summer produced another series of blackouts. Since the late 1990s, when the Olsen Liberal government privatised the Electricity Trust (after making an unequivocal campaign promise that it would not do so), both generation and supply had been major problems. These re-occurred in the summer prior to the election, and the two major parties blamed each other. To Labor, it was a case that the Liberals had privatised, so it was their fault. To the Liberal party, Labor had promised to fix it, but hadn't. In the final analysis, the voters appeared to blame

both. The Labor party, however, re-iterated its promise from the 2002 election that no more privatisations would occur in SA.

Mental health became a focus, with both parties committing extra money. The disabled groups combined to form their own political party, Dignity for the Disabled, in an attempt to force further changes. The Liberal party promised a hard line against the use of hydroponics, used widely to grow marijuana. Rob Kerin also promised to cut land tax, but was not able to say by how much due to ‘the complexity of the land-tax system’ (*The Advertiser* 23 February 2006).

The issue of the funding of the election promises was targeted late in the campaign. The Labor government promised ‘innovative options’ (*The Advertiser* 9 March 2006), which were revealed to include ‘a 2 per cent efficiency dividend across non-essential areas of government, cutting government office accommodation, and freezing the goods and services used in the public sector’ (*The Advertiser* 17 March 2006). The Liberal party proposed a different innovation — cutting ‘Labor waste’, and cutting the public sector by 4 000 jobs. The last prompted a massive (reported to cost \$250 000) advertising campaign from the Public Service Association.

The campaigns by the Labor and Liberal party often appeared to be a case of ‘synchronised swimming’. What one party promised, the other followed with a similar proposal. Labor promised 400 extra police; the Liberal party immediately matched it. The Liberal party promised more attention to mental health; so did Labor. Both promised to fix the electricity problem; the Democrats promised to go further — to form a new public electricity company.

The campaign included the traditional Leaders’ debate, but it was such a controlled event that it is doubtful it had any impact. The 30-minute telecast, anchored by Ray Martin, was sterile, with no studio audience, let alone a ‘worm’, and with well-rehearsed input from both leaders. Rather than a debate, the viewers saw and heard carefully orchestrated rhetoric.

Minor parties promised to be more important than ever before, partly because there were more of them with the potential to pick up significant proportions of the vote, but also because there was a high proportion of marginal electorates. In SA there has to be a redistribution after every election to satisfy the requirements of the unique ‘Fairness Clause’ of the Constitution. This demands that the electoral ‘map’ must guarantee ‘as far as practicable’ that a party which wind a majority of the votes will win a majority of seats. To achieve this, the Boundaries Commission is required to take the last election result, and re-draw the boundaries to achieve ‘fairness’. The fact that any assumption that voters will produce the same patters of support in the next election is never the case, especially when major swings have occurred, means the whole process is based on nonsense. But that is no barrier to the application of the clause, as it has been entrenched in the Constitution. One past report correctly called the process a matter of ‘oneiromancy’.

The 2006 election saw the involvement of a large batch of minor parties, a number of which had the potential of deciding seats with preferences. The Australian Democrats, however, were in deep trouble. The polls were consistently showing the party at below two per cent, and it was clear that they would have little influence in the contests for the House of Assembly. It also meant they would lose both of their seats up for election in the Legislative Council. Given that South Australia has been the powerhouse of the Democrats, the 2006 election may well decide whether the party is over.

The Greens saw the Democrat decline as an opportunity, and nominated a full team of candidates for both houses, giving preferences to Labor. But the party lost its only sitting member prior to the election, when Kris Hanna, who had been elected as a House of Assembly Labor member in 2002, then switched to the Greens, decided to stand as an independent in what was essentially a safe Labor electorate.

The Family First party, which had won its first seat in an Australian parliament in the SA Legislative Council in 2002, also nominated a full team, and took a key role in the preference dealing prior to the election — it was a case of ‘Hard ball on ‘Bible Belt’ Deals’ according to *The Advertiser* (2 March 2006). The party, which was running at seven per cent in the polls, was courted by both Labor and Liberal, and it spread its preference favours between Labor, Liberal and National, with some split tickets. A new party, Dignity for the Disabled, built up a solid base in the run-up to the election, and was expected to play a key preference role.

As a result, most of the 47 contests for the House of Assembly included six candidates and, as twelve of the electorates required a swing of less than 5 per cent to shift between Labor and Liberal, preferences and preference deals were important. Five of the 47 seats in the House of Assembly were already held by minor parties and independents. In four cases the seats were in formerly very safe Liberal territory: Karlene Maywald (Nationals, Chaffey), Bob Such (independent, former Liberal, Fisher), Rory McEwen (independent, Mount Gambier), and Peter Lewis (independent, Hammond). The last transferred his candidature to the Legislative Council when it became clear he had no chance in Hammond.

The Liberal party became obsessed about these independents. At first sight, there was some justification. Such and Lewis were former Liberal members who became independents and held their seats. When both supported Rann’s Labor government, and when McEwen and Maywald joined the government, the Liberal anger turned to rage. The party decided to focus its electoral efforts on all four.

In the context of a party desperately short of money, and needing to win marginal seats in the city, the concentration of time and resources on the conservative independents was hardly a sensible decision. There was little doubt that three of the four would retain their seats. Meanwhile, the party’s campaigning where it really mattered was poorly focussed, disjointed, and lacked any real bite.

Preferences were even more important in the contest for half of the Legislative Council. This produced the usual constellation of candidates — 54 nominated for the eleven seats. These included a range of ‘Independent for ...’, including End Marijuana Prohibition, No Battery Hens, Buy Back ETSA, Save babe.com, and People Reform Before Parties. Most of these disappeared into the preference mix early in the complex count, but one, Nick Xenophon No Pokies, produced an amazing result — two seats won on first preference votes!

Rann had attempted to counter any potential bandwagon-backlash by continually referring to the fact that his was a minority government. But polls released on election day suggested his worries were over. The final polls were accurate. Newspann (*The Australian* 18 March 2006) put Labor at 46 per cent, and the Liberal party at 33 per cent, and a two-party vote of 57 per cent for Labor. The *Advertiser* poll showed Labor on 37 per cent and the Liberal party on 28 per cent — a two-party Labor vote of 60 per cent. Both promised a landslide, and both papers editorialised in favour of Labor.

Despite the consistent poll results, both major party leaders maintained the fiction of the whole campaign period. Rann continued the mantra that ‘We are just 606 votes away from defeat’, and Kerin was convinced ‘it would be very tight’ (*The Advertiser* 18 March 2006). The low combined major party vote of only 65 per cent in the *Advertiser* poll mirrored previous polls, and suggested that preferences would be more important than ever.

But, in the final analysis, it was a landslide in the contest for government, with a very different landslide in the Legislative Council.

House of Assembly

Party	Votes		Swing 2002–06 %	Two-party Swing		Seats
	N	%		%		
ALP	424 715	45.2	+ 8.9	56.8	+7.7	28
LIB	319 041	34.0	- 6.0	43.2	-7.7	15
GREEN	60 949	6.5	+ 4.1		4.4	-
FAM FIRST	55 192	5.9	+ 3.3			-
DEM	27 279	2.9	- 4.6			-
NAT	19 636	2.1	+ 0.6			1
D4D	3 974	0.4	+ 0.4			-
ONP	2 591	0.3	- 2.1			-
IND	25 884	2.8	- 4.6			3

The Rann Labor party won in a landslide, with its biggest majority on record. The Liberal party was reduced to only 15 of the 47 seats, and three of its former safe seats continued to be held by independents. The task facing it is daunting. It now holds only five of the 32 seats in the metropolitan area, four of which nestle in the leafy very middle-class suburbs, four of which required preferences, and three of which are now marginal seats. In that sense, the Liberal party has returned to its Playford roots — a party whose strength is in the rural areas.

Of the minor parties, both the Greens and Family First increased their shares of the votes, to the point where their preferences were crucial in some marginal seats. The big loser, apart from the Liberal party, was the Democrats — its first preference vote dropped to less than one third of its 2002 result. It seems reasonable to conclude that, even in its once-heartland, the party is over.

The Legislative Council result was amazing, at least for one candidate — No Pokies Nick Xenophon.

<i>Affiliation</i>	<i>No. Votes</i>	<i>% Votes</i>	<i>Swing</i>	<i>Seats</i>	
				<i>Won</i>	<i>Held</i>
ALP	340 632	36.6	+ 3.7	4	8
LIB	241 740	26.0	- 14.1	3	8
XEN	190 958	20.5	+ 20.5	2	2
FPP	46 328	5.0	+ 1.0	1	2
GRN	39 852	4.3	+ 1.5	1	1
DEM	16 412	1.8	- 5.5	-	1
ONP	7 559	0.8	- 1.0	-	
NAT	6 237	0.7	+ 0.7	-	
SP	5 991	0.6	+ 0.6	-	
D4D	5 615	0.6	+ 0.6	-	
SSRP	2 106	0.2	+ 0.2	-	
IND	27 439	3.0	- 8.2	-	

The real interest in the Legislative Council results is the success of Nick Xenophon and his No Pokies campaign. Through a continuing series of political stunts from the time of his election in 1997, Xenophon had maintained a very high profile and recognition. Further, the polls showed that he was respected, and the role he took in the Council was understood and appreciated by the voters.

Despite this, it was expected to be a close-run challenge to retain his seat. Under the PR system he needed 12.4 per cent of the votes, and this was made more

difficult when every other party decided not to give any preferences to him. He had severely annoyed both Labor and Liberal over his eight years in the Council, but it was surprising that some minor parties were not willing to preference him.

In the final analysis, Xenophon surprised everyone, including himself, and his running partner, Ann Bressington, who told the media that Nick had promised her she would not be elected! He won a staggering 20.5 per cent of the first preference votes, and two seats. This result is unprecedented. Further, the data suggest that much of the Xenophon support came from the Liberal party.

The Council continues as a 'hung parliament', with a balance of power held by a disparate collection of Democrat, Family First, Green, and No Pokies. This result added impetus to Mike Rann's determination to have the Council abolished. He stated after the election that a referendum (required by the Constitution) would be held at the 2010 election, offering a choice between status quo, reform or abolition. His problem is that a referendum requires a Bill passed through both houses, and there is a majority mood in the Council opposed to abolition. On the other hand, reform including cutting the current 8-year term to 4 years would find majority support.

The aftermath of the election was characterised by elation in the Labor party, and deep gloom in the Liberals. Rob Kerin, as he had promised, resigned as Liberal leader immediately. The Labor party, for the first time since the 1985 election, formed a majority government in its own right. With 28 seats in the House of 47, it seems likely to be in government through the next election until 2014 at least.

The caucus was relieved by the result, as it meant that position and place no longer had to be shared with the independents who had supported previous minority Labor governments. With two exceptions. The contract agreed to by conservative independents Karlene Maywald and Rory McEwen to join the Labor Cabinet (with the right to dissent) included a guarantee that their appointments would continue if Labor was re-elected. Mike Rann honoured this promise, despite considerable unrest in the caucus ranks among those who considered it was their turn.

On the other hand, caucus exercised its will over the appointment of Speaker. The deal which allowed the formation of the Rann government in 2002 saw conservative independent Peter Lewis in the Speaker's chair. When he lost the confidence of the government, the House, and the parliament as a whole, the chair was occupied by former Liberal and now independent Bob Such, who had also given his support to Labor in 2002.

But the factions, which had been 'locked up' and kept silent during the campaign, emerged with renewed determination after the election. The election of the new ministry saw a straight factional ticket applied, with some very capable aspirants omitted on grounds which were never explained. The Speaker's position was also a factional matter, with Bob Such, whose Speakership was respected by all,

summarily shifted to the cross-benches. This was a pity, as Such had developed an agenda for the reform of parliament, which will now be ignored by the government, in the same way that both Labor and Liberal ignored the reform agenda of Peter Lewis.

For the Liberal party the immediate future looks grim. After running a campaign which had little money and less direction, under a leader who could not bring any vitality to the party, with deep and bitter factional warfare, the party is a shambles. The resignation of Rob Kerin brought the factions into open conflict, and the emergence of what was termed a 'marriage made in Heaven' has a real task ahead.

The two obvious faction candidates for the leadership inherited a context of warfare. Vicki Chapman, the candidate from the moderate faction, and Iain Evans from the conservative faction. Faced with the landslide in the elections, the factions decided on the 'dream team' of Evans as leader and Chapman as deputy. Past attempts to heal the wounds in the party have collapsed; this one has to succeed. The party has to face a complete re-structure, from the foundations up. And for that to occur, the factions will have to work together. On the basis of 40 years of internal warfare, that will require a miracle. ▲