# Tasmania: Majority or Minority Government? \*

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\* Double-blind reviewed article.

#### INTRODUCTION

While the outcome of the March 2018 Tasmanian State Election was predictable,<sup>1</sup> the controversies that dogged the campaign were not. Yet it was the aftermath of the election that was most astonishing—not only to the public but also to members of Cabinet.

Tasmania is different. Its parliamentary institutions are unusual and its electoral system is distinctive. So were the issues on which the March 2018 state election was fought. In the lead up to the election both major parties campaigned to govern alone or not at all—neither in minority nor in coalition with the Greens. As well as this apparently overarching concern, there were three other major issues prominent during the campaign—an acute housing shortage, the thousands of poker machines in pubs and clubs, and the surprise matter of gun control.

Health, education, law and order, the economy and who would best manage the budget were, as usual, also policy battle grounds; however, the minority government fear campaign, a television blitz on the benefits of poker machines and considerable

<sup>1</sup> N. Miragliotta, 'As Tasmania Looks Likely to Have Minority Government, The Greens Must Decide How to Play Their Hand', *The Conversation*, 26 February 2018. Accessed at: https://theconversation.com/as-tasmania-looks-likely-to-have-minority-government-the-greens-must-decide-how-to-play-their-hand-91985.

publicity on the housing crisis robbed most other issues of oxygen during the campaign. A proposal to relax gun controls came to light at the very end of the campaign period and, given the enduring legacy of the Port Arthur massacre, astounded many voters, even if it did not impact on the final election result.

#### **BACKGROUND TO THE ELECTION**

Tasmania has a unique electoral system that accurately reflects party support in the electorates in lower house seats and which has often produced minority governments. As a result, the size of Parliament has again become a particular issue in recent times.

# Tasmania's electoral system

The Tasmanian House of Assembly has five multi-member electorates (or 'divisions') with its home-grown Hare-Clark quota-preferential electoral system in contrast to a typical Australian lower house of single-member electorates.<sup>2</sup> By-elections are rare and casual vacancies are typically filled by recounting the votes from the preceding general election in the affected electoral division. While all other states and territories have fixed four-year terms for their house of government,<sup>3</sup> Tasmania alone has a maximum four-year term, which confers an advantage for incumbent governments as they have some flexibility in choosing election dates. The March 2018 election was held at the maximum point allowed for the first-term Liberal government.

The Tasmanian upper house, the Legislative Council, which dates back nearly 200 years to 1825, has the power to reject money bills and send the lower house to an election. Yet unlike the other state upper houses, it does not itself face a general election. The government has no power to dissolve the upper house because elections for its single-member electorates are staggered, alternating between elections for three divisions in one year and two in the next year. All other Australian

<sup>2</sup> The Australian Capital Territory adopted a similar system for electing its single House of Parliament.

<sup>3</sup> Queensland followed maximum three-year terms until a 2016 referendum allowed the State to move to fixed four-year terms from 2018.

state upper houses have multi-member electorates, half or all of whose members face elections at the same time as lower house members. Further, the Tasmanian Legislative Council is the only parliamentary chamber in Australia in which most of its members—nine of a total of 15—are Independents.<sup>4</sup> Following the most recent round of elections in May, the Liberals held two seats in the Legislative Council to Labor's four. This meant that of all the parliamentarians from whom Cabinet and shadow Cabinet would normally be drawn, there were 15 Liberal and 14 Labor Members—almost equal numbers that arguably increased a sense of threat to the Government's ascendancy.

Table 1. Tasmanian House of Assembly: Number of Seats Since 1856

Year	Number of seats		
1856	30		
1870	32		
1885	36		
1893	37		
1900	35		
1906	30		
1959	35		
1998	25		

Source: Wikipedia: Tasmanian House of Assembly history.

In the lead up to the election there was significant public discussion about the size of the House of Assembly. While as shown in Table 1, it had had at least 30 Members since its origins in 1856 and 35 from 1959, in 1998 the *Parliamentary Reform Act* reduced it to 25 Members. This measure arose as a productivity offset to justify a controversial 40 percent pay rise for MPs in the mid-1990s, at a time of austere state

<sup>4</sup> T. Newman, Representation of the Tasmanian People. Hobart: Tasmanian Parliamentary Library, 1994, pp. 140-170.

budgets and restrictions on public sector pay rises. It also especially suited the two major parties, which saw it as a chance to make life harder for the Greens by lifting the quota required to win a seat from 12.5 percent to 16.7 percent of the vote. Nonetheless, as a result of strong environmental campaigning, particularly well-received in the south of the State, the Greens continued to be elected to the House of Assembly, and prior to the 2018 election held three seats.

#### POLITICAL BACKGROUND TO THE 2018 ELECTION

To understand the Tasmanian 2018 election, it is important to review the election of 2010. At that election, the incumbent Labor Party and the Liberals each won 10 seats and the Greens five seats. The Labor Premier, David Bartlett, made a deal with the Greens that included appointing two Greens MPs to Cabinet to form what was in effect a coalition government. This was despite Labor promising during the election campaign that it would allow Opposition Leader Will Hodgman to take Government if the Liberals won more votes than Labor. In fact, the Liberals won 39 percent of the vote, Labor 36.9 percent and the Greens 21.6 percent. Bartlett had a change of mind for two reasons: constitutionally, the Governor refused his resignation before numbers were tested on the floor of the House; politically, Labor Members wanted to retain Government and Greens Members wanted to exercise their balance of power.<sup>6</sup>

Despite Bartlett's resignation after only a year, the Labor-Greens coalition Government proved to be remarkably stable. Under new Premier Lara Giddings, it lasted almost its full four-year term. However, the Government was plagued by a hangover from the global financial crisis (GFC) and by problems of its own creation. Much of this was blamed publicly on the Government and Giddings decided to terminate the coalition arrangement before the election. As a result, both Labor and the Greens suffered an electoral backlash in 2014. At that election, the Liberals surged to 51.2 percent of the vote, giving them 15 seats and majority government.

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<sup>5</sup> A quota under Hare-Clark is the total number of votes divided by the total number of seats per electorate plus one, plus one vote. Where there is only one seat the quota is therefore half the number of votes, plus one vote—which is the same as used throughout Australia in all single-member electorates.

<sup>6</sup> ABC News, 'Greens, Bartlett Reach Last Minute Compromise', 2010. Accessed at: http://www.abc.net.au/news/2010-04-20/greens-bartlett-reach-last-minute-compromise/402622.

Labor was reduced to 27.3 percent and seven seats and the Greens vote fell to 13.8 percent and three seats.<sup>7</sup>

Because Tasmania has had a history of minority governments since the 1980s, debate about which party can form 'stable majority government' has been a central theme in almost all recent election campaigns in the state. So, it was during the 2014 campaign and again in 2018. From mid-2017, successive public opinion polls showed a big drop in support for the Liberals and a boost for Labor under newly installed Leader Rebecca White. Labor was lifted due to strong campaigning on the Government's handling of health, problems with a two-speed economy (involving growth in the State's south but much less in the north and north-west), and ongoing battles between the Government and local government over ownership of Taswater—the council-owned corporation responsible for water and sewerage across the state.

An EMRS poll in December 2017 had the Liberals and Labor level-pegging on 34 percent. White led Hodgman as preferred Premier by 48 percent to 35 percent after first bettering the Liberal Leader in a ReachTEL poll in July of the same year. As a result, most commentators were suggesting the possibility of another hung Parliament, which set the stage for an interesting election.

# The economy

One of the underlying themes of the Tasmanian election was the economy and the state budgetary position—and which party was better to manage it. One the eve of the election, the economy and budget both appeared to be in good shape, which augured well for the Hodgman Government.

In February 2018 the number of people employed in Tasmania stood at 246,200, compared to 235,300 in March 2014 when the Hodgman Government came to office. Unemployment in trend terms had fallen from 19,000 in March 2014 to 14,800 in February 2018. The unemployment rate stood at 5.7 percent compared with the

<sup>7</sup> Tasmanian Electoral Commission, 'House of Assembly Elections 2014'. Accessed at: https://tec.tas.gov.au/House\_of\_Assembly\_Elections/StateElection2014/Results/Results.html

<sup>8</sup> D. Beniuk, 'Tasmanian Premier Will Hodgman to Call March 3 Election'. The Mercury, 2018. Accessed at: http://www.themercury.com.au/news/politics/tasmanian-premier-will-hodgman-to-call-march-3-election/news-story/61a475b1a8ef7e2a899faed0bc290e78

national average of 5.5 percent which, for Tasmania, was a very good outcome. The participation rate was also stable at 60.9 percent. Hobart's consumer price index was running at 2.1 percent per year, compared with the 1.9 percent average for all eight Australian capitals. Not all indicators were good, however. For example, there had been a relatively big rise in part-time employment, from 83,400 in March 2014 to 93,900 in February 2018.<sup>9</sup> Final demand growth was also down to 2.2 percent, below the Australian average of 3.3 percent. Overall growth in gross state product (GSP) also remained low at 1.1 percent per year, while Australia was running at 2.3 percent in trend terms. Nevertheless, GSP was fairly consistent for the period 2013 to 2017 following a sharp fall in 2012 under Labor in the wake of the GFC.

Another important indicator for Tasmania is population growth. During the late 1980s and early 1990s, Tasmania's population stalled and, for a short period, even fell, as Tasmanians migrated interstate in search of better employment opportunities. Since the early 2000s it has been growing, albeit slowly, but population is still a significant indicator of the state's economic health. Over the first term of the Hodgman Government, population increased by about 7000 people and net interstate migration showed small gains from 2015, compared to net losses in the years between 2011 and 2015.

Tasmania's budget was also in good shape. On 1 December 2017, the Premier made a speech to the Committee for Economic Development of Australia (CEDA) in which he said Tasmania was in much better shape than when the Liberals came to office in 2014. He declared Tasmania was now a stronger, prouder, more confident place, and the economy one of the strongest performing in the country. Hodgman noted that credit rating agency Standard and Poors had confirmed Tasmania's AA+ rating, the budget had returned to surplus four years ahead of schedule, state debt had been eliminated and, for the first time ever the total state sector, the general government sector—including its state-owned companies and GBEs—was net debt free, with a cumulative surplus of \$811 million forecast over the next four years.<sup>10</sup>

Heading into the election, one of the Government's key messages was that the state was performing well economically and the Liberals were responsible financial managers, so why risk a change in government—or worse, a minority government?

<sup>9</sup> ABS Cat No. 6202.0

# Housing squeeze

The combination of increased demand for housing from mainland and local buyers, rising prices and the explosion of Airbnb short-term rentals in many areas as a result of the tourism boom, had resulted in a visible housing crisis in the state as increasing numbers of families could not find affordable rental accommodation. As a tent city for the homeless grew at the vacant Hobart showgrounds and caravan parks were affected, welfare groups increased pressure for the Government to provide for these housing needs.<sup>11</sup> The Government response appeared piecemeal and a group of homeless people erected a tent dwell-in on the lawns of Parliament house just before the election and refused to move.

#### THE ELECTION

The election was fought on three major issues—gambling, gun control and health, despite the existence of significant matters including housing and campaign finance laws. The three parties adopted different approaches to the campaign, with varying degrees of success.

# Labor's poker machine gamble

In December 2017, Labor announced the adoption of what had been a Greens policy, to remove electronic gaming machines from pubs and clubs by 2023. Widely described as 'bold', the move would have seen around 2,300 poker machines stripped out of venues across the state over the five years while allowing others to remain in Tasmania's two casinos.

While the Federal Hotels Group held the licences for all poker machines in pubs, clubs and the two casinos, the Liberal Government had previously announced it would open up to tender the rights to operate gaming machines outside the casino environment after 2023, with a reduction of 150 machines across the state. This followed a joint house parliamentary committee report in September 2017 that did

<sup>11 &#</sup>x27;Time to Act on Rent Crisis', The Mercury, 2018. Accessed at: https://www.themercury.com.au/news/opinion/editorial-time-to-act-on-rent-crisis/news-story/4c99bbc6f4ef29cfcaaab5b24bb1fcde

not recommend a complete ban on the machines outside the casinos but urged a 'significant' reduction in machine numbers. The Committee's *Future Gaming Markets Final Report* found of the gambling industry's \$311 million revenue in 2015-2016, the Government recovered \$96.4 million in taxes, fees, penalties and levies.<sup>12</sup>

Labor said its policy was based on research that showed more than 80 percent of Tasmanians wanted poker machines out of pubs and clubs and that some of the poorest suburbs in the state were contributing much of the \$110 million lost each year on poker machines in pubs and clubs.<sup>13</sup>

The policy was strongly supported by the social welfare sector but the long lead time from the announcement of the policy to the date to the election proved to be a tactical mistake. It gave Federal Hotels and pub and club venues time to run a well-funded, state-wide campaign against Labor and the Greens. Due to the absence of state-based campaign disclosure laws it has not been revealed how much the gaming lobby spent on the anti-Labor campaign. The amount may never be known, as only the money directly donated to parties and candidates has to be declared under Tasmanian electoral law—and even that will not be known until early 2019, when the parties are required to lodge their returns. However, it was widely reported that the anti-Labor, pro-pokies television and billboard advertising blitz by the Federal Group, the Tasmanian Hospitality Association and the Liberal Party overshadowed the electoral spending of all other parties and candidates combined.

On election night, Greens Leader Cassy O'Connor called for donation law reform claiming the Liberal's big budget campaign was fuelled by 'millions and millions of dirty money' from the gambling industry. She said: 'I have a message for the Liberals: the stain of being bought by the gambling industry will live with you forever. I am saddened at the corruption of our democracy'.<sup>14</sup>

Labor's poker machine policy most likely had two other effects—one good for the Party and the other calamitous. In the absence of environmental lightning rods in this

<sup>12</sup> ABC News, 'Poker Machines to be out of Pubs and Clubs under Tasmanian Labor', 13 December 2017. Accessed at: http://www.abc.net.au/news/2017-12-13/poker-machines-to-be-out-of-pubs-clubs-under-tasmanian-labor/9254442

<sup>13</sup> Tasmanian Labor Party Policies. Accessed at: http://www.pokieshurtpeople.com/

<sup>&</sup>lt;sup>14</sup> M. Maloney, *The Examiner*, 3 March 2018. Accessed at: https://www.examiner.com.au/story/5262273/greens-leader-slams-dirty-money-campaign/

campaign, stealing the Greens' thunder on banning poker machines is credited as a major factor in helping Labor take one of the Greens' seats. But, while Labor also clawed back two seats from the Liberals, the dominance of the poker machine issue appears to have stalled Labor's earlier gains among voters during 2017 made on the back of their campaigning on health.

#### Gun control

Following considerable publicity about mass shootings in the United States, and in the state that suffered the notorious Port Arthur massacre in 1996 that led to the present strong national agreement on gun control, many Tasmanians were startled when it emerged that the Liberals had made a secret promise to weaken gun laws if reelected. The agreement was made between then infrastructure Minister Rene Hidding and farmer and shooter groups, who wanted access to silencers and semi-automatic weapons for 'pest control', as well as longer gun licensing periods. When this agreement was revealed in the last few days of the campaign, the Liberals moved to reassure voters that there would be no breach of the national firearms agreement that had been negotiated after Port Arthur, and farmer groups said they would abide by any decision of Parliament. Responding to public pressure, after the election, the Liberal Government said it would support a Legislative Council inquiry into the issue.<sup>15</sup>

#### Health issues

Health was one of the major battle grounds between the major parties during the election campaign. Labor's surge in the polls under Rebecca White was built on concentrating on the Government's handling of health, hospital facilities and waiting periods, which continued as major issues between elections. The Liberal Government had appeared to be taking positive measures to resolve various apparent crises, such as ambulance 'ramping' at major hospitals due to lack of emergency beds, continued progress on the redevelopment of the Royal Hobart Hospital and a reduction in

<sup>15</sup> E. Coulter, 'Tasmanian Farmers Not Fazed if Election Eve Gun Law Changes Do Not Get Up', ABC Online, 5 April 2018. Accessed at: http://www.abc.net.au/news/2018-04-04/tasmanian-farmers-not-gunning-for-changes-to-firearms-laws/961852.

<sup>16</sup> G. Burgess, 'Tasmania Election: Parties Trade Blows in Fight to Claim Health High Ground', ABC Online, 12 February 2018. Accessed at: http://www.abc.net.au/news/2018-02-12/tasmanian-election-sees-parties-battle-over-health/9422748

waiting periods for some elective surgery. Yet, as early as May 2017, White, who had taken on the health portfolio as Leader, was publicly saying that health had been raised with her more than any other issue since she became Labor Leader. In her budget reply speech in May 2017, she said: 'Overwhelmingly, almost without exception, when I ask what is most important to them, they say health. Our health system and our hospitals are in crisis. The damage was done three years ago when the Liberals slashed \$210 million out of the health budget'.<sup>17</sup>

While the Government had boosted health spending by \$658 million in the 2017 Budget, White said this was an 'afterthought' that did not negate or right the decisions of the Government's first three budgets, or assuage the apparent outrage in the community and the medical profession. Labor labelled health the major election issue. It promised to spend an additional \$88 million on health across a range of initiatives, including solving the state's hospital bed shortage with the introduction of 'medihotels' to reduce bed block, a policy well-established in some other states, and establishing a Health Communities Commission.

One particular women's health issue also rose to the fore during the campaign. While abortion had been fully legalised only in 2013 under the previous Labor Government, in early 2018 the last dedicated abortion facility in the state closed down, meaning that women needed to travel to Melbourne to access such a facility. The Government provided airfare subsidies in response, but feminist groups argued that this was insufficient and out of line with a modern health system. Health Minister Michael Ferguson, a committed Christian, said that the issue was being handled at an operational level by health experts, 'not by me as minister'.¹8 However, Labor accused him of letting his ideology get in the way of policy.¹9 Several weeks after the state election, a group called 'Not Ovary-Acting' organised a rally attended by several hundred people on the Parliament House lawns in Hobart. While the issue received scant attention during the election campaign, compared with the barrage of pro-

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<sup>17</sup> B. Richards, 'Health the Key Focus in Labor Leader Rebecca White's Budget Reply', *The Mercury*, May 30, 2017. Accessed at: http://www.themercury.com.au/news/politics/health-the-key-focus-in-labor-leader-rebecca-whites-budget-reply/news-story/ca03fb5655d332928a790d6c37b26f6b

<sup>18</sup> M. Ferguson, Minister for Health, 'Private Clinic Closure', 13 January 2018. Accessed at: http://www.premier.tas.gov.au/releases/closure\_of\_private\_abortion\_clinic

<sup>19</sup> R. Shine, 'Abortion Rally at Tasmanian Parliament Ups Pressure on Hodgman Liberal Government', ABC News 28 April, 2018. Accessed at: http://www.abc.net.au/news/2018-04-28/abortion-rally-at-parliament-ups-pressure-on-state-government/9707190

Liberal advertisements, the rally brought extensive publicity to it in the election's aftermath.

# Unannounced policies

It emerged four days after Tasmanians voted that the Liberals' commitment to relax gun laws was one of about 200 election promises that the Party made directly to interest groups but did not release publicly. The reason given for this was that the 'sheer volume' of policies made it 'impractical to widely promote them all'. Among them were commitments relating to crime, health, infrastructure, gaming, funding for Catholic education, wildlife, fiscal strategy, energy, sport and climate change.<sup>20</sup>

Premier Hodgman's surprising statement that only 100 of the Party's 300 policies were published on its website before the Saturday 3 March election—while simultaneously asserting that his Government had a mandate for all of them—came as State Treasury released documents which showed the Department of Finance had been unable to assess and cost 161 of Liberal promises—along with 27 from Labor and 14 from the Greens—prior to the election, due to insufficient time or information. This revelation met with calls for stronger rules to force political parties to release all election promises, fully costed, before polling day. Whether this has a long-term impact remains to be seen, with at least two Independent upper house MPs declaring the Government only had a mandate for the policies it publicly announced prior to the election.<sup>21</sup>

# Campaign approaches

While the Liberals relied on their strong economic credentials throughout the election period with a campaign launch slogan of 'Taking Tasmania to the Next Level', it was evident that the supporting campaigns by the hotel gambling industry, which included considerable television advertising, more than blunted any swing promoted

<sup>20</sup> J. Dunlevie, 'Liberals Release Election Policies Four Days after Tasmanians Vote, but Upper House to Test "mandate"', ABC Online, 7 March, 2018. Accessed at: http://www.abc.net.au/news/2018-03-07/liberals-release-policies-four-days-after-tas-state-election/9524270

<sup>21</sup> R. Whitson, 'Tasmanian Liberals Blasted Over Withholding of Policies, as Tactic Likened to a "Dictatorship"', ABC Online, 8 March, 2018. Accessed at: http://www.abc.net.au/news/2018-03-08/tasmanian-liberals-blasted-for-policy-delay-until-after-election/9529550

by the welfare lobby on the issue. Statewide, the still popular Liberal leadership team of Will Hodgman and Jeremy Rockcliffe was well supported by Treasurer Peter Gutwein and Health Minister Michael Ferguson.

The Labor approach tended to focus more directly on Rebecca White as a fresh Leader, which boosted the Party's chances of success. As mentioned earlier, Labor had decided to run on the poker machine issue early in the campaign, a tactic that allowed the industry time to develop its own response. There was also post-election criticism of Labor's apparent inertia between December 2017 and the start of the election campaign proper, an inertia only partly explained by need to conserve limited funds for the election period. Labor also failed to make any dent in the Government's narrative on economic management and fiscal responsibility.

The Greens suffered from having their gambling policy adopted by Labor. The party's main focus was on the environment, with policies to clean up the environmental damage from industrial-sized salmon farms and to better protect the state's parks and reserves. However, without the benefit of a major environmental concern for the first time in several decades, their campaign appeared diffuse and they notably struggled in northern electorates.

The Jacqui Lambie Network ran 12 candidates in three of the state's five electorates—Braddon, Bass and Lyons—but failed to have much impact on the policy debate. Her team concentrated on anti-politician policies, such as promises to clean up Parliament with an anti-corruption commission, as well as concerns about creating local jobs, more accessible and affordable education, and leaving decisions about the use of medicinal marijuana to doctors, not politicians.

#### THE OUTCOME

The Liberals, led by Premier Will Hodgman, were returned to government with a resounding 50.3 percent of the vote and yet secured a bare majority of 13 of the 25 seats in the House of Assembly, after losing two seats. The Labor Party, under Rebecca White, won 32.6 percent of the vote and ten seats, an increase of three from the all-time low of seven at the 2014 poll. The Greens, led by Cassy O'Connor, won 10.3 percent of the vote and two seats, down one (see Table 2).

Hodgman earned his place in history by securing a second term majority, becoming only the second Liberal Leader in Tasmania to do so, after Robin Gray in the 1980s. Labor recorded its third worst result since World War II but still registered an improvement from its position prior to the election by securing two seats from the

Liberals and one seat from the Greens. The Greens recorded their worst result in terms of percentage votes since they became a party in Tasmania after the 1989 election. Despite the relatively poor results for Labor in historical terms, the Party felt White achieved a good result in the short time available. She remained Party Leader, with no obvious challenger in the wings. It is likely Labor will give White the opportunity for a second tilt whenever the next election is called. With just two Members in the new Parliament, O'Connor has also stayed on as unchallenged Leader of the Greens.

Table 2. Tasmanian State Election Results 2018 Compared with 2014

Party	Votes 2014 (%)	Votes 2018 (%)	Seats 2014 (n)	Seats 2018 (n)
Liberal	51.2	50.3	15	13
Labor	27.3	32.6	7	10
Greens	13.8	10.3	3	2
Other	7.7	6.8	0	0
Total	100.0	100.0	25	25

Source: Tasmanian Electoral Commission.

On 1 May, the first sitting day of the new Parliament, whether the Liberal Government was still a majority government became debatable, as the Government lost the key vote on their nomination for Speaker. A move by Labor and the Greens to nominate first-time Liberal MP and former Hobart Lord Mayor, Sue Hickey, for the Speakership against the Liberal's official candidate and former Minister Rene Hidding caught everyone by surprise—apparently including Hickey herself.<sup>22</sup>

Despite the loss of the vote on the Speakership, it was arguable that the Liberals still held a majority, as newly elected Speaker Hickey maintained she was still a Liberal Party member. Premier Hodgman chose to interpret the situation that way and could point to Hickey's guarantee to support the Government in any motion of confidence as well as to support budget bills. However, Hickey also said she would act

<sup>&</sup>lt;sup>22</sup> See also 'From the Tables – July 2017 to June 2018' later in this issue of the Australasian Parliamentary Review.

independently, would not attend any meetings of the parliamentary Liberal Party and would vote on 'most' non-budgetary legislation on its merits. Thus, arguably, the new circumstances could be interpreted as meaning that Tasmania had another minority government. Hickey further indicated she was interested in increasing the size of Parliament. She would support any issues to improve women's health and said she was 'shocked' to learn of the Government's plan to change gun laws.<sup>23</sup>

While the State general election resulted in the Liberal and Labor parties each having 14 MPs in the Tasmanian Parliament—the Liberals with 13 in the House of Assembly and one in the Legislative Council and Labor with 10 in the Assembly and four in the Council—the Liberals improved their position to 15 seats overall with a win in the newly created seat of Prosser at the upper house elections in May 2018. Liberal Jane Howlett—a candidate for Lyons at the state election—saw off 12 competitors, including Labor's Janet Lambert. The other seat up for election—Hobart—was retained by incumbent Independent and former Lord Mayor, Rob Valentine.

# Formation of Cabinet

Premier Hodgman's new Cabinet was sworn in on 20 March, 2018. Despite the Liberal's loss of two Assembly seats, the size of the Cabinet was restored to nine, after it had been temporarily reduced to eight in a late term reshuffle in 2017 that saw Denison MHR Elise Archer move from the Speakership to the portfolios of Attorney-General and Minister for Justice and Corrections. The post-election Cabinet saw the promotion of two former backbenchers to the ministry—Braddon MHA Roger Jaensch and Bass MHA Sarah Courtney. Former Minister Rene Hidding's defeated bid to become Speaker forced a minor ministerial reshuffle on 4 May 2018, when he was appointed Parliamentary Secretary to the Premier.

Roger Jaensch was appointed Minister for Planning, Human Services and Housing, which meant he was given the difficult job of finding a solution for Hobart's pressing housing crisis. His predecessor in the role, Jacquie Petrusma, remained a Minister but with the more junior responsibilities for Disability Services and Community

<sup>23</sup> A. Humphries, 'Speaker Sue Hickey's Outlook on Tasmanian Parliament', *The Mercury*, 13 May 2018. Accessed at: http://www.themercury.com.au/news/politics/speaker-sue-hickeys-outlook-on-tasmanian-parliament/news-story/dcfc9ef77cbc4402a872e38d45d0a504

Development, Aboriginal Affairs, Women, Sport and Recreation. Sarah Courtney was appointed as Minister for Primary Industries and Water, and Racing.

The responsibilities of some other reappointed Ministers were reshuffled. Premier Hodgman became Minister for Tourism, Hospitality and Events, Parks, Heritage, Trade. Deputy Premier Jeremy Rockliff became Minister for Education and Training, Infrastructure, Advanced Manufacturing and Defence Industries (a new portfolio). Peter Gutwein remained Treasurer and Minister for State Growth and Local Government. Elise Archer remained Attorney-General and Minister for Justice and Corrections. Despite Government problems with health during the last term Michael Ferguson retained the health portfolio, along with Police, Fire and Emergency Management, Science and Technology. Guy Barnett was reappointed as Minister for Resources, Energy, Building and Construction, and Veterans' Affairs.

### Debate over the size of Parliament

One driver of the size of Parliament debate was that a 25 seat Assembly resulted in a Cabinet with arguably too few ministers, each of whom had too much responsibility for efficient government. The Liberal Party's one seat majority was barely enough to fill the ministry and parliamentary roles such as the Speakership and chairmen of committees. Further, the small pool meant there was a dearth of talent to choose from when selecting a ministry. Yet, while both major parties and the Greens have publicly supported the restoration of the 35-Member House in principle, neither major party proposed it as a policy, probably because it was seen as too politically risky to propose that there should be more politicians.

# National issues had no impact

The 2018 Tasmanian election was fought almost entirely on state issues. Whereas during the 2013–2017 period, Australian politics centred on fiscal inequity, energy, same-sex marriage, housing, and the dual citizenship of MPs, only one of these matters—housing—resonated in the Tasmanian election.<sup>24</sup> None of the national political debates about income and company tax reform, the relative GST revenue

<sup>24</sup> D. Bolwell and R. Eccleston, 'Ebb Tide in Blue: Recent Sub-National Elections in the Australian Federation'. *Regional and Federal Studies*, 28(3), 2018, pp. 253-274. DOI: 10.1080/13597566.2018.1465050.

share between the states, superannuation, and the popularity of the Coalition under Prime Minister Malcom Turnbull versus that of Labor under Opposition Leader Bill Shorten, appeared to have any impact whatsoever on the Tasmanian election. Tasmanians seemed more than able to distinguish between national and state issues and cast their vote accordingly. Even the national dual citizenship fiasco, which saw two Tasmanian Federal Senators (former Liberal President of the Senate Stephen Parry and Independent Senator Jacqui Lambie) resign their seats, had no noticeable impact.<sup>25</sup> That was despite the fact that Lambie subsequently turned her attention to running a team of candidates in three electorates in the State election.

#### ONGOING ISSUES AND LESSONS

In the aftermath of the Tasmanian election there are a number of outstanding issues and lessons that may yet have an impact on national politics. One is the importance of economic issues. Like Australia generally, Tasmania's economy was strong yet it was still a close run thing for the incumbent Government. If there is a lesson to be learned from that, it may be that if the benefits are not being shared by all, then the long-held nexus between the strength of the economy and the return of incumbent governments may not continue.

Then there is the gun laws issue. An upper house inquiry into proposed changes will take some time. Until then the Government has said it would not introduce new legislation. Yet if it does so following the enquiry, this may well raise the issue again nationally, should the farm lobby seek to replicate the laws in other states. Former Prime Minister John Howard is already on the record as opposing any changes that undermine the national firearms agreement; however, it is unlikely that the gun control lobby would miss the opportunity to make it an issue for the Federal Government.

The question of poker machines in the community may not be resolved. This is not a new issue for Australian politics. In 1999 Howard announced a Ministerial Council on

<sup>&</sup>lt;sup>25</sup> On these resignations, see also 'From the Tables – July 2017 to June 2018' later in this issue of the *Australasian Parliamentary Review*.

gambling and accused the states of being addicted to poker machine revenue.<sup>26</sup> In 2007 Labor Leader Kevin Rudd also criticised state Labor governments for hurting Australian families with their over-reliance on poker machine taxes, vowing to come up with solutions to wean states off the addiction.<sup>27</sup> While Federal Labor Leader Bill Shorten steered clear of the issue when he was campaigning in the Tasmanian election, both sides of politics were watching to see how the issue played out. It is likely that the welfare and gaming lobbies will push for commitments on this issue in the lead up to the next federal election. At the state level, there remains a big question over the long term impact of the Hodgman Government appearing indebted to the gaming lobby in return for its strong financial support during the campaign.

#### **CONCLUSION**

Labor's relative success with its focus on health in the early part of the Tasmanian election campaign may also be factored into Labor's national election strategies due in 2019. Shorten concentrated on health while he was in Tasmania in early June 2018 to campaign in the Braddon by-election for Justine Keay, who was another casualty of the dual citizenship fiasco.

As newly elected Speaker of the House, Sue Hickey's first major public task was to meet with the tent city squatters on the Parliament house lawns and ask them to move on, with an obvious police presence behind her. Yet the issue of the housing crisis is likely to remain for Hobart, as burgeoning tourism and profitable short-stay accommodation continue to force poorer would-be residents to the end of the lodging queue.

Finally, there is a question of what impact the Liberal Government's many election commitments will have in the long-term—both in terms of the perception of being 'a bit too clever by half' in selectively announcing their commitments and also on whether they overcommitted financially with election promises that they will struggle to deliver. If Labor learns from its tactical mistakes in the 2018 campaign, a return to the traditional pattern of Labor government in the state appears more likely for 2022.

<sup>26</sup> J. Howard, 'Howard Announces National Approach To Problem Gambling'. Media conference transcript, 16 December 1999.

<sup>27</sup> M. Franklin, 'Rudd Attacks States Over Pokies', The Australian, September 11, 2007.