Political Leadership and Public Policy Debate in the 2016 Australian Federal Election

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ABSTRACT

In all democracies, elections offer vital opportunities for engaged discussion over current problems and desirable policy responses. In the 2016 Australian Federal Election, debate centred on whether the conservative Coalition or the Labor Party could be most trusted in managing the economy. The Coalition emphasised ‘jobs and growth’, driven by support to business. The Labor Party emphasised placing ‘people first’, claiming sustained economic growth requires enabling all people to participate effectively in society and the economy. Playing to voter concerns over their personal finances, political leaders mostly debated the economy, tax policy, and health care funding. We review the debate on those policy issues. We also discuss three issues that received muted attention, despite their broader significance – climate change, treatment of asylum seekers, and marriage equality. The electoral policy debate and the resulting configuration of Australia’s Parliament reveal a conspicuous lack of effective policy leadership. The demands of tactical politics in contemporary Australia have drawn leaders’ attention away from governing for the long term. Further, current political leaders have difficulty forging parliamentary consensus, and effectively engaging the Australian public on the policy challenges facing the country. We discuss the implications of this situation.
POLITICAL LEADERSHIP AND PUBLIC POLICY DEBATE IN THE 2016 AUSTRALIAN FEDERAL ELECTION

The Australian Federal Election of 2016 saw the conservative incumbent Coalition Government returned to power, with a reduced and very thin majority in the House of Representatives. The Government’s pre-election lack of support in the Senate had prompted the dissolution of both Houses of Parliament in May 2016 and the scheduling of a July election. The election returned an even more splintered Senate. In the opening months of 2016, the Prime Minister, Malcolm Turnbull, deliberately pursued a course of action that would trigger the early election. The resulting composition of Parliament was unambiguously worse for Turnbull and his government than how it was before the election.

Divisions in the current Australian Parliament pose risks for the stability of the returning government. Under such circumstances, legislative proposals attracting any dissent among Coalition Members of Parliament are difficult to pass through the House. Further, to gain legislative approval, any bill that moves through the House requires extensive negotiation and willingness to compromise in the Senate. The composition of the current Parliament gives Malcolm Turnbull and his government little room to establish and pursue an ambitious legislative agenda while ignoring countervailing arguments.

We review the prominent policy issues in the 2016 Australian Federal Election. We also discuss three issues that received muted attention, despite their significance, namely: climate change, treatment of asylum seekers, and marriage equality. The policy debate during the election, and the resulting configuration of Parliament, indicate a lack of effective policy leadership in Australia. The demands of tactical politics tend to deflect attention from governing for the long term. Further, current political leaders have difficulty forging parliamentary consensus, and engaging the Australian public on major policy issues. We discuss the implications of this situation, which places Australia in contrast to other liberal democracies, most notably Canada and New Zealand.

POLITICAL LEADERSHIP AND POLICY DRIFT

In all democracies, elections present important opportunities for engaged discussions over current problems and desirable policy responses. It is puzzling then that in the lead up to Australia’s 2016 Federal Election, neither the conservative ruling Coalition (comprising the Liberal Party and the National Party) nor the Labor Party developed manifestos powerfully
articulating major points of difference with their opponents. Certainly, policy differences were revealed as the election campaigns progressed. Yet often those differences were muted as Malcolm Turnbull and Labor Party leader Bill Shorten jockeyed to portray themselves as the best person to serve as Prime Minister. Serious discussion was lost of how a future Coalition or Labor-led government would pursue a distinctive policy agenda. In the respective election campaigns, strong policy leadership was never touted as a credential for effective government. When policy issues receive limited attention in national elections, political scientists take note.1

Given the muted policy debate, it would be reasonable to conclude little was at stake in Australia’s 2016 Federal Election. Yet Australia faces serious policy challenges. Those challenges have become acute over the past decade as the ruling parties – be they the Coalition or Labor – have been riven by leadership troubles. During this time, many commentators have warned that major policy issues exist and that they require urgent attention.2 The ruling parties and oppositions have heard those warnings. Yet, with respect to realising policy change, those warnings have gone unheeded.

At the federal level, Australia has been in a period of policy drift. The gap between what policy experts have been saying and the lack of policy change deserves scrutiny. It provides the central focus of this paper. We ask: Why have Australia’s political leaders failed to discuss serious policy issues in public and shape public sentiments about desirable future policy directions for the nation? Our answers focus on communication problems. The Australian polity does not need a new super breed of politician to address those problems. The current breed could do it. But they will need to develop skills that have rarely been apparent in recent years. These are the skills of listening to others, building parliamentary consensus, and crafting political narratives. As former New Zealand Prime Ministers John Key and Helen Clark have shown, those skills can assist political leaders in surmounting obstacles to policy change.

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POLICY DIFFERENCES BETWEEN THE COALITION AND THE LABOR PARTY

The main policy issues debated in Australia’s 2016 Federal Election focused on alternative approaches to economic management. With Malcolm Turnbull at the helm, the incumbent Coalition centred its election campaign on its credentials for transitioning Australia from the mining boom through to a new phase of economic growth. Meanwhile, the Labor Party contended that sustained economic growth can occur only when efforts are made to prepare and support all people to participate in society and the economy. Here we discuss those different perspectives on economic management. We then explore related differences in taxation policy and health care funding – both of which received attention during the election campaign. These were not the only issues debated. But exploring these three prominent policy debates offers insights into contemporary Australia’s political and social cleavages.

Economic Management

The economy is the key issue for voters in virtually every election in Australia, as elsewhere. Evidence suggests that in Australia’s 2016 Federal Election, voters cared deeply about their own economic fortunes. The electorate was wary of the implications for their personal finances that would accompany any tax changes or changes in subsidies for services – especially those in health care.

The Australian economy has proven remarkably resilient over recent decades. It has now enjoyed 25 years of continuous growth. This can be attributed to a strong export sector, led by shipment of natural resources – coal, iron ore, and other mineral deposits – to China. However, agricultural products are also significant export items, along with manufactured products and a growing export market in services. Starting during the John Howard-led Coalition Governments of 1996-2007, efforts have been made to diversify the Australian economy. They continue. Commenting on Australia’s economic outlook in early 2016, the Organisation for Economic Cooperation and Development observed that boosting productivity growth requires a focus on innovation. ‘Targeted R&D policy, university-

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business linkages and effectiveness and efficiency of financial support for research are important\textsuperscript{6}.

Before the Global Financial Crisis of 2007-2008, the Australian Government was running annual budget surpluses. This allowed the Kevin Rudd-led Labor Government to enter short-term deficit spending to stimulate the economy and keep it buoyant. Measures to fund capital works across the entire economy generated this result. However, the Government’s budget has never returned to surplus. Indeed, the annual budget deficits have been growing. The forward estimates released with the Budget in May 2016 projected continuing deficits over the coming years, with a return to surplus late in the 2020s. Those projections were based on estimated annual growth in Gross Domestic Product above 3 per cent. That figure is optimistic, given a longer-run average growth rate of closer to 2 per cent.

When the Coalition Government came to power in 2013, led by Prime Minister Tony Abbott, it established a National Commission of Audit. Working on a short timeframe, the Commission forcefully recommended managing government expenditures and revenues\textsuperscript{7}. The Commission’s work informed the 2014-2015 Budget announced in May 2014 by then-Treasurer Joe Hockey. Claiming a need for urgent budget repair, Hockey proposed unpopular spending cuts and tax increases. While many commentators acknowledged that such actions were necessary to return the government budget to surplus, many of the proposals were seen as unfair, especially since they had not been mentioned in the election just a few months earlier. The unpopularity of the Budget, and the Government’s difficulties in getting support for it in the Senate, damaged the standing of both the Prime Minister and the Treasurer. The bungled maiden budget was the first of a series of self-inflicted injuries that put Tony Abbott and Joe Hockey on the road to political oblivion; by the end of 2015, both sat on the backbenches of Australia’s Parliament. Abbott and Hockey’s actions did not lose the Coalition the 2016 election. But they created mistrust that continued to dog Malcolm Turnbull and that created space for the Labor Party’s Bill Shorten to position himself as a credible alternative Prime Minister.

On the specifics of economic management, the Coalition and Labor presented similar timeframes for bringing the federal budget back into surplus. The Coalition proposed to do this by further reducing government spending and by stimulating more economic activity, which would generate more tax revenues. The primary means of stimulation involved progressively reducing business taxes. Malcolm Turnbull spoke continuously of ‘Jobs and

\textsuperscript{7} Charis Palmer, ‘Commission of Audit lays path for deep cuts’ The Conversation, 1 May 2014.
Growth’. His proposed tax cuts were estimated to cost the government over $50 billion in lost revenues over the coming years. Turnbull claimed this form of economic stimulus aligned well with the Government’s National Innovation and Science Agenda, which he had launched in December 2015. Throughout the election campaign, Turnbull frequently appeared at locations exemplifying the commercialisation of science, such as advanced manufacturing centres and start-up hubs.

Other specific actions were proposed to promote economic growth. For example, the Coalition’s proposal to re-establish the Australian Building and Construction Commission (which operated from 2005 to 2012) was touted as a way to reduce inefficiencies in the building industry. The Labor Party had abolished the Commission when in government and remained strongly opposed to its reintroduction. In the past, the Commission had monitored the sector and enforced restrictions on unlawful industrial action. The lack of Senate support for this measure had been the trigger for the double dissolution of the Australian Parliament and the calling of an early election in 2016.

Bill Shorten and the Labor Party proposed economic growth through placing ‘people first’. Shorten made political gains by construing Malcolm Turnbull as out of touch – more at ease among business elites than those in the suburbs struggling to raise families and meet their mortgage payments. Yet, in making ‘people first’ his touch-stone, Shorten promised more spending at every turn. How more spending on health care, schools, and social services could be funded without increasing the budget deficit was never explained. While honing his human touch, Shorten opened himself to Turnbull’s caricature of him as a high-spending, high-taxing Labor Party hack.

**Tax Policy**

Talk of raising taxes is political suicide, especially during an election campaign. If politicians must mention taxes, their only safe approach is to promise to cut them. In the Australian Federal Election of 2016 both leaders of the major parties did as expected. The Coalition stuck to proposals made in the budget of May 2016. They promised to drop the tax rate for small businesses and progressively extend the change to all businesses. The Coalition also promised to reduce taxes for middle income earners, by raising one of the current tax brackets. The Coalition also promised to remove an unpopular 2 per cent

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temporary deficit levy for high income earners. In response, the Labor Party promised to support the Coalition’s tax break for middle income earners and to reduce the tax rate for small businesses. The Labor Party proposed to keep the temporary deficit levy for high income earners and opposed the eventual expansion of lower tax rates to all businesses.

The biggest tax policy difference between the Coalition and Labor concerned the capital gains tax on property and the tax breaks for rental property owners commonly called ‘negative gearing’. Negative gearing allows property investors who make a loss to reduce the tax they pay on other income. Australia has more than 2 million landlords, and more than 60 per cent made a loss in the 2013-14 financial year. During the 2016 election campaign, the Coalition vowed to change neither the capital gains tax discount nor negative gearing. In contrast, Labor proposed to limit the discount on the capital gains tax. It also proposed to restrict negative gearing concessions to owners of new homes.

To reduce budget deficits, governments must balance annual revenues with annual expenditures. That can only be achieved through a combination of increases in tax revenues and reductions in expenditures. If the economy grows sufficiently rapidly, it is possible that enhanced tax revenues will contribute to deficit reduction without a change in policy settings. Malcolm Turnbull and the Coalition argued that business tax cuts would stimulate the Australian economy sufficiently to raise tax revenues. Beyond that, little was said either by the Coalition or Labor on how their specific tax and spending proposals would impact on the overall budget situation. Here we saw political leaders seeking to promote and maintain positive images of themselves through deliberate avoidance of frank discussion of major policy issues. Such slight-of-hand can create short-term gains. But ultimately, it serves to erode public trust in political leaders, their parties, Parliament, and government. This should be a matter of concern for those who value effective democratic government.

Health Care Funding

In advanced welfare states, citizens have long looked to government as a financial saviour in times of personal distress. Australians put a lot of value upon public health care and have resisted any moves to reduce government funding of health care services. People want to feel assured that if they or close family members face a catastrophic health incident then there will be a public health system standing ready to help. Medicare is the

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public health insurance program that the Australian government uses to cover GP visits and many hospital services.

Against that backdrop of public sentiment, successive Australian governments have seen public health care costs rising, partly owing to the increasing costs of highly skilled medical specialists and the equipment they use, and partly because of an ageing population\textsuperscript{11}. This has prompted various proposals to reduce calls on public health services. The Coalition government’s notorious 2014 budget made provision to save $50 billion over eight years by changing the federal government’s hospital funding agreements with the states and territories. At that time, a co-payment for GP visits was also introduced but was scrapped in 2015 because of the controversy it caused. When the co-payment for GP visits was scrapped, a freeze was placed on indexation of Medicare schedule fees until 2020. This served to limit payments and open the way for doctors to introduce or increase patient co-payments for visits.

Throughout its 2016 election campaign, the Labor Party made ‘Saving Medicare’ a central pillar of its strategy. Bill Shorten, and his Labor colleagues, criticised the Coalition’s health care funding and said the Coalition would eventually privatise Medicare. The Coalition had made no public pronouncements to this effect. However, it was not an unreasonable inference to draw, given the governing Coalition’s recent record on seeking to reduce health care costs\textsuperscript{12}.

Late on election night, when it was apparent no clear winner would emerge for several days, Prime Minister Malcolm Turnbull appeared before a group of supporters. In a speech he declared: ‘The Labor Party... ran some of the most systematic, well-funded lies ever peddled in Australia...telling vulnerable Australians that Medicare was going to be privatised or sold, frightening people in their bed and even today, even as voters went to the polls... there were text messages being sent to thousands of people across Australia saying that Medicare was about to be privatised by the Liberal Party’\textsuperscript{13}.

It is generally considered that Bill Shorten’s portrayal of the Coalition as eager to privatise Medicare closed the gap between Labor and the Coalition parties in the 2016 election. Certainly, Labor’s ‘Mediscare’ campaign was alarmist. But it underscored a major

\textsuperscript{12} Chris McCall, ‘Concerns raised over future of Medicare in Australia’ \textit{The Lancet}, 388 (10042) Jul 23 2016, p.323.
\textsuperscript{13} Herald Sun, ‘Malcolm Turnbull, Bill Shorten election night speeches in full’ \textit{Herald Sun}, July 3 2016.
difference between the parties. While the Coalition has made some unpopular efforts to arrest growing expenditures on health care, the Labor Party has had the luxury of promising both to balance the budget while maintaining or increasing health care funding. The Medicare dispute highlights the need for more clear-eyed public discussion of fiscal constraints, policy preferences, and trade-offs between increasing tax revenues or reducing service provision. Effective political leadership is crucial to enabling such discussion.\textsuperscript{14}

\section*{MUTED POLICY ISSUES}

The focus on the economy and voters’ short-term financial security in the 2016 Australian Federal Election ensured many important policy issues received limited attention, from both the candidates and the media. Here, we discuss three such issues: policy initiatives to mitigate climate change, the treatment of asylum seekers, and marriage equality. Discussion of these topics raises big questions about values in contemporary Australia, Australia’s support for international conventions, and the collective future of Australians.

\subsection*{Mitigating Climate Change}

Over the past decade, Australian federal politicians have engaged in fierce debates concerning the threat of climate change and what, if any, policy approaches should be used to mitigate global warming.\textsuperscript{15} There are two good reasons why mitigating climate change might have loomed large as an issue in the 2016 Federal Election. First, policy differences on this matter were defining features of the federal elections of 2013 and 2010. Second, the Paris Agreement of 2015, achieved under the United Nations Framework Convention on Climate Change, saw the international community reach a broad consensus on commitments needed to mitigate global warming.\textsuperscript{16} At the Paris meetings, the Coalition Government pledged to reduce Australia’s emissions by 26-28 per cent below 2005 levels by 2030. Incidentally, this pledge was among the weakest in the developed world.\textsuperscript{17} Following the Paris agreement, the Coalition Government promised to review its climate

\begin{thebibliography}{9}
\bibitem{17} Robyn Eckersley, ‘Environment and climate change’ in ‘Election 2016: what will a re-elected Coalition government mean for key policy areas?’ The Conversation, 10 July 2016.
\end{thebibliography}

It would have been appropriate for Coalition and Labor candidates to debate alternative policy approaches to mitigating climate change during the Australian Federal Election of 2016. Instead, both party leaders avoided discussion of carbon taxes or emissions trading schemes. They settled for presenting slightly different goals for cutting emissions of carbon dioxide – and said virtually nothing about the policy approaches needed to achieve those goals.

The reasons for the muted policy debate on climate change in 2016 become clear when we look back a few years. When Kevin Rudd-led the Labor Party to victory in the Australian Federal Election of 2007, he talked loudly about climate change as one of ‘the great moral challenges of our time’. Rudd portrayed himself as a different candidate, prepared to take a bull by the horns, unlike his climate change-denying opponent, the incumbent Coalition Prime Minister, John Howard. On becoming Prime Minister and leading the Labor Government, Rudd worked to create an emissions trading scheme, which would start out with a fixed price for carbon for an initial period. Facing difficulties gaining support for the scheme in the Senate, where Green party senators opposed it, Rudd reached out to then-Liberal Party leader Malcolm Turnbull. The Liberal leader indicated he would be willing for his party to vote with Labor on this issue, allowing the emissions trading scheme to pass the Senate. For this apparent act of treachery to his party, Malcolm Turnbull was dumped as leader, to be replaced by Tony Abbott by a narrow margin. Abbott, like Howard before him, was understood to be a climate change denier.

In the Australian Federal Election of 2010, Julia Gillard led the Labor Party to a narrow victory and maintained her role as Prime Minister. However, during the ensuing term in office, then-Opposition leader Tony Abbott gained much traction in the media and electorate through his construal of Labor’s ‘fixed price for carbon’ as a ‘carbon tax’. Entering the 2013 Federal Election, the Labor Government was once again led by Kevin Rudd as Prime Minister. By now, it was easy for Tony Abbott to portray Rudd and his party as advocates of a carbon tax – a portrayal that damaged the Labor Party in the polls, and contributed to the Coalition’s electoral victory.

Entering the 2016 Election, both Malcolm Turnbull and Bill Shorten were clearly scarred from previous entanglements – their own, or those of their party colleagues – over

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addressing climate change. This explains why they tended to discuss only goals and timelines for reduction of carbon emissions and shy away from discussing the policy mechanisms needed to achieve those goals. In the process, an issue that increasing numbers of people view as significant received little attention. With limited action being taken in Australia to mitigate the country’s contributions to climate change, Australia appears out of step with the actions of other signatories to the 2015 Paris Agreement.

Treatment Of Asylum Seekers

As a prosperous, peaceful nation, Australia is an attractive destination for immigrants. Over many decades, the country has received immigrants on various quota schemes. Those immigrants have included refugees from war-torn nations and asylum seekers. Along with those seeking to resettle in Australia through formal channels, others have sought to enter the country informally. (Clarification of terms is useful here. A migrant is anyone who seeks to move overseas. A refugee does so in conditions where they have been forced from their homeland. An asylum seeker is someone who claims to be a refugee, but whose claim is yet to be definitely evaluated, either by the UN High Commissioner for Refugees or by a government that is a signatory to the 1951 United Nations Convention on Refugees. Australia is a signatory).

Waves of asylum seekers have paid people smugglers to get them to Australia by boat – often first through Indonesia. The activities of refugees and people smugglers have generated major political debates in Australia. The plight of 438 refugees rescued off the coast of Australia in August 2001 by the Norwegian freighter the Tampa looms large as an example of Australia’s fraught stance on how best to respond to unplanned refugee arrivals. Those on board were denied entry to Australia and were transported to detention camps in Nauru. In the campaign leading up to the Australian Federal Election of October 2001, incumbent Coalition Prime Minister John Howard defended the actions of his government, famously declaring: ‘We will decide who comes to this country and the circumstances in which they come’.

The Howard Government’s hard line towards unplanned refugee arrivals was relaxed during Australia’s years of Labor Government (2007-2013), when Kevin Rudd and Julia Gillard served in the Prime Ministerial role. As a result, illegal boat arrivals increased significantly


and calls were made for new policy solutions. Around 45,000 refugees and asylum seekers arrived in Australia by boat during the term of the Labor Government.\footnote{Greg Sheridan, ‘Policy failure creating a monstrous problem’ The Australian, 8 June 2013.}

In the Australian Federal Election of 2013, Liberal Party leader Tony Abbott campaigned strongly on the slogan of ‘stop the boats’. On gaining office, the Abbott-led Coalition government moved rapidly to instigate \textit{Operation Sovereign Borders}. This served to militarise elements of the Australian Federal Government’s immigration processing activities. Any naval engagements with vessels suspected of carrying refugees were deemed military operations that could not be discussed by politicians. This removed the possibility of naval encounters with boat people gaining media attention. Within weeks of the policy shift, evidence was released that the hard line was succeeding in stopping boatloads of refugees entering Australian waters.

The plight of refugees in off-shore detention centres in Papua New Guinea, Nauru and Manus Island was a source of considerable public discussion in Australia during the 2013-16 term of the Coalition Government. Given this, and the extensive debate on treatment of boat-borne refugees in previous Australian federal elections, it was surprising that their fate received very limited discussion during the 2016 Federal Election.

Two factors appear to have muted debate on refugees and asylum seekers arriving by boats. First, much of the policy debate focused squarely on issues directly affecting the financial situation of Australian voters. Second, the Labor Party was instrumental in taking the issue off the table. During the Labor Party’s annual conference in July 2015, Bill Shorten convinced his colleagues to adopt the policy position of the Coalition government with respect to offshore processing and boat turn-backs. In contrast with the Coalition, Labor proposed to improve procedural and processing safeguards under the onshore programme. The Party also committed to deeper regional co-operation on a refugee humanitarian intake scheme. And it proposed to increase the annual intake under Australia’s humanitarian programme.\footnote{Emily Darling and Sarah Davies, ‘Spot the difference: Labor vs the Coalition on asylum seekers’. The Conversation, 5 August 2015.} Those are important policy differences – especially in how they would treat presently-detained asylum seekers.

This issue, that had been political dynamite during several recent federal elections, was muted in 2016. Through trial and error, successive Australian governments have come to see that a hard line on unplanned boat arrivals is the only way to stop the people smuggling businesses. However, criticism and condemnation of the policy voiced by the \textit{Australian...}
Human Rights Commission president Gillian Triggs, and media reports of appalling conditions in the offshore detention centres, are a reminder that Australia’s international humanitarian reputation remains at risk.

Marriage Equality

Marriage equality – sometimes referred to as same-sex marriage or gay marriage – has emerged globally over the past two decades as a classic morality policy issue. When groups first began lobbying for marriage equality, legislators in many jurisdictions moved to ‘protect’ marriage as a heterosexual institution. Following this trend, in 2004, then Australian Prime Minister John Howard led his Coalition colleagues in successfully legislating a swift change to the Marriage Act. Until then, the Marriage Act had not provided a definition of marriage. Howard’s efforts ensured the Act defined marriage as the ‘voluntarily entered-into union of a man and a woman to exclusion of all others’. In acting decisively, Howard and his Liberal Party colleagues deferred protracted policy debate.

Since 2004, calls for legislative changes to allow marriage equality in Australia have grown louder. Today, marriage equality is established in many places, including Australia’s closest peer nations, the United Kingdom, the United States, Canada, and New Zealand. In 2015, then-Prime Minister Tony Abbott declared the push for marriage equality to be ‘an important issue’, following news that a referendum in Ireland had strongly backed a constitutional change introducing marriage equality. After some heated debate within the Coalition, Abbott declared that any vote in Parliament on the matter should be preceded by a plebiscite. Prior to becoming Prime Minister, Malcolm Turnbull had positioned himself as pro-marriage equality and in favour of a free vote in Parliament. However, recognising the power of highly conservative members of the Coalition, Turnbull moved to supporting a plebiscite. Entering the 2016 Election, Turnbull claimed a plebiscite could be held before the end of 2016.

Having capitulated to the socially conservative wing of the Liberal party, Malcolm Turnbull cast himself during Australia’s 2016 Federal Election as pro-plebiscite, while shrewdly staying silent on what a plebiscite would entail. One campaign commentator observed: ‘It’s a neat pre-election trick in which the Coalition is taking the political dividend of appearing modern and progressive, while studiously avoiding discussion of critical details of its plebiscite. These include when the vote will be, what the question will be, whether the anti-

change campaign will get government funding...’\textsuperscript{25}. Government ministers tended to avoid answering specific questions on the plebiscite during the campaign, calling them ‘hypothetical’ because the details had not been finalised, and put to neither Cabinet nor party room.

In contrast, the Labor Party promised a vote in the Australian Parliament to legalise same-sex marriage. Delivering a speech to the National Press Club during the campaign, Bill Shorten declared ‘The first piece of legislation I introduce into the 45th Parliament will be a bill to amend the marriage act, a simple change. The words “a man and a woman” are replaced with “two people”, no $160 million plebiscite, no hurtful, hateful government-sponsored advertising campaign for us’\textsuperscript{26}.

It is difficult to tell how political positioning on marriage equality by Malcolm Turnbull and Bill Shorten shaped the electoral fortunes of their respective parties. The matter has resurfaced following the election. The scheduling of a plebiscite would first require legislative approval. But given the composition of the House and Senate, and the deep divide within the Coalition on this matter, even securing that approval seems virtually impossible for the government. Meanwhile, Australia is starting to look out of step with other nations on this significant civil rights issue. More importantly, we see here an instance of national politicians seemingly paralysed by political discord and unable to provide the kind of leadership that allows for mature, respectful conversation about Australia’s social values and commitments.

THE NEED FOR POLICY LEADERSHIP

The policy debate in the 2016 Australian Federal Election was lacklustre. This was not because there was a dearth of important matters for discussion. After years of policy drift, growing budget deficits, and the accumulation of many unsustainable entitlements across social services, there is an urgent need for serious policy discussion. Yet we found in this election a tendency for Australia’s political leaders to either be in lockstep – in agreement on broad policy approaches with a few minor adjustments around the edges – or to display a mutually-agreed willingness to avoid important policy issues for fear of the electoral fallout.

\textsuperscript{25} Mark Kenny, ‘Election 2016: Malcolm Turnbull’s marriage equality Faustian pact is unravelling’. The Sydney Morning Herald, 29 June 2016.

\textsuperscript{26} James Massola, ‘Federal Election 2016: Same-sex marriage will be my first bill, Opposition Leader Bill Shorten Promises’ The Sydney Morning Herald, 29 June 2016.
Why have Australia’s political leaders shunned the responsibility of shaping public sentiments about desirable future policy directions for the nation? Apparently, much comes down to their desire to win short-term tactical advantages against each other. We have seen extensive evidence of this, both between the parties (which is to be expected) and within the parties (which points to an overall lack of discipline within the party ranks).

Here, we discuss several elements of political leadership that could greatly improve policy discussion in Australia. They would contribute to forging a stronger consensus on desirable social and economic outcomes and the policy settings that could best contribute to their attainment. The elements we discuss all require effective communication skills, including: building parliamentary consensus, articulating political narration, and listening to others – especially those with whom you often disagree. Based on Australian political history and the experience of recent New Zealand Prime Ministers, we contend that these skills can greatly assist politicians in surmounting obstacles to policy change.

Forging Consensus

Over the past decade in Australia, the office of Prime Minister has at times been held by people with a tendency to adopt strong views on specific issues, and broach no arguments for seeing things differently. This lack of willingness to compromise with others contributed greatly to the demise of both Kevin Rudd and Tony Abbott. Not only did these leaders have difficulties working across parties lines to broker legislative deals, they also had difficulties working with their own Cabinet colleagues and backbench members of their own parties. This culture of the strong man resulted in some terrible policy choices in the case of Kevin Rudd (for example the introduction of the fatally flawed home insulation program) and some ridiculous ‘captain’s calls’ in the case of Tony Abbott (for example, reinstating knights and dames in the Order of Australia only to give the first of the new knighthoods to Prince Philip, the Duke of Edinburgh).

This tendency to adopt strong views and broach no countervailing arguments has created a culture in Australian national politics where the art of compromise has been lost. Compromise has come to be seen as weakness, rather than as an essential element of the stock and trade of governing. When Malcolm Turnbull created the conditions for a double dissolution of Parliament in May 2016 and the calling of an early election, he judged it within his powers to lead an election campaign that would return the Coalition to

government with working majorities in both the House and the Senate. The resulting Parliament showed the folly of Turnbull’s judgement. In the election’s aftermath, former Prime Minister Abbott noted the difficulty of reducing the deficit over recent years and claimed ‘this government has been in office – not in power’\textsuperscript{28}.

The only way forward for the current Coalition Government, in terms of successfully pursuing a legislative agenda, involves working closely with Members of Parliament from across the party divisions. The legislative difficulties experienced by the Coalition in the previous Parliament remain; having no majority in the Senate means the governing party needs support from right of centre independents and micro-parties to pass its legislation\textsuperscript{29}. Although this issue is particularly applicable to the Senate, the general point stands for the House as well – where the Coalition itself comprises an array of members who rarely speak with one voice. The practices of inclusive decision-making, listening, consultation and compromise need to be put into continuous use. They are badly needed within the Cabinet, within the Coalition, within the House, and within the Senate. Efforts to forge consensus within Parliament could be usefully supported by broader public efforts in the electorate. Commenting on the election outcome, former Secretary of the Australian Treasury Ken Henry observed that Australians ‘want a government that leads in a genuinely inclusive way. They want a government that engages with them openly and honestly about the challenges and opportunities facing the nation’\textsuperscript{30}. That kind of public engagement was completely missing during the lead up to the 2016 election.

Political Narrative

A common complaint levelled both at Australian politicians, and their public service advisors, is that they too often fail to provide compelling narratives supporting proposed policy positions\textsuperscript{31}. For example, shortly after the 2016 election, the bond rating agency Standard and Poors joined this chorus of complaint, warning that Australia could soon lose its AAA credit rating. The basis for that warning was the view that Australian political leaders are unable to persuade the public that significant budget repair is in order, and that such repair calls for a combination of spending cuts or tax increases\textsuperscript{32}. The inability of

\begin{footnotesize}
\textsuperscript{30} Ken Henry, ‘Voters aware of nation’s troubles but our politicians dither’ The Australian, 6 July 2016.
\textsuperscript{32} S&P Global Market Intelligence, 2016.
\end{footnotesize}
Australian governments to define and articulate coherent narratives around a policy issue has also been shown to result in contradictory and disjointed policy outcomes. Effective politics calls for the effective crafting of narratives. These narratives tell us who we are, what we stand for, and what vision of the future is worth working together to create. When narratives are well chosen, they can motivate people to think differently about their collective destiny. A classic example is John F. Kennedy’s address before a joint session of the United States Congress in May 1961, where he said: ‘I believe that this nation should commit itself to achieving the goal, before the decade is out, of landing a man on the moon and return him safely to the earth’.

Returning the Australian federal budget to surplus is a more modest task than enacting a moon shot. But it requires an effort on the part of political leaders to find compelling ways of discussing why Australia’s current policy settings are not sustainable. In the process of finding voice to tackle the economic challenges, there is good reason to believe Australia’s current leaders might also find the conversation skills and ways of storytelling that will also aid in navigating Australians through complex issues like climate change, the treatment of asylum seekers, and marriage equality. This may seem a tall order. However, other politicians elsewhere have perfected the art of political narrative and made change possible. Further, this kind of change requires a step up in the skills of politicians – something that is surely easier to achieve than major structural changes to our political institutions.

CONCLUSION

The public policy debate in the 2016 Australian Federal Election was dominated by discussions over whether the Coalition or the Labor Party could be most trusted in managing the economy. The Coalition emphasised ‘jobs and growth’, to be driven by appropriate support to business and a renewed innovation policy. The Labor Party emphasised putting ‘people first’, claiming sustained economic growth requires enabling all people to participate in society and the economy. Playing to voter concerns over their personal finances, the party leaders mostly debated the economy, tax policy, and health care funding.

We have discussed the policy debate on those three issues. We have also discussed three issues that received muted attention, despite their significance – climate change, treatment of asylum seekers, and marriage equality. Along with economic management, tax policy, and health care funding, those issues will continue to be discussed in Australia in the coming years. We do not suggest the issues we have highlighted here are the only ones of contemporary concern in Australia. Rather, many other pressing policy issues require careful attention, including foreign policy, education policy, and infrastructure development.

Australia has been in a period of policy drift for close to a decade. This is despite the pressing need for serious policy discussions and policy development work to occur. The limited policy debate during the 2016 election, and the current configuration of Parliament, both highlight the need for improved policy leadership. Australia’s political leaders are yet to raise their sights from tactical politics to governing for the long term. As such, it is difficult for them to forge consensus in Parliament and communicate to citizens the seriousness of the policy challenges Australia faces. Getting out of this dilemma may prove difficult. The Australian polity does not need a new super breed of politicians to do this; the current breed could accomplish it. One approach would involve putting aside years of in-fighting within the parties and unpleasant interpersonal exchanges between leaders in Parliament. Unfortunately, the prospect of this appears remote. Were it to occur, Australia’s political leaders could then focus on the legacies they hope to leave and the example they want to set in leading public debate and shaping policy futures.