



The 2013 Federal Election

Address to the
National Press Club

by

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Mr President, Ladies and Gentlemen:

I thank the National Press Club for the opportunity to discuss one of the most important and complex election campaigns in the history of our country.

On Saturday 7th September the Coalition won a decisive majority, the Labor Party recorded its lowest primary vote in over 100 years and the Greens had their worst Senate vote in three elections.

The Coalition's success was driven by the support of the Australian people for our Plan to build a strong prosperous economy and a safe, secure Australia. It was the result of strong leadership by Tony Abbott, supported by his colleagues, and a clear strategy which was implemented with discipline and professionalism over two terms of Parliament.

Under Tony Abbott's leadership, in the last two elections, the Coalition has won a net 31 seats from Labor and achieved a 6.15% nationwide 2PP swing. On 7th September the Coalition had swings towards it in every State and Territory and received a majority of the two-party preferred vote in all six States for the first time since 1977. At the electorate level, the Coalition won a majority on primary vote in 51 seats. In contrast, Labor only won 7 seats with a majority of the primary vote.

In simple terms, the seats which decided this election were those that did not swing to the Coalition in 2010. We laid the base in 2010 and built on it in 2013.

The strategy which drove this momentum was built on a positive Plan for Australia's future and an experienced stable team, led by Tony Abbott, who emerged over the last four years as the only true and authentic national leader. It was supplemented by strong local candidates with good community credentials who were supported and resourced by the Liberal and National parties.

Following the recent election, the Liberal Party conducted a significant post-election survey and my comments today will draw on the findings of that survey. The result on 7th September was influenced by many factors, including some going back at least to 2007. I intend therefore to take a moment to discuss these factors before moving on to the recent campaign.

The foundations for the Coalition's success on 7th September were paradoxically set in our defeat in 2007 and the period immediately afterwards. The Party's ability to contain its losses in 2007 provided a strong base on which we could rebuild. This was due to the economic and social achievements and the competence and stability of the Howard Government. The Party, although defeated, retained very important and salient strengths in the eyes of the community. This helped minimise our loss in 2007 and ensured we had a strong parliamentary platform on which to rebuild. The Coalition is indebted to John Howard, Peter Costello and their team for this important legacy.

Going into Opposition our expectation was the new Rudd Government would operate in a manner not dissimilar to the Hawke and Keating Governments. It quickly became clear this was not the case and that the Rudd Government was drifting and, as I explained in my National Press Club speech after the 2010 election, quickly provided political opportunities

for the Coalition. Despite the challenges, we achieved a remarkable result for a first term Opposition at the 2010 election which, as we all know, resulted in the Coalition winning more seats than Labor, but a hung Parliament.

At no time during the so called negotiations with the Greens and Independents after the 2010 election did I believe they were seriously considering supporting a minority Coalition Government. We went through the process of discussion with them because we believed securing a stable Parliament was in the national interest, but we were not prepared to concede key values and principles with which the Coalition is closely identified.

Labor by contrast appeared willing to pay any price - and ultimately did. This was most obvious in the deal Labor signed with Bob Brown and the Greens. I do not believe Labor needed to do that deal, and, if the Party had any core integrity, would not have done the deal. What would have happened if Labor had refused to enter a formal pact with the Greens? Does anyone seriously believe the Greens would have voted on the floor of the Parliament to support an Abbott Coalition Government? The deal with the Greens was a sign of Labor's weakness, not of their strength, and it meant the Labor Government was unnecessarily compromised from the start.

The most apparent and unnecessary manifestation of this was in Labor's decision to break their clear commitment to the Australian people not to introduce a Carbon Tax. In my view, Labor did not need to introduce a Carbon Tax because the Greens ultimately would have continued to support them on the floor of the House. But Labor's strategic weakness, coupled with their own internal ideological confusion, resulted in the unnecessary and poorly thought through Carbon Tax.

It is clear this confusion continues. Mr Shorten had the opportunity after the recent election to ditch Labor's commitment to a Carbon Tax. But, to secure the leadership, he was forced to move to the left and chose to ignore the clear verdict of the Australian people.

Many of the senior Labor figures are, in my view, more skilled at politics than governing. A hung Parliament therefore, at one level, played to their strengths. I do not believe Julia Gillard was a strong leader in the sense of having a vision for our country or even a clear policy agenda. But her strength was tactical. She was Prime Minister because she could command a majority of votes in the Labor Caucus and a working majority on the floor of the House. She faced real and significant threats to both majorities and, in my view, almost all of the history of the Gillard period can be simply explained by the compromises and deals she needed to make to maintain her position. Her priority was survival *today*, rather than building a track record of achievement and ultimately a case for re-election. Practically nothing was off the agenda, resulting in policy confusion, significant maladministration and grubby unethical deals. Nothing was ever as it seemed and Australians came to believe they were never getting the full story from Labor.

Our research showed growing community concern at what was happening in Canberra and a sense of drift developing from the lack of leadership which was impacting on business and consumer confidence. Labor was all politics and no policy.

Australians became increasingly concerned at the lack of Budget management and in particular the growing debt and deficit. Every few months Labor chopped and changed its approach to these issues and had no credible comprehensive strategy to deal with them. The

community knew this and were deeply worried by it. Labor seemed more concerned with the *politics* of the surplus (or lack thereof) than actually developing a path to achieving one.

The same was the case with border security. Labor decided immediately after the 2007 election to change the successful Howard Government border security policy. It did so, not because of any policy failure, but for internal political reasons. Having made the change it was unable to return to the proven Howard policies and spent the subsequent six years with a series of compromised positions which the people smugglers interpreted as a sign of weakness.

Driving much of this was the unresolved leadership issue within Labor. All Australians knew Labor was a divided camp and that Julia Gillard was a compromised leader. Kevin Rudd was actively making mischief - and everyone knew it. This reached a crescendo when Rudd resigned from Cabinet and launched his first direct challenge. The character assessments given by numerous Labor figures about Kevin Rudd, while not surprising Australians, removed any pretence of a united government focussed on the concerns of the community. Taken together, Labor's behaviour during the hung Parliament created a picture in the public's mind of chaos, instability and dysfunction.

But at the outset of the last Parliament the Coalition was not to know just how bad Labor would become. We had to assume they would govern competently with the real possibility of an early election. We therefore spent considerable time after the 2010 election reviewing our situation and from that developed a comprehensive strategy which drove our approach over the last three years. We determined we needed to build community support for our policies

and our team, not just wait and assume Labor would fail. This decision became the foundation of our strategy.

The Coalition retained very strong policy credibility in the public's mind, built on the legacy of the Howard Government and the policies we took to the 2010 election. At a time of policy drift and compromised leadership, the strength and clarity of Tony Abbott and his senior colleagues were a strong foundation for the Coalition to build on.

After the 2010 election, Tony Abbott and the senior leadership team began a major outreach programme, travelling to all parts of Australia, listening and assessing our policy direction.

A major policy review was conducted by a group chaired by Andrew Robb which produced the detailed, fully costed policies we took to the election. Tony Abbott himself, in the three years leading up to the recent election, conducted over 50 community forums. From this process Tony Abbott began making a series of major speeches, expanding on the policy priority and direction of the Coalition. We published the most important of these speeches at the end of last year in a volume titled: "A Strong Australia". The Coalition's policies were practical and addressed directly the key challenges facing Australia. They are designed to drive economic growth in a way which is achievable and affordable.

Political commentary on elections has a tendency to dwell on negative campaigning and often misses significant changes which are occurring. The focus of successful campaigns around the world over the last decade has increasingly been on the positive rather than the negative. This is certainly the case with the Coalition. To emphasise our positive alternative was a key strategic decision we took early on in our campaign preparations and it drove much of what

we did. But because of the chaos in the Labor Party much of the commentary missed this important development.

A key step in our campaign was the launch at the start of this year of our Real Solutions Plan which set out the values, priorities and direction of the Coalition. The launch of the book was extremely successful and was supplemented by television advertising across Australia in late January.

We subsequently continued to advertise during the first half of the year, almost entirely on our Real Solutions Plan. The Plan was one of the most comprehensive documents ever produced by an Opposition and provided a clear policy direction for our MPs, candidates and supporters. In addition, over five million copies of a 16-page condensed version were circulated to households across Australia.

By the start of this year the Coalition parties had also preselected candidates in most key seats. The calibre of our candidates this time was particularly strong and most had been actively campaigning in their local communities for at least twelve months by the time of the election. The swing to the Coalition in the 17 seats gained from Labor on 7th September was over 6% compared to the national swing of 3.6%, confirming the strength of our candidates against popular well entrenched Labor incumbents – an important contribution to our overall success. The Party invested significant resources over the last three years supporting our candidates with experienced on the ground campaigners, improved systems and technology, including social media and micro-targeting.

A critical step in building our positive alternative was Tony Abbott's Budget-In-Reply speech this year. It set out a clear positive alternative to Labor and, in my view, was the moment he came to be seen in the community's mind as an alternative Prime Minister, rather than simply Leader of the Opposition.

As part of our campaign planning, we had assumed throughout the last three years that Julia Gillard may be replaced as Labor leader, most likely by Kevin Rudd. We were however conscious of the reluctance of Labor to return to Rudd and had also prepared in the event somebody else became leader.

We were therefore ready when Kevin Rudd returned. A critical decision we made was to not significantly alter our strategy. It is my view that leadership is just one element of the serious problems responsible for Labor's weakened position. We thought a change of leader may result in a short bounce of support, but unless Labor addressed their underlying challenges, nothing fundamentally would change. We were conscious of Kevin Rudd's skill as a message manipulator and closely monitored developments and calibrated our strategy accordingly. Nevertheless, at no stage did we move from our emphasis on presenting a clear, strong and credible positive alternative. By the start of the formal campaign we were confident our strategic settings were correct and that Kevin Rudd's return had not changed the fundamentals of the election.

Put simply, Labor's change to Rudd in the lead up to the election did not work. In our private polling Rudd declined quickly, ending with a worse "net favourability" and "preferred Prime Minister rating" than Julia Gillard before the change. By the start of the campaign Rudd's lead over Tony Abbott as preferred Prime Minister was neutralised and he never regained the

lead during the campaign. This, in my view, helped explain why Labor retreated to such a negative, defensive campaign.

The campaign was important in determining the final result. As in every election, a contest can be won or lost during the campaign period. Tony Abbott and his senior colleagues began the campaign with a series of positive initiatives directly relevant to ordinary Australians. This allowed us to maintain and build on the momentum we had developed before the campaign. Australians were embarrassed by Labor's chaos and were looking closely at the Coalition. The focus of the Coalition's campaign was therefore almost entirely on our positive Plan to improve our country. More than 70% of our advertising was based on this positive alternative. Australians did not want to vote against a bad government. They wanted to embrace and support a positive alternative which would make a real difference to their lives.

For most of the last term of Parliament, Labor attempted to make something of the costings of the Coalition's policies. We determined early on to have a comprehensive detailed process run by respected independent experts. We were confident our modest policy announcements and savings were affordable and in line with our commitments to responsible Budget management. Once again Labor's addiction to politics, rather than sensible policy and analysis, led them to overplay their hand. At no point over the last three years was there any credibility to Labor's claims. Joe Hockey and Andrew Robb oversaw a rigorous, detailed process which gave us great confidence in the viability of the policies we announced. The Coalition's costings process set a new standard for an Opposition and, given Labor's emphasis on its importance, the Australian people expect Labor in Opposition to at least match the exacting standard for costings set by us.

The costings process, and Labor's failed attacks on it during the campaign, further strengthened the Coalition as a credible alternative in the minds of the public and great credit goes to Joe Hockey for the important responsibility he shouldered during the campaign.

The Coalition team was a vital element of our campaign over the last three years. Labor was clearly split and most of their best people were refusing to serve. The stability of our Shadow Ministry for the whole of the last term contrasted dramatically with the revolving door of Labor Ministers in key portfolios and was an important factor in our success.

Our research confirmed our policy positions were much more closely aligned to the concerns of the community than Labor's. Economic management, broadly defined, including taxes, debt, the deficit, jobs and cost of living for families, was by far the most significant issue. Border security and immigration was also an issue of significance. Our post-election research confirmed issues and policies were more important than ever. Issues were a primary focus for 36% of the electorate in this election, an increase of 8% on the last election in the key seats.

The Liberal brand is significantly stronger than either Labor or the Greens and has strengthened over the last five years. According to our research we were seen to "run a strong campaign with a clear message", and to have a large lead over Labor on "positive plans and goals for the future". Not surprisingly, we also had a very strong lead on the important indicator of being able to "provide strong, stable government after the election".

In summary, while Labor's crisis provided opportunity for the Coalition, it was not inevitable we would win the election. The community wanted something to vote *for* not just *against*.

The Coalition's positive Plan, strong leadership, united team and outstanding candidates, together with a clear strategy which was followed throughout the last term with great discipline, drew strong community support. It is why the Coalition won the election rather than Labor losing it.

Before concluding I would like to make a number of additional observations arising from the election.

Firstly, it has become increasingly clear in recent elections that parts of our electoral system are not functioning as they should. I believe it is important the community and political parties spend some time discussing this important matter in coming months. The Joint Standing Committee on Electoral Matters is an appropriate vehicle to begin this examination. I want to emphasise that I am in no way questioning the fundamental integrity of our electoral system. Rather there are some warning signs which should give concern and which should be honestly examined. It is my hope that any changes flowing from this examination would be bipartisan and proceed with the support of the Labor Party.

It is now almost 30 years since the last major change to our Senate voting system. It is therefore an appropriate time to review the operations of how we elect the Senate. The large number of candidates for the Senate in some States clearly created confusion. The distortion surrounding deals on preferences between some micro parties produced results which did not reflect the will of the people. The inconsistency with which parties are permitted to change their names created brand confusion for voters. The need to strengthen the enrolment and voter identification rules is also clear.

This election saw a further increase in the number of Australians casting their vote before polling day. Improving the convenience of this, and the ability to quickly count the result after polls close, is also important.

Not surprisingly, social media was more important in this election than any previous one and the Liberal Party devoted a much greater proportion of our campaign resources to it than we have in the past. As a result we significantly outperformed Labor in social media.

To give just a few examples:

- Tony Abbott and the Liberal Party dominated Labor on Facebook. Tony Abbott's Facebook Page Likes grew during the campaign by over 550%, to achieve 258,830 Likes compared to Kevin Rudd's 127,476 Likes.
- The engagement rate for Tony Abbott's Facebook Page was three times that of Kevin Rudd.
- We released the first targeted Facebook Sharing App in an Australian campaign which had extensive reach. The targeted Sharing App reached 7.5 million Australians on Facebook.
- Our advantage on YouTube continued to grow. The Liberal Party's YouTube channel received over 1.2 million views during the campaign period, compared to 289,000 for the ALP channel.

My final observation relates to Labor and their new leader. As I have made clear today I strongly believe the leadership is just one of the problems facing Labor. Their recent leadership ballot was not a success and did not represent a greater, more genuine community engagement. As senior Labor figures have confirmed, it was essentially a factional operation, simply on a larger scale. Despite the result, the faceless men remain in charge and Labor's leadership remains unresolved. It is as likely as not that Kevin Rudd will again seek to lead Labor.

Labor's nationwide primary vote has declined ten percentage points in the last two elections. Remarkably, our research shows just 60% of those who voted Labor in 2010 did so this time in the key seats we monitored. This was partly offset by 33% of those voting Green in these seats in 2010 voting Labor this time. There can be no hiding the reality that Labor's basic problem is a collapse of its core support.

In my view, Rudd and Gillard's leadership marked the end of the Whitlam era of Labor seeking the middle ground. In common with a number of centre-left parties around the world, Labor has retreated to a mix of pre-Whitlam class war prejudice and inner city trendyism, overlaid by factional war-lordism. They are internally obsessed, schizophrenic on policy and completely disconnected from the community. Leadership is therefore just one of the challenges facing Labor. I believe Mr Shorten understands this but his capitulation to the left of his Party in order to gain the leadership has compromised his authority from the start.

There are other deep and unresolved issues Labor and their new Leader need to address. First and foremost is Labor's continuing commitment to make Australians pay a Carbon Tax. Labor's Carbon Tax was a hit on families and a hit on jobs. It was clearly rejected by the

Australian people on 7th September. The Coalition will remove it. Labor will seek to reinstate it. Bill Shorten's failure to understand the verdict of the Australian people has undermined his leadership from the start.

In the last five years Labor has renounced the Hawke/Keating model of economic responsibility. Labor's irresponsible Budget management under Gillard, Rudd and Swan rivalled the worst State Labor Governments of the last forty years. Labor's legacy is gross debt skyrocketing towards \$400 billion, the five biggest Budget deficits in our history and the world's biggest Carbon Tax. There are therefore important decisions the Abbott Government will have to make in the next eighteen months to rebuild our economy and strengthen the Budget. Despite their record we expect Labor will play politics and obstruct many of the things the Government will need to do to fix the debt and deficit inherited from Labor. However, if Bill Shorten was serious about changing, he should be honest enough to admit Labor got it wrong and support the important decisions which will have to be made. How they approach this will be one of the key signs of whether or not Labor have faced up to the reasons for their defeat.

Ladies and Gentleman, as Campaign Director I have many people to thank.

The success of this election campaign would not have been possible without the hard work and commitment of our candidates and the tens of thousands of Coalition supporters around Australia, who worked so effectively throughout the campaign and on Election Day, and I would like to acknowledge and thank them.

I thank the Federal President of the Liberal Party, Alan Stockdale, for his support and dedicated work. I also thank our Honorary Federal Treasurer, Philip Higginson, our Vice Presidents and all the members of the Federal Executive for their efforts.

I record my personal thanks to Tony Abbott for his strong leadership of the Liberal Party and for his support of the professional wing of the Party. The Prime Minister has led our Party to an extraordinary result and deserves great personal credit for the remarkable turnaround over the last five years.

I also thank the members of the Leadership team, including Julie Bishop and Warren Truss, for their energy and determination over the last three years, and the whole of the Parliamentary team for their commitment and discipline.

I am personally very grateful to my colleagues at the Federal Secretariat, particularly my Deputy, Julian Sheezel, who did an outstanding job leading the key seats unit so effectively. I also thank my personal staff, Courtney Barker, Kate Walshe and Stuart Smith, for their great support to me.

I would like to thank the staff at the Leader's office for their commitment, work and co-operation over the last four years. I particularly thank Peta Credlin and Andrew Hirst for their support and assistance.

I am very grateful for the hard work and professionalism of our State Directors, and also thank all the Coalition staff across Australia for their dedication and commitment.

The Coalition is strong and I record my great debt to Scott Mitchell and his team at the National Party for everything they do to make this possible and congratulate them on a great result on Election Day.

I record my gratitude to Mark Textor and the team at Crosby-Textor for their support and wise advice over a difficult and challenging three years.

I would like to thank all who worked at the Campaign Headquarters for their outstanding commitment and for the sacrifices they and their families made. I particularly record my gratitude to John Griffin, Darcy Tronson, Creina Chapman, Andrew Stone, Mark Roberts and Kathy Casey.

Our advertising team was again led by Mark Pearson. I thank Mark and the team, in particular, Ken Gee, James Woollett, John King and Paul Leeds and their teams for their enormous commitment and support over the last three years.

I also acknowledge and thank our innovative and effective digital team, led by Alex Skatell and Jonathan Hawkes.

Finally, I thank my wife Peta and my wider family and friends for their support and understanding during a very difficult three years.

Ladies and Gentleman:

On 7th September the people of Australia made a clear decision and gave the Coalition one of the largest majorities in our nation's history. It was a strong endorsement of our programme to scrap the Carbon Tax and build a strong prosperous economy and a safe secure Australia.

The Coalition is conscious of the very great responsibility it now carries. Australians across all parts of the community are seeking a return to stable, predictable, strong government focussed on their concerns and aspirations. The Liberal and National parties have been given an historic opportunity by the community to again build a stronger Australia and better future for all.

I am confident that Tony Abbott and his parliamentary colleagues are fully aware of this great responsibility and that, by remaining firmly focussed on the needs of the community, will help all Australians to get ahead again.

2013 Federal Election Key Facts

- The average TPP swing in the 17 seats that the Coalition won from Labor was over 6% - close to double the national average (3.6%).
- The Coalition has won more seats than Labor in 6 of the last 7 federal elections. (1996, 1998, 2001, 2004, 2010, 2013)
- This is the first time that the Coalition has received a majority of the TPP vote in every state since 1977.
- In 2013 Labor received its lowest primary vote since 1903 (lowest in over 100 years).
- Labor has had a swing against in four of the five last federal elections. (2001, 2004, 2010 & 2013)
- Labor's primary vote under Rudd in 2013 is 10% lower than it was under Rudd in 2007.
- Labor received its worst Senate result since the Senate was expanded in 1984.
- The Greens Senate vote of 8.6% is the lowest since 2004 (7.7% in 2004).

Party website

- During the campaign, the Liberal Party website had 980,000 unique visitors, compared to 556,000 unique visitors to the ALP website.
- On the Friday before polling day, the Liberal website had 106,000 unique visitors compared to just 56,000 unique visitors to the Labor website.

Facebook

- Tony Abbott's Facebook Page Likes grew during the campaign by over 550%, to achieve 258,830 Likes compared to Kevin Rudd's 127,476 Likes.
- The Liberal Party's Facebook Page had more than 200,000 Likes, compared to just 165,000 for Labor.
- The engagement rate for Tony Abbott's Facebook Page was 3 times that of Kevin Rudd.
- The Liberal Party released the first 'targeted sharing' app ever developed in Australia during the campaign which used Facebook data to personalise a video – and then ask that person to ask their friends to vote for the Coalition. This targeted sharing app reached 7.5 million Australians on Facebook.

Twitter

- The number of Twitter followers of Tony Abbott grew by 28% compared to 1% for Kevin Rudd during the campaign.

YouTube

- The Liberal Party's YouTube channel received 1.2 million views during the election compared to under 300,000 for the ALP channel.
- The most popular video on the Liberal Party channel has received over 432,000 views to compared to Labor's most watched video with 109,000 views.