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Rudd redux: victory and defeat

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Politics and Public Administration

Executive summary

- The defeat of Julia Gillard as Labor leader on 26 June 2013—when 26 members of the Labor caucus changed their votes—saw the return of Kevin Rudd to the prime ministership. While many people saw this as Rudd’s rightful reinstatement to his former post, others saw the change as a purely pragmatic political response to Labor’s disastrous standing in the opinion polls. Rudd, after all, had remained popular with many voters, and the party had little taste for being reduced to a rump in opposition.
- Rudd immediately set about refashioning the party and its policies into something that he felt would give Labor a fighting chance at the 2013 Federal election—and possibly even stave off defeat. Calls for an early election had been prominent in editorials, and the public seemed fervently to agree.
- On 8 July, the Rudd announced a proposal for a major change in the rules for the election of the leader of the parliamentary Labor Party. Some senior ministers spoke against the reforms, but the reforms passed with minor amendments, allowing rank and file members 50 per cent of the vote on the leadership with the remaining 50 per cent coming from the federal Caucus.
- In another significant development, the Government confirmed a move—a year earlier than originally planned—to an emissions trading scheme (ETS), removing the fixed carbon price of \$24.15 a tonne in favour of a floating price. Shortly thereafter, Rudd unveiled the [Australia and Papua New Guinea Regional Settlement Arrangement \(RSA\)](#) for the processing of asylum seekers: ‘As of today asylum seekers who come here by boat without a visa will never be settled in Australia’.
- Rudd’s PNG arrangements and the Opposition’s plan to form a military-led joint taskforce to co-ordinate border protection both received favourable press comment, but vocal criticism from some community groups about the treatment of asylum seekers persisted.
- On 28 July, the Prime Minister made a surprise three-hour visit to Australian troops in Afghanistan, and election speculation intensified further with the issuing of the Government’s Economic Statement on 2 August.
- The expectation that the Economic Statement would clear the decks for an election was realised when, on the afternoon of 4 August 2013, the Prime Minister sought the issuing of writs for an election on 7 September. (For a detailed account of the election see the Parliamentary Library Research Paper *Federal Election 2013: Issues, dynamic, outcomes.*)
- A weary electorate delivered a solid win to the Coalition—although Labor lost fewer seats than anticipated. On election night Kevin Rudd stepped down as Labor leader. He resigned from Parliament on 22 November 2013.

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Introduction

The return of Kevin Rudd to the Labor leadership on 26 June 2013 and his appointment as Prime Minister is one of the most compelling tales in modern Australian political history.

Having resigned as leader in June 2010 in the face of a revolt by the Labor Caucus that saw him replaced by Deputy Prime Minister Julia Gillard, Rudd remained a prominent and popular public figure. By and large the Australian public was either puzzled or dismayed—often both—by Rudd's removal.

Eventually stories emerged alleging that Rudd had an abrasive and dictatorial style, that his management of Cabinet processes had been chaotic and that he micro-managed Government business—behaviours that reportedly fuelled his colleagues anger and resentment leading to his repudiation by them in a 'coup'.

But Rudd, now a backbencher, seemed disinclined to simply accept his fate. He maintained a high public profile. There had been rumours that he was behind a series of damaging leaks about Julia Gillard in the run-up to the 2010 election, and many blamed him for damaging Labor's vote sufficiently to deny it majority Government status. Labor had to govern after the 2010 election with the support of independent and minor party MPs.

Thereafter Gillard endured what many considered to be the toughest of political environments—a largely disaffected or disinterested electorate; a hostile, often vicious press; herself burdened by scandals of others' making and pursued by allegations of misdemeanours; and a relentless leadership crisis fomented within Labor ranks that created an aura of instability around her government and raised the ire and anxiety of citizens. Under such circumstances Opposition Leader Tony Abbott proved extremely effective at portraying the Labor Government as chaotic, ill-disciplined and incompetent. Gillard's January 2013 announcement of an election on 14 September effectively ushered in an eight-month election campaign, intensifying political pressure and darkening the public mood.

The press had retained a fascination with Kevin Rudd. There were persistent rumours that he was seeking a return to his former post notwithstanding both his repeated denials to that effect and Caucus ballots that had re-affirmed Gillard as leader.

But on the afternoon of Wednesday 26 June, with leadership speculation once more at fever pitch, Gillard announced that the Labor Caucus would meet at 7pm to resolve the leadership issue once and for all. It should be a condition of the ballot, said Gillard, that the loser should retire from Parliament.¹

Gillard lost the ballot, receiving 45 votes to Rudd's 57. His return heralded a marked improvement in Labor's electoral fortunes. This paper explores 'Rudd redux', and the issues and dynamics that animated politics prior to Rudd's announcement of the 2013 election. It also deals briefly with Rudd's 2013 campaign and offers some reflections on its outcomes.

For a detailed account of the election itself, see the Parliamentary Library Research Paper *Federal Election 2013: Issues, dynamic, outcomes*.

1. For a detailed account of the events surrounding Gillard's departure from the Labor leadership see B Holmes, [Hard days and nights: the final 147 days of the Gillard Government](#), Research paper, Parliamentary Library, Canberra, 8 November 2013.

Gillard deposed: 26 June 2013

'Rudd wins the game of thrones' said the headline.² 'Rudd's revenge' and 'The Rudd resurrection' proclaimed others.³ On the afternoon of Wednesday 26 June, with leadership speculation at fever pitch, the Prime Minister had announced that the Labor Caucus would meet at 7pm to resolve the issue once and for all. Her prospects received a blow when erstwhile supporter, Bill Shorten, announced that he was switching his allegiance to Rudd:

Bill Shorten's deathknock (though not entirely unexpected) announcement that he was switching sides was important and symbolic – and also involved going back on his word. Only a few hours before the ballot his spokeswoman said he hadn't changed position.

Shorten's subdued mood was a massive contrast to three years ago when he helped mastermind, from a Canberra restaurant, the coup against Rudd.⁴

Gillard lost the ballot, receiving 45 votes to Rudd's 57.⁵ Six cabinet ministers immediately quit the frontbench—Wayne Swan, Greg Combet, Stephen Conroy, Peter Garrett, Craig Emerson and Joe Ludwig.⁶ The Labor MPs who subsequently announced their retirement at the 2013 election included front-benchers Combet, Garrett and Emerson, along with Defence Minister Stephen Smith—and Gillard herself.⁷ Anthony Albanese was elected Deputy Leader, along with a new Senate leadership combination—Penny Wong (Leader) and Jacinta Collins (Deputy Leader).⁸ The following day, Thursday 27 June, at 9.30am Kevin Rudd was sworn in as Prime Minister, along with Anthony Albanese as Deputy Prime Minister and Chris Bowen as Treasurer.

The media cited pollsters' views that the switch to Rudd 'might give Labor a lift, particularly in Queensland, but was unlikely to avert electoral oblivion'.⁹ It had been widely reported that the Coalition had already assembled 'a mountain of ammunition provided by the Labor Party, to launch a blitzkrieg against Rudd'.¹⁰ Senior journalist Laura Tingle described the task facing Rudd as 'immense', saying he had to:

... unite Labor; overcome any electoral blowback from his unrelenting campaign against Gillard...; stabilise the Parliament; transform Labor's policy platform; imbue a sense of stability and competence ... and make Labor a viable option for the next poll.¹¹

Moreover, Labor also faced the prospect of a Coalition ascendancy in the Senate. An analysis by *Crikey* based on a [state-by-state April-June Newspann poll breakdown](#) on the Senate vote showed 'an outside possibility of a John Howard-style Senate majority, which would enable clear passage for repealing the carbon and mining taxes and the ditching of the Gonski education reforms when new senators take their seats on July 1 next year'.¹² In summary, *Crikey* considered that the Coalition could gain either three (Tasmania, SA, WA), four (Tasmania, SA, WA and Queensland) or five (Tasmania, SA, WA, Queensland and NSW) Senate seats.¹³

A [7News ReachTEL](#) poll of 3,018 voters, taken the day after Rudd's return, showed that despite a big improvement in the Labor vote the Coalition remained ahead of Labor 52-48; the Coalition was headed for 'a comfortable majority; Rudd was preferred prime minister in the poll, leading Abbott 52-48; voters were evenly split on the merits of the Labor leadership change with 44 per cent agreeing with the decision to replace Gillard with Rudd, while 42 per cent disagreed.¹⁴

2. M Grattan, '[Rudd wins the game of thrones](#)', *The Conversation*, 26 June 2013, accessed 27 June 2013.

3. M Kenny, '[Rudd's revenge](#)', *The Sydney Morning Herald*, (online edition), 27 June 2013; Maher, '[The Rudd resurrection: Gillard to leave politics, backers exit front bench](#)', *The Australian*, 27 June 2013, p. 1, accessed 28 June 2013.

4. M Grattan, 'Rudd wins the game of thrones', op. cit.

5. Ibid.

6. Ibid.

7. '[Retiring MPs](#)', *Antony Green's Election Guide: Federal Election 2013*, ABC News website, accessed 17 July 2013.

8. Ibid.

9. M Dunckley and E Tadros, '[Pollsters say Kevin '07 can't be messiah again](#)', *Australian Financial Review*, 27 June 2013, p. 9, accessed 27 June 2013.

10. G Kitney, '[Rudd returns to face tough challenge of a Coalition blitzkrieg](#)', *Australian Financial Review*, 27 June 2013, p. 7, accessed 27 June 2013.

11. L Tingle, '[Huge task for recycled leader](#)', *Australian Financial Review*, 27 June 2013, p. 1, accessed 27 June 2013.

12. A Crook, '[Blue majority in the red chamber? Senate numbers crunched](#)', *Crikey*, 27 June 2013, accessed 27 June 2013.

13. Ibid.

14. '[7 News-National poll-June 2013](#)', ReachTEL, 28 June 2013, accessed 14 October 2013.

Speculation about the election date and its outcomes

Calls for an early election were prominent in editorials, and when asked by the Leader of the Opposition about election timing, the newly-installed Prime Minister said:

I would draw [the Leader of the Opposition's] attention to facts which are material to the considerations of the government: (1) is the timing of the G20 summit in St Petersburg, scheduled for 6 and 7 September; (2) is the timing of the local government referendum; and (3)... the current coincidence of the election date with Yom Kippur. I will therefore go through these issues with my cabinet colleagues. The Leader of the Opposition can rest assured there is going to be an election, it will be held consistent with the Constitution and, if he has looked at the dates, there is not going to be a huge variation one way or the other...¹⁵

With the election ostensibly to be held on 14 September, and the AFL grand final scheduled for 28 September, 21 September remained another possible date. To go to an election earlier than September 14 would likely mean cancelling the planned referendum on the constitutional recognition of local government.¹⁶

The Opposition seemed keen to kick-start its campaign against Rudd's new Labor team, with a presidential-style rally of the Liberal faithful at the Melbourne Showground on Saturday 29 June.¹⁷ Before an enthusiastic crowd, former Prime Minister John Howard blamed Prime Minister Rudd for Australia's economic and border protection problems, saying that the Labor Party had destroyed 'the great position' Australia was in when he left office, and that Rudd was a 'great policy chameleon'.¹⁸

Suddenly the next election was 'no longer a matter of Tony Abbott just turning up', said *The Land* journalist Peter Austin, giving voice to the general agreement among the commentariat that the re-emergence of Kevin Rudd heralded a decisive switch in Labor's political fortunes.¹⁹ There was now 'a real contest taking shape—one in which policy differences, not just personalities, will come into play'.²⁰ However, the betting agencies Betfair and Sportsbet still pointed to a landslide victory for the Coalition, with a statistical analysis of electorate-level Sportsbet odds done for *AFR Weekend* showing that Rudd's return 'was only likely to save seven seats to have a probable total of 56 seats, compared with the Coalition's probable 88 seats'.²¹

The second [Morgan Poll](#) since Rudd became Prime Minister showed another swing to the ALP. The ALP was now at 51.5 per cent—the ALP's largest lead since December 2012—and ahead of the Coalition on 48.5 per cent (down 2 per cent) on a two-party preferred basis.²²

The Roy Morgan Government Confidence Rating improved strongly after Rudd's return – up 12.5 points to 106—the highest since mid-March 2013: 'Now 43.5 % ...say Australia is 'heading in the right direction' and 37.5%...say Australia is 'heading in the wrong direction'.²³

Analysis by gender showed both men and women swinging towards the ALP after Rudd's return:

Women now clearly favour the ALP (54 %, up 3%) cf. L-NP (46 per cent, down 3 per cent) on a two party preferred basis, while men favour the L-NP (51.5%, down 1%) against ALP (48.5%, up 1%).²⁴

ABC journalist Barrie Cassidy described the situation in the following terms:

If the first polls after the elevation of Kevin Rudd represent the high water mark, then Tony Abbott and the Coalition will win. But if it's not—if Rudd and Labor can improve on that first blush result, however slightly—then the Government will win... The biggest single indication of how the political dynamics have changed is Abbott's refusal

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15. K Rudd (Prime Minister), '[Answer to Question Without Notice: Australian Labor Party](#)', [Questioner: T Abbott], House of Representatives, *Debates*, Thursday, 27 June 2013, p. 7266, accessed 28 June 2013.
 16. The referendum YES/NO booklet has to be delivered not later than 14 days before referendum day, and arrangements for postal voting have to be in place.
 17. S Lewis, '[Abbott sets his sights on Rudd](#)', *Adelaide Advertiser*, 28 June 2013, p. 5, accessed 28 June 2013.
 18. '[Howard blasts Rudd at Lib campaign launch](#)', News.com website, 29 June 2013, accessed 14 October 2013.
 19. P Austin, '[Rudd evens the score](#)', *The Land*, Sydney, 4 July 2013, p. 19, accessed 8 July 2013.
 20. Ibid.
 21. E Tadros, '[Punters keep in mind a Coalition landslide](#)', *Australian Financial Review*, 10 July 2013, p. 6, accessed 10 July 2013.
 22. Finding No. 5015, '[Rudd's return sparks Labor fightback as electors voice their concerns with Opposition Leader Tony Abbott](#)', *Roy Morgan Research*, 4 July 2013, accessed 8 July 2013
 23. '[Morgan Poll shows Labor in front](#)', *Independent Australia*, 1 July 2013, accessed 14 October 2013.
 24. Ibid.

to debate Rudd unless Parliament is recalled or an election date announced. Ordinarily, an opposition leader is the one making the challenge, keen to share the platform and the leadership status with the incumbent. But not this time.²⁵

The first internal Labor polling conducted since Rudd's return to the ALP leadership showed Labor 'ahead of the Coalition in several bellwether seats'.²⁶ Rudd's return also appeared to have mobilised the youth vote.²⁷ The AEC also reported that it had already registered 47 parties for the 2013 poll, putting in prospect a Senate ballot paper of unprecedented size.²⁸

Meanwhile, the expectation was growing that the Rudd Government would probably seek a mid-October election, allowing the new ministry—and any policy changes—at least a few months to settle. But the hectic schedule of global meetings Prime Minister Rudd expected to attend—along with the traditional reluctance to impose a campaign over the football finals—suggested that a mid-November election might be the preferred timing.²⁹ The fluid nature of the election date was highlighted by later reports that Labor had placed its organisational wing on a formal campaign footing in preparation for an election as early as August.³⁰

Rudd flags party reforms

On 8 July the Prime Minister announced a proposal for a major change in the rules for the election of the leader of the parliamentary Labor Party.³¹ The changes included:

- the federal parliamentary leader of the Labor Party will be elected jointly by the party membership across the nation and the members of the federal parliamentary Labor Party
 - votes by the party membership to be weighted at 50 per cent and votes by the federal parliamentary Labor Party weighted at 50 per cent
 - an election for leaders shall automatically occur following an election where the Australian Labor Party does not form government
 - an election for leader can be called after any of the following events: upon the resignation of a leader; at the request of the leader; or if at least 75 per cent of the members of the federal parliamentary Labor Party sign a petition requesting the election for a new leader be held on the grounds that the current leader has brought the party into disrepute
 - candidates for election to the position of leader must be nominated by a minimum of 20 per cent of the membership of the federal parliamentary Labor Party
 - the ballot for the leader shall take no longer than 30 days.
- if the leader of the Australian Labor Party takes the Party to the election and they are returned to form the government of the nation, that person remains as leader of the party in the government for the duration of that term, but
 - if the party is unsuccessful in an election, the rules process then applies.³²

The Prime Minister said the reforms were about 'building a modern Australian Labor Party for the future of Australia'.³³

The reforms—while generally well received³⁴—were not without their critics. Academic commentator John Nethercote described them as a 'descent into oligarchy'.³⁵ Peter van Onselen said that the reform proposal

25. B Cassidy, '[A Labor election win is no longer preposterous](#)', *The Drum (ABC)*, 5 July 2013, accessed 8 July 2013.

26. S Benson, '[Polling shows PM near the box seat](#)', *Northern Territory News*, 9 July 2013, p. 4, accessed 9 July 2013.

27. P Diak cited in R Puddy, '[Roll surge since change at top](#)', *The Australian*, 4 July 2013, p. 4, accessed 8 July 2013.

28. C Kerr, '[Senate contest hits 47 parties and counting](#)', *The Australian*, 9 July 2013, p. 4, accessed 9 July 2013.

29. D Fitton, '[Flat strap schedule suggests poll day on track for November 16](#)', *The Canberra Times*, 10 July 2013, p. 2, accessed 10 July 2013.

30. M Kenny, '[Close to ramming speed as election looms](#)', *Sydney Morning Herald*, 11 July 2013, p. 8, accessed 11 July 2013.

31. K Rudd (Prime Minister), '[Changes to Australian Labor Party leadership rules, Transcript of joint press conference](#)', 8 July 2013, accessed 9 July 2013.

32. *Ibid.*

33. *Ibid.*

34. Editorial, '[Time for Labor reform](#)', *Newcastle Herald*, 4 July 2013, accessed 27 November 2013.

35. JR Nethercote, '[Our descent into oligarchy](#)', *The Canberra Times*, 12 July 2013, p. 1, accessed 12 July 2013.

'would create a virtual elected dictatorship whenever Labor was in office'.³⁶ Paul Kelly said 'Rudd is now embarked on a transformation of the Labor Party with the potential to make him the most powerful leader in the party's history ... Rudd is imposing new party rules that invest him with untouchable power if he wins the election.'³⁷

Labor identity Graham Richardson opined that: 'The idea that a spill could not occur unless 75 per cent of the caucus agreed effectively means that no leader could ever be defeated', and said that Rudd 'should give some more thought to the process and its practical implementation when Labor is in government'.³⁸ Rudd was to say subsequently, in his 11 July speech to the National Press Club, that he was not concerned if the 75 per cent threshold was lowered for Labor opposition leaders.³⁹

The role of unions in the ALP remained an issue that was still to be settled, with Barrie Cassidy observing:

Eventually a [Labor] national conference will decide the balance, free of pre-election restrictions... In any case, unions retain much of the control over pre-selections and through that process they have considerable clout in the caucus.⁴⁰

But even before the 22 July meeting had deliberated on the reforms, rumblings emerged about apparent branch-stacking in NSW Labor's Malabar branch, allegedly to deliver preselection to Labor Senator Matt Thistlethwaite for the seat of Kingsford Smith.⁴¹

Rudd and Labor advance in opinion polls

A Newspoll report on 9 July had shown:

- Rudd had widened his lead over Tony Abbott as preferred Prime Minister
- the ALP and the Coalition were tied at 50 per cent each on a two-party preferred basis
- Labor's primary vote was up nine percentage points since Rudd was restored as prime minister
- the Coalition's primary vote stood at 42 per cent, down six points since the change in Labor leadership.⁴²

The poll said voter satisfaction with Rudd was up seven points to 43 per cent from the previous weekend.⁴³ However, the betting agencies Betfair and Sportsbet still pointed to a landslide victory for the Coalition, with a statistical analysis of electorate-level Sportsbet odds done for *AFR Weekend* showing that Rudd's return 'was only likely to save seven seats to have a probable total of 56 seats, compared with the Coalition's probable 88 seats'.⁴⁴

But, with a growing sense that the election was shaping up to be more of a close thing than had long been believed, academic Judith Brett—a long-time observer of the Liberal Party—said that the return of Rudd had 'increased the scrutiny of the alternative prime minister':

'Mr Abbott can't just rely on falling into office...'. Brett said Abbott's refusal to debate Rudd on the very things he had made such articles of faith against Julia Gillard was 'instructive' to voters.... 'My sense is that that is not playing very well because it actually looks like he's squibbing it'.⁴⁵

10 July happened to mark the fiftieth anniversary of the presentation to the Australian Parliament of the 1963 [Yirrkala bark petitions](#)—widely acknowledged as the starting point for reforms leading to the Aboriginal vote, land rights and ultimately the repudiation of *terra nullius*.⁴⁶ The Prime Minister promised a referendum within

36. P van Onselen, '[Sweeping powers create dictatorship](#)', *Weekend Australian*, 13 July 2013, p. 20, accessed 15 July 2013.

37. P Kelly, '[Rudd to be most powerful PM](#)', *The Australian*, 10 July 2013, accessed 16 July 2013.

38. G Richardson, '[Labor reform? Tell him he's dreaming](#)', *The Australian*, 12 July 2013, p. 12, accessed 12 July 2013.

39. J Kelly and S Maher, '[Rudd ready to give ground on party reform](#)', *The Australian*, 12 July 2013, p. 8, accessed 12 July 2013.

40. B Cassidy, '[Labor's new democracy faces its first tests](#)', *The Drum*, 12 July 2013, accessed 15 July 2013.

41. S Benson, '[Dirty deal damages Labor's clean-up campaign](#)', *The Daily Telegraph*, 16 July 2013, p.1, accessed 16 July 2013.

42. AAP, '[Labor, coalition tied at 50%: Newspoll](#)', *The Sydney Morning Herald*, 9 July 2013, accessed 10 July 2013.

43. Ibid.

44. E Tadros, '[Punters keep in mind a Coalition landslide](#)', *Australian Financial Review*, 10 July 2013, p. 6, accessed 10 July 2013.

45. M Kenny, '[Abbott under pressure as the game changes](#)', *The Age*, 10 July 2013, p. 4, accessed 10 July.

46. '[Recognition poll pledged](#)', *The Courier Mail*, 11 July 2013, p. 10, accessed 11 June 2013.

two years on the constitutional recognition of Aborigines as Australia's original inhabitants.⁴⁷ Rudd's claim that the Coalition was holding back on the issue drew a strong rebuke from Abbott who said he had already pledged to put forward a draft constitutional amendment within 12 months to establish a bipartisan approach.⁴⁸ Indigenous leader Warren Mundine and the Greens' Rachel Siewert also criticized Rudd, claiming that he was undermining bipartisan efforts to secure the referendum's success.⁴⁹

On the separate question of constitutional recognition of local government—a longstanding issue for which a referendum had been proposed in conjunction with the 2013 election—the Opposition Leader said the referendum had been 'mishandled by the Gillard and Rudd governments, dooming its prospects'.⁵⁰

Rudd makes first major speech: National Press Club

On 11 July, the Prime Minister delivered his first major speech on economic issues in an address to the National Press Club—originally proposed as a debate with Tony Abbott.⁵¹ In what Rudd called his 'national competitiveness agenda'—and on a day when the June unemployment rate rose above economists' forecast to 5.7 per cent, its highest since September 2009—the Prime Minister proposed a multi-pronged strategy to address:

- electricity prices which were too high by global standards
- rigidities that had crept into the labour market under the *Fair Work Act* and were inhibiting investment and jobs growth
- the failure of Australian business to fully engage with and expand within Asia, and improvements in vocational education and training and infrastructure financing.⁵²

In a media release, the Business Council of Australia said Rudd's speech was 'a welcome response to issues the Business Council has been raising for some time'.⁵³ The Dean of the UTS Business School, Roy Green, described the speech as 'the repositioning of the Australian government's economic narrative'.⁵⁴

Shift in climate change policy

In another significant development, the Government confirmed a move—a year earlier than originally planned—to an emissions trading scheme (ETS), removing the fixed carbon price of \$24.15 a tonne in favour of a floating price, estimated at between \$6 and \$10 a tonne.⁵⁵

By proposing this change, Rudd is making [climate change an election issue again](#). But the issue this time is tagged as easing living costs and heading off the loss of mining industry income, and it's all to be done without [threatening a return to surplus](#) despite a probable [cost to the budget](#) of several billion dollars.⁵⁶

But as economics journalist Terry McCrann pointed out, tagging the move as one that eases the cost of living was problematic, because while the July 2013 price of carbon set by the European market might be only \$6 per tonne, under a floating scheme it could rise to, say, \$20 a tonne by the time Australia's ETS comes into play in mid-2014.⁵⁷ The editor of *RenewEconomy* argued that the move was 'about politics rather than policy' and made the point that 'after spending the past year arguing that the carbon price was having minimal impact on household budgets ... the Rudd team says the primary reason for switching from a fixed price to traded price a

47. Ibid.

48. J Kelly, '[Labor sets deadline for indigenous vote, but Kevin Rudd is accused of playing politics](#)', *The Australian*, 10 July 2013, accessed 10 July 2013.

49. P Karvelas and L Wilson, '[Mundine slams PM's vote 'spin'](#)', *The Australian*, 12 July 2013, p. 6, accessed 12 July 2013.

50. P Akerman, '[Referendum "set up to fail"](#)', *The Australian*, 11 July 2013, p. 5, accessed 11 July 2013.

51. M Kenny and G Kwek, '[Rudd's push for a pact](#)', *Sydney Morning Herald*, 12 July 2013, p. 1, accessed 12 July 2013.

52. Ibid. (The *Australian Financial Review* [reported](#) that Prime Minister Rudd's tweeted challenge to debate the Opposition Leader at the National Press Club was retweeted more than 1800 times and clicked as a 'favourite' tweet 950 times as of midday Thursday. Mr Rudd wrote: 'Hi @TonyAbbottMHR we need a debate on the national economy. National Press Club next Thursday? I'll be there. Over to you ... KRudd'. (Mr Abbott refused the invitation.)

53. T Shepherd, '[Statement on the Prime Minister's Press Club speech](#)', media release, *Business Council of Australia*, 11 July 2013, accessed 12 July 2013.

54. R Green, '[Reality bites: Rudd's new productivity game-plan](#)', *The Conversation*, 12 July 2013, accessed 12 July 2013.

55. '[Treasurer Chris Bowen confirms Government will scrap carbon tax for floating price](#)', *ABC News*, 15 July 2013, accessed 15 July 2013.

56. M Newlands, '[Emissions trading schemes are fraught territory: is Rudd ready?](#)', *The Conversation*, 14 July 2013, accessed 15 July 2013.

57. T McCrann, '[Carbon tax slug is here to stay](#)', *The Courier Mail*, 16 July 2013, p. 25, accessed 16 July 2013.

year early is to provide relief to households'.⁵⁸ University of Western Sydney researcher Neil Perry argued that Rudd's move nullified the arguments used to justify the assistance provided to emissions-intensive, trade-exposed industries and Perry was critical of assistance being continued under the new regime:

Converting to a floating carbon price will see the price decrease to the international level, which is currently around \$6 per tonne. This means ... assistance [to emissions-intensive industries] will remain, yet their carbon liability will fall by 75%. A far simpler way to cover the budget would be to make these polluters pay for the external cost of all their emissions even if, and especially since, this is only \$6 per tonne.⁵⁹

Greens leader Christine Milne said that the decision to scrap the carbon tax was 'cowardly' and Opposition Leader Tony Abbott said the Prime Minister had not truly abolished the carbon tax, merely changed its name.⁶⁰ An automated poll of 1,300 people by Lonergan Research revealed 62 per cent of respondents wanted to keep the price on carbon and 38 per cent wanted it removed.⁶¹ In a speech to the National Press Club later that week, Treasurer Bowen indicated that Labor—like the Liberal Party—regarded their carbon emissions abatement strategy as a core election policy for which the party would assume a mandate if elected.⁶²

Poll bounce for Labor

The Nielsen Fairfax poll published on 15 July had the two-party preferred measure at 50–50, and it recorded a ten-point bounce in Labor's primary vote since Rudd's return. Labor's primary came in at 39 per cent, up from the 29 per cent recorded just before Rudd replaced Julia Gillard.⁶³ Rudd was also significantly ahead on Nielsen's preferred prime minister measure—Rudd on 55 per cent, a 14-point improvement compared to the last result recorded for Gillard on 17 June. Opposition Leader Abbott was on 41 per cent, a nine-point drop since the last survey.

The Nielsen result was consistent with a ReachTEL poll of 1,613 Queensland voters that had Federal Labor's primary vote at 40 per cent since the leadership change—indicating Labor could pick up six federal seats in Queensland if that position held.⁶⁴ The question, though, remained that of whether the position would indeed hold, or whether Rudd's favourable impact on Labor's fortunes would dissipate.⁶⁵

The Nielsen poll found that, with respect to discrete categories of policy, Labor led the Coalition with an eight-point advantage in health (50 to 42); a 20-point lead in education (56 to 36); a 23-point lead in environment (57 to 34); and an 18-point advantage on the national broadband network (53 to 35).⁶⁶ But the Coalition led Labor on the 'asylum seeker problem and ... the traditional election deciders of the economy and mortgage interest rates'.⁶⁷ The poll showed that the Greens had also lost ground to Labor, with its 12 per cent primary vote at the 2010 election dropping to 9 per cent—a two-point deterioration since June.⁶⁸ But the Greens Member for Melbourne, Adam Bandt remained confident of retaining his seat.⁶⁹

Meanwhile, as negotiations on the Gonski / Better Schools reforms crept forward, the issue of asylum seekers began to draw more political and press attention, and it was reported that Coalition MPs and shadow ministers were quietly waiting out the Rudd honeymoon and 'sticking to the game plan'.⁷⁰ The game plan included a print and television campaign launched on Sunday 14 June that sought to remind voters of why Labor had plunged in the polls towards the end of Rudd's first term in June 2010 and why the Labor Party had dumped him.⁷¹

58. G Parkinson, '[5 reasons why Kevin Rudd's carbon move makes us wince](#)', *RenewEconomy*, 15 July 2013, accessed 17 July 2013.

59. N Perry, '[Labor keeps ETS compensation for big power users – why?](#)', *The Conversation*, 16 July 2013, accessed 17 July 2013.

60. 'Treasurer Chris Bowen confirms Government will scrap carbon tax for floating price', op.cit.

61. C Johnson, '[Most want to keep carbon tax: poll](#)', *The Sunday Age*, 14 July 2013, p. 3, accessed 15 July 2013.

62. C Bowen (Treasurer), *Labor: managing the economic transition*, Address to the National Press Club of Australia, Canberra, 18 July 2013, accessed 19 July 2013.

63. K Murphy, '[Kevin Rudd's return sees Labor tied with Coalition in polls](#)', *The Guardian*, (online edition), 15 July 2013, accessed 15 July 2013.

64. Ibid.

65. B Toohey, '[Rudd's impact spooks Abbott](#)', *Australian Financial Review*, 13 July 2013, p. 22, accessed 15 July 2013.

66. M Kenny, '[Abbott still winner on immigration, economy](#)', *Sydney Morning Herald*, 16 July 2013, p. 7, accessed 16 July 2013.

67. Ibid.

68. M Kenny, '[Rudd's pulling power puts poll on knife edge](#)', *Sydney Morning Herald*, p. 1, 15 July 2013, accessed 15 July 2013.

69. C Butt, '[Greens expect to hold Melbourne despite tough fight](#)', *The Age*, 15 July 2013, p. 4, accessed 15 July 2013.

70. J Maley, '[Opposition confident its best weapon will be Rudd](#)', *Sydney Morning Herald*, 13 July 2013, p. 5, accessed 15 July 2013.

71. P Coorey, '[Coalition adverts bag Rudd as fake](#)', *Australian Financial Review*, 13 July 2013, p. 3, accessed 15 July 2013.

Opinion polls also put the spotlight on Tony Abbott. A Seven Network/ReachTEL poll on 19 July suggested that Rudd would lose the election by a landslide if Malcolm Turnbull were to be restored as Opposition Leader, and that Turnbull would secure the Coalition a two-party preferred vote of 58 per cent to Labor's 42 per cent.⁷² Abbott reportedly brushed off the poll saying his party was 'big enough' for two large personalities such as him and Mr Turnbull.⁷³

The previous day, a Roy Morgan poll had found that Turnbull was strongly preferred as Liberal Party Leader (51 per cent, up 4 per cent), well ahead of Abbott (16 per cent, down 2 per cent).⁷⁴ The poll director said it was 'worth noting' that Turnbull's lead over Abbott as preferred Liberal Party Leader (51% cf. 16%) was 'substantially greater than the lead Rudd had over Gillard (33% cf. 14%) before winning the Labor Leadership back in late June'.⁷⁵

Rudd acts on asylum seeker policy

On 19 July, as the Prime Minister prepared to announce his re-vamped asylum seeker policy, it was reported that Indonesia had agreed to his request to make it harder for people from Iran to enter the country in order to travel to Australia by boat.⁷⁶ Foreign Minister Bob Carr said a large number of asylum seekers arriving in Australia, particularly those from Iran, are 'economic migrants' rather than genuine refugees.⁷⁷ When the Prime Minister unveiled the [Australia and Papua New Guinea Regional Settlement Arrangement \(RSA\)](#) later that day his message was clear: 'As of today asylum seekers who come here by boat without a visa will never be settled in Australia'.⁷⁸

Under the RSA:

- regional processing arrangements in Papua New Guinea would be significantly expanded
- PNG officials would assess their claims on Manus Island
- existing facilities on Manus Island would be expanded and new facilities added
- there would be no cap on the number of people who could be transferred to PNG
- the Australian Government, in partnership with the PNG Government, would support settlement services for those with refugee status
- the Government would consider progressively increasing its humanitarian intake towards 27,000 as recommended by the Houston Panel.⁷⁹

In an address to the Press Club the day before the RSA announcement, Treasurer Bowen had noted, in response to a journalist's question, that there were the 43 million displaced people in the world:

Yes, the 20,000 people that we take is a small proportion of that and always will be. But we do take more refugees per head of Australian population than any other nation in the world... But that doesn't mean that we can let that program be dominated by people arriving in Australia by boat for two reasons. One, it's very unsafe and we've seen far too many, far too many drownings at sea ... and you do need to make, again, tough decisions about how to deal with that and you also need a fair system, an orderly system.⁸⁰

Moreover, the arrangement was said to offer substantial economic benefits to poverty-plagued PNG:

72. L Scarr, '[Kevin Rudd would lose 2013 Federal Election if Malcolm Turnbull returned to his old job, finds poll](#)', *The Australian*, 19 July 2013, accessed 19 July 2013.

73. Ibid.

74. Roy Morgan Research, '[New Prime Minister Kevin Rudd \(42%\) clearly preferred ALP Leader & Malcolm Turnbull \(51%\) clearly favoured Liberal Leader](#)', finding No. 5042, 18 July 2013, accessed 19 July 2013.

75. Ibid.

76. H Brown and others, '[Indonesia to change visa requirements for Iranians entering the country following request from PM Kevin Rudd](#)', *ABC News*, 19 July 2013, accessed 19 July 2013.

77. Ibid.

78. Department of Foreign Affairs and Trade, '[Australia and Papua New Guinea Regional Settlement Arrangement](#)', statement, 19 July 2013, accessed 16 October 2013.

79. Ibid.

80. C Bowen, (Treasurer), '[Labor: Managing the economic transition](#)', Address to the National Press Club', 18 July 2013, accessed 16 October 2013.

In return for housing the boat-arriving asylum seekers and resettling those found to be refugees, PNG receives a package of much-needed assistance, that includes redeveloping its universities, a new hospital, upgrading roads, a new courts complex, and the deployment of Australian police. In addition, the processing centre on Manus Island will be expanded, PNG's naval facilities on the island will receive a facelift, and schools and health centres will be constructed for Manus Islanders.⁸¹

Reactions to the RSA were mixed. Citing extracts from a 2006 essay by Kevin Rudd in *The Monthly* that extolled the virtues of Christian social democracy, journalist Dennis Atkins called Rudd's move a 'shameless backflip of biblical proportions'.⁸² The *Sunday Telegraph* described the strategy as 'breathtakingly ruthless',⁸³ and questioned the relative silence about the new policy from the 'bleeding hearts':

What happened to the Flotillas of Hope, Free the Refugees Campaign and North-West Friends of Refugees who used to march on Kirribilli House to attack John Howard? "Blood on your hands little Johnny." A Just Australia, the lobby group which hounded the Howard government over asylum seekers, has only issued two press releases this year, and nothing about the new Prime Minister's sabre rattling and hundreds of deaths at sea.⁸⁴

But the newspaper also said it was 'good to see Rudd has finally come to the realisation a responsible government has to make some unpalatable decisions for the greater good of humanitarianism'.⁸⁵

The Opposition labelled the RSA a 'fake fix' and detailed a list of its alleged flaws, saying that that PNG was not bound to the agreement and that Labor had no plan for children arriving by boat.⁸⁶ Shadow Immigration Minister Scott Morrison had raised the issue of risks to children's health on Manus Island. A published 'Factchecker' report said that Morrison was 'correct in raising health risks in children as a concern', but that it was 'possible to successfully vaccinate and otherwise protect young children against common tropical diseases with relatively modest resources'—although refugee children detained in PNG would be 'at risk of other diseases for which there are no effective or widely available vaccinations, and for which illness among young children can be severe or fatal, such as malaria'.⁸⁷ (Asylum seekers are vaccinated under the Australian schedule before being sent to offshore processing centres, and receive a physical and mental check-up and a chest x-ray.⁸⁸)

Abbott subsequently announced that a Coalition government would establish a military-led response to deal with the asylum seeker issue—*Operation Sovereign Borders*—declaring the situation to be a 'national emergency'.⁸⁹

A spokesperson for the Asylum Seeker Resource Centre, said Rudd's new hard-line rules went against the spirit of the Refugee Convention because Australia was now 'outsourcing [its] obligations', and Greens leader Christine Milne said it was 'absolutely immoral' for a rich nation to 'dump thousands of vulnerable people into an impoverished country'.⁹⁰

ABC News reported that some Papua New Guineans were warning Australia that the RSA would add to problems in the developing country, with local politicians questioning how the plan would be financed, and pointing out that resettled refugees may face hostility from locals.⁹¹ Dr James Hathaway, an expert on international refugee law, said that Rudd's announcement 'was entirely unprecedented':

'This plan is without question the most bizarre overreaction I have seen in more than 30 years of working on refugee law,' said Dr Hathaway. 'It just makes no sense. The only mandatory deportation to PNG is going to be so-

81. J Ritchie, '[Colonialism, sovereignty and aid: what refugees mean for PNG](#)', *The Conversation*, 25 July 2013, accessed 25 July 2013.

82. D Atkins, '[Kev's shameless backflip of biblical proportions](#)', *The Courier Mail*, 22 July 2013, p. 6, accessed 22 July 2013.

83. Editorial, '[Kevin Rudd just created another boatload of humanitarian problems](#)', *The Sunday Telegraph*, 21 July 2013, p. 40, accessed 22 July 2013.

84. Ibid.

85. Editorial, '[Boat-people solution shows some initiative](#)', *The Sunday Telegraph*, 21 July 2013, p. 102, accessed 22 July 2013.

86. N Perry, '[Deal on boats a fake fix](#)', *Northern Territory News*, 22 July 2013, p. 9, accessed 22 July 2013.

87. J McBride, '[FactCheck: can children under seven be sent to Manus Island?](#)', *The Conversation*, 30 July 2013, accessed 30 July 2013.

88. Ibid. Note: Asylum seekers receive the following vaccinations, and further boosters once on Manus Island if necessary: Hepatitis B; Diphtheria; Tetanus; Pertussis (whooping cough); Polio; Meningococcal C; Measles; Mumps; Rubella and Influenza. If an X-ray detects tuberculosis, it is treated in Australia. Asylum seekers also receive Malarone, a tablet treatment to prevent malaria.

89. Liberal Party of Australia, '[Operation Sovereign Borders](#)', media release, 25 July 2013, accessed 29 July 2013.

90. B Hall and J Swan, '[Rudd moves to banish the boats](#)', *Sydney Morning Herald*, 20 July 2013, p. 1, accessed 22 July 2013.

91. '[Asylum seekers to receive hostile reception in PNG: local governor](#)', *ABC News*, 22 July 2013, accessed 22 July 2013.

called boat arrivals. Does the Prime Minister think that every refugee should arrive with a Qantas first class ticket in order to be real?'⁹²

Amnesty International called the deal 'appalling' and said that the plans to resettle all asylum seekers that are found to be refugees in PNG 'shows not only a complete disregard for asylum seekers but absolute contempt for legal and moral obligations'.⁹³ Long-time writer on asylum issues, David Marr, concluded his assessment with the observation:

Meanwhile let's hope PNG doesn't twig to what's really going on here: we are paying it some enormous bribe and flattering the country to its face, while selling it to the world as the sort of place no one in their right mind, not even someone fleeing a well-based fear of persecution, would want to live.⁹⁴

The Prime Minister, however, remained firm in his view that the policy was needed to 'deal a fatal blow to the people smugglers', whom he described as 'merchants in death'.⁹⁵ Although some Labor MPs raised concerns about the severity of the policy, most of the Left agreed with it so long as there were 'adequate resources and protections', saying they believed that 'harsh measures (were) needed to stop the boats and bring the refugee program back under control'.⁹⁶

On 23 July, the online publication *New Matilda* reported details of the February 2013 contract for the operation of Manus Island detention facilities by [GS4 Australia](#). It was claimed that the contract's objectives indicated 'that the quality of services on Manus Island will not meet the same standards as those in Australia'.⁹⁷

In the days that followed Rudd's announcement of his PNG solution, a range of comment and analysis appeared in both mainstream and specialist media discussing the impact of—and implications arising from—the new policy. The debate concerned the prospects for any new refugees, the PNG Government's role and capacity to meet its commitments, the impact on PNG citizens, and the costs to the Australian Government and taxpayers.⁹⁸

On 30 July 2013, the Federal Opposition announced that it would build a tent city capable of housing 2,000 asylum seekers on the Pacific island of Nauru if it won office.⁹⁹

A helpful 'explainer' on the politics of the asylum seeker issue in Australia is available at [Asylum seekers: where the parties stand](#).¹⁰⁰ The Centre for Policy Development has a website [Refugee Facts](#) that includes a [section on the 2013 Federal election](#). The Parliamentary Library has published several papers on refugees and asylum seekers which are available [here](#).

Key meeting to discuss proposed changes to Labor leadership rules

On Monday 22 July, a special Caucus meeting was convened in Sydney to consider the party reforms proposed by the Prime Minister a few weeks earlier. NSW union leaders had met on 12 July to discuss the proposal.¹⁰¹

At the Caucus meeting several senior ministers spoke against the reforms, including Stephen Conroy, who said that the 75 per cent threshold was too high and should be more along the lines of 50 per cent plus one.¹⁰² In the

92. J Hathaway, quoted in '[PNG asylum deal could be in breach of UN convention](#)', *ABC News*, 22 July 2013, accessed 22 July 2013.

93. Amnesty International, '[Australia passes the parcel and closes the door to desperate boat arrivals](#)', media release, 19 July 2013, accessed 23 July 2013, <http://www.amnesty.org.au/news/comments/32302/>

94. D Marr, '[Captain Rudd steers Australia into new depths of shame](#)', *The Guardian*, 22 July 2013, accessed 23 July 2013.

95. P Coorey, '[Rudd: Critics aiding 'death merchants'](#)', *Australian Financial Review*, 23 July 2013, p. 6, accessed 23 July 2013.

96. Ibid.

97. P Farrell, L Bull and L Bacon, '[Exclusive: Our contract with Manus](#)', *newmatilda.com*, 23 July 2013, accessed 29 July 2013.

98. For example, A Babon, '[What life can a resettled refugee expect in PNG?](#)', *The Conversation*, 23 July 2013; P Michael, '[PNG PM O'Neill in dark on reality of refugees](#)', *news.com.au*, 23 July 2013; AK Hekmat, '[Four reasons that Rudd's cruel PNG policy violates the rights of refugees](#)', *brisbanetimes.com.au*, 24 July 2013; '[UNHCR statement on new asylum agreement between Australia and Papua New Guinea](#)', media release, UNHCR; P Taylor, S Benson and P Jones, '[Testing time for PM's PNG hellhole solution](#)', *Daily Telegraph*, 23 July 2013, all accessed 24 July 2013 via links highlighted.

99. S Lane, '[Coalition to build tent city on Nauru](#)', *AM*, ABC News, 30 July 2013, accessed 30 July 2013.

100. J Norman, '[Asylum seekers: where the parties stand](#)', *ABC News: Federal Election 2013*, accessed 30 July 2013.

101. J Kelly and S Maher, 'Rudd ready to give ground on party reform', op. cit.

102. L Scarr, '[PM puts end to rule by knife](#)', *The Mercury*, 23 July 2013, p. 8, accessed 23 July 2013.

event, the Prime Minister moved an amendment that would drop the threshold to 60 per cent but only for a Labor leader in Opposition. Changes were also made to allow rank and file members 50 per cent of the vote on the leadership. The remaining 50 per cent would come from the federal Caucus.¹⁰³

In an opinion piece the Labor mayor of Leichardt in Sydney said that ‘Opening Labor’s doors to public participation will help rejuvenate Australian democracy. As the benefits of extending political power beyond the corridors of parliaments become self-evident, other parties will follow suit’.¹⁰⁴ But another Labor figure, Dennis Glover, proved more cautious:

Those who think that making simple rule changes ... is the end-point of reform, are kidding themselves Changing the way the leader is elected must be just the start.¹⁰⁵

Election announcement anticipated—but not forthcoming

In the wake of Rudd’s three major July initiatives—emissions trading, asylum seeker policy and Labor Party reform—speculation intensified that the Prime Minister would, within a few days, announce an election date of 31 August.¹⁰⁶ A major economic statement was tipped to be the final act before such an announcement was made.¹⁰⁷ Shadow Treasurer Joe Hockey would later say that he had ‘no confidence in the Commonwealth Treasury’, announcing he would not recognise its pre-election budget estimates or economic forecasts because its revenue forecasts were ‘doctored’ by Labor.¹⁰⁸

Following a Cabinet meeting on 29 July to review the Budget in the light of falling revenues, Treasurer Chris Bowen said the government would stick to its budget strategy—including a returning to surplus by 2016–17—but he did not specify whether the figure would be the same as the original May forecast.¹⁰⁹ The imminent release of the economic statement was tipped to be the ‘final act of significant deck-clearing prior to the calling of the election’.¹¹⁰

Towards the end of July rumours swirled that the election date would be 31 August—which would require the writs to be issued on 29 July.¹¹¹ (In the event, the relevant announcement did not occur.)

A poll by *Essential Research* published on 23 July showed that Labor’s primary vote appeared to have stabilised at 40 per cent, but that the Coalition retained an election-winning lead.¹¹² The Greens remained ‘in parlous territory’ on 7 per cent, with a two-party preferred outcome of 51–49 in favour of the Coalition.¹¹³

Meanwhile, Newspoll results suggested that Rudd’s tough stance on asylum seekers had lifted Labor’s ratings on the issue to its highest level since Julia Gillard’s proposal for regional processing in East Timor during the 2010 election.¹¹⁴

According to an analysis carried out by the *Australian Financial Review*:

- Labor’s average two-party preferred polling in the 16 national polls carried out since Mr Rudd took over was 49 per cent, which converted to a 74 per cent probability that the Coalition was actually ahead in the polls
- the overall polls and betting markets were also consistent with an analysis of electorate-level Sportsbet odds from 11 July which found the Coalition was likely to easily win an election with an expected 84 seats compared with Labor’s likely 60 seats
- Labor’s primary vote polling was an average of 39 per cent—according to the 15 polls since 26 June—ranging from 35 per cent (Newspoll) on 2 July through to 42 per cent (Roy Morgan on July 15).¹¹⁵

103. Ibid.

104. D Byrne, ‘[The knife we need to cut out NSW ALP cancer](#)’, *Daily Telegraph*, 23 July 2013, p. 13, accessed 23 July 2013.

105. D Gover, ‘[ALP warlords still run roughshod](#)’, *Australian Financial Review*, 23 July 2013, p. 46, accessed 23 July 2013.

106. M Kenny, ‘[One big speech before poll date](#)’, *The Age*, 23 July 2013, p. 5, accessed 23 July 2013.

107. Ibid.

108. M Kenny, ‘[Hockey ‘no-confidence’ in Treasury](#)’, *The Canberra Times*, 27 July 2013, p. 4, accessed 29 July 2013.

109. K Murphy, ‘[Chris Bowen argues for ‘responsible’ cuts as part of budget surplus strategy](#)’, *The Guardian*, 29 July 2013, accessed 30 July 2013.

110. Ibid.

111. For an account of what an election writ looks like, see A Green, ‘[What an Election Writ Looks like](#)’, *Antony Green’s election blog*, 18 July 2013. The writs had their ancient origin as being the issuing of a command by the King.

112. B Keane, ‘[Essential: Coalition on track for narrow win](#)’, *Crikey*, 23 July 2013, accessed 24 July 2013.

113. Ibid.

114. ‘[Hardline asylum seeker policy lifts Rudd in latest poll](#)’, *Sydney Morning Herald*, 23 July 2013, accessed 24 July 2013.

Poll analyst William Bowe—who blogs as [The Poll Bludger](#)—provided an overview of the direction of the polls. He said that the chances of majority government were 42.8 per cent, increasing to 50.4 per cent if the view is that Labor would win Melbourne from Adam Bandt.¹¹⁶ Bowe also pointed to the ‘sensitivity of Queensland’, where Labor’s projected gain of six seats from 17 July had been halved by a 1.8 per cent shift on the two-party vote: ‘The projected total still leaves us in hung parliament territory, but with the Coalition able to govern with help from Bob Katter’.¹¹⁷ Bowe argued that in the Senate the battle would ‘proceed along more familiar lines, with Labor comfortably winning two seats and fighting it out with the lead Greens candidate for a third’.¹¹⁸

On 25 July the press reported ‘senior government sources’ saying that an election date of 31 August ‘was now likely’.¹¹⁹ But it was later claimed that the ‘hot date’ was 21 September—the Prime Minister’s 56th birthday and the weekend of AFL preliminary finals.¹²⁰ A ‘surprise poll date’ of 7 September was also tipped.¹²¹

A *Galaxy* poll of 1,015 voters during 23–25 July revealed that primary support for the Labor Party was ‘above the vote at the last election for the first time since Julia Gillard won minority government in August 2010... with Kevin Rudd seen as the party leader with a vision for the future and the one most likely to keep his election promises’.¹²²

The poll found that 37 per cent of those surveyed said:

- Rudd could be trusted to keep election promises compared with 32 per cent for Abbott.
- Rudd and Abbott were tied on 41 per cent when voters were asked who they most trusted to manage the economy and restore confidence.
- On the question of better PM, Rudd led Abbott by 51 to 35 per cent.¹²³

Contemplating the coming election, the long-time academic commentator Dean Jaensch opined:

So far, this election campaign has shown little evidence of uplifting speeches, inspirational material, wisdom, or of what political scientist A.D. Lindsay calls the essential of democracy – discussion. On the other hand, there will be a record number of parties and candidates. Perhaps some of the newer ones might bring some sparkle to the campaign, offer the voters something to think about, and generate some genuine discussion.¹²⁴

Other issues emerging for Rudd in late July 2013

Spying at 2009 G20 Summit

On 26 July, journalist Philip Dorling revealed that during the 2009 G20 Summit—attended by Rudd as Prime Minister—Australia had benefited from extensive intelligence on G20 participants courtesy of the US and the United Kingdom.¹²⁵ The impact on Australia’s foreign relations of Dorling’s revelations about the level of spying on Indonesia and others at the 2009 G20 was not immediately apparent.

Earlier in July 2013, the newly-restored Prime Minister had visited Indonesia, where Yudhoyono had called for a regional meeting of ministers to reach a co-operative but ‘action-oriented solution’ on people smuggling, border security and unauthorised boat arrivals.¹²⁶ The issue of Australia’s spying on Indonesia came dramatically to a head for the (now Abbott) Government in late November 2013, with revelations that Australia had spied on

115. E Tadros, ‘[Labor slips to a one-in-four chance](#)’, *Australian Financial Review*, 24 July 2013, p. 7, accessed 24 July 2013.

116. W Bowe, ‘[Poll Bludger’s poll-of-polls: Greens tick up, Labor probability test](#)’, *Crikey*, 24 July 2013, accessed 24 July 2013.

117. Ibid.

118. Ibid.

119. S Benson, ‘[Election on August 31](#)’, *The Daily Telegraph*, 25 July 2013, p. 3, accessed 26 July 2013.

120. P Hudson, ‘[Rudd passes trust test](#)’, *The Advertiser*, 29 July 2013, p. 8, accessed 29 July 2013.

121. S Benson, ‘[PM tipped to call surprise poll date](#)’, *The Daily Telegraph*, 29 July 2013, p. 9, accessed 29 July 2013.

122. ‘[Rudd holds advantage over Abbott](#)’, *Galaxy Research*, 23–25 July 2013, accessed 29 July 2013.

123. P Hudson, ‘Rudd passes trust test’, op. cit.

124. D Jaensch, ‘[Election campaign begs for inspiration](#)’, *The Advertiser*, 24 July 2013, p. 22, accessed 24 July 2013.

125. P Dorling, ‘[Rudd given G20 Indon spy report](#)’, *The Age*, 26 July 2013, p. 3, accessed 27 July 2013.

126. K Murphy, ‘[Yudhoyono and Rudd announce regional meeting on people smuggling](#)’, *The Guardian*, (online edition), 5 July 2013, accessed 26 July 2013.

senior Indonesian figures in 2009, including President Yudhoyono and his wife. The disclosure led to a period of strained relations which included Indonesia suspending its co-operation on efforts to stop people smuggling.¹²⁷

Problem gambling

In an attempt to make problem gambling an election issue, the Greens launched a campaign—pointedly, in the electorate of Independent Andrew Wilkie—to legislate for a \$1-per-spin cap on pokies.¹²⁸ It was argued that, with the polls showing a close race between Labor and the Coalition, a potentially hung parliament ‘could mean the major parties will have to take a stand on the issue’.¹²⁹ (It was also suggested that—not only with respect to pokie laws but more generally—the maverick independent Bob Katter could find himself a key player on many issues should a hung parliament eventuate.¹³⁰)

Reaction of general public to ‘PNG Solution’

The partisan politics of border protection showed little sign of abating. Rudd’s PNG arrangements and the Opposition’s plan to form a military-led joint taskforce to co-ordinate border protection had both received favourable editorial comment.¹³¹ But research using focus groups by Brisbane political analyst Graham Young—using a sample of 1,191 participants balanced by voting intention—led him to conclude that Rudd’s PNG Solution was ‘doomed to fail’.¹³² Rudd, he said, was suffering a ‘credibility gap’ among the participants, with participants almost evenly split over whether it would or would not work. Forty-one per cent of the sample said it would make them ‘less likely to back Labor’.¹³³

Unless [Rudd] completely copies the Liberal Party platform, which he can't because he has ruled out towing back the boats, then any time a boat turns up, he will get the blame, even if his solution has made the numbers fewer than they would otherwise have been.¹³⁴

Rudd visits troops in Afghanistan

On 28 July, the Prime Minister—accompanied by his wife Therese Rein, Mike Kelly MP, ADF Chief General David Hurley and others—made a surprise three-hour visit to Australian troops serving in Tarin Kowt in Uruzgan province. The *Courier Mail* said that the Prime Minister risked being accused of ‘politicising our military for political purposes’.¹³⁵ The ABC’s Michael Brissenden wrote:

For any prime minister, a visit to the troops is an important show of support for the soldiers and for the mission. But for Mr Rudd, this visit was also a pre-campaign whistlestop designed to have maximum impact back at home. It will play well, no doubt. Pictures of Mr Rudd mobbed by men and women in uniform certainly will not do him any harm. But it was also a genuine opportunity for the Prime Minister to thank the troops for a job well done. The mission has been accomplished, he told them. Thanks to their efforts, Afghanistan was no longer a safe haven for Al Qaeda.¹³⁶

Pre-election activity intensifies

As July drew to a close, election fever seemed to ratchet up. Campaign headquarters for all the parties were in advanced stages of readiness.¹³⁷ The AEC put out a further call encouraging people to enrol and vote.¹³⁸ The ALP’s campaign team secured the expertise of three key players in President Obama’s re-election team,

127. M Grattan, ‘[SBY hits fight against people smuggling in retaliation over eavesdropping](#)’, *The Conversation*, 20 November 2013, accessed 25 November 2013.

128. P Hudson, ‘[Greens’ new push for \\$1 pokie limit](#)’, *The Mercury*, 26 July 2013, p. 13, accessed 26 July 2013.

129. Ibid.

130. P Hudson, ‘[In a tight race, watch out for the Kat in a hat](#)’, *Herald Sun*, 26 July 2013, p. 42, accessed 26 July 2013.

131. For example, Editorial, ‘[Partisan shots over borders](#)’, *The Australian*, 26 July 2013, p. 13, accessed 26 July 2013.

132. C Kerr, ‘[PNG plan “doomed”, focus group finds](#)’, *The Australian*, 26 July 2013, p. 6, accessed 26 July 2013.

133. Ibid.

134. Ibid.

135. Editorial, ‘[Questions must be asked about PM’s troop tour](#)’, *The Courier-Mail*, 29 July 2013, p. 18, accessed 29 July 2013.

136. M Brissenden, ‘[Kevin Rudd’s visit to Afghanistan designed to have maximum impact back home](#)’, *ABC News*, 29 July 2013, accessed 29 July 2013.

137. J Massola, ‘[Cast of hundreds being assembled for parties’ epic effort](#)’, *Australian Financial Review*, 31 July 2013, p. 4, accessed 31 July 2013.

138. M Raggatt, ‘[It’s time to enrol, says AEC](#)’, *The Canberra Times*, 31 July 2013, p. 5, accessed 31 July 2013.

including the British social media expert Matthew McGregor—described in the US as ‘Barack Obama’s digital attack dog’.¹³⁹

The final day in July was described as ‘a very black day for the Australian Labor Party’ as the Independent Commission Against Corruption (ICAC) handed down its [report into NSW Labor](#). It recommended, among other things, that two senior ALP figures and a family member be charged with criminal conduct.¹⁴⁰ That same day the Coalition released details of its planned reforms to the governance of registered organisations to ensure that unions and their officials were subject to the same laws as companies and their directors.¹⁴¹ It would see union officials facing civil penalties and fines of up to \$10,200, and directors of companies facing personal fines of up to \$340,000 and five years’ jail.¹⁴²

In another union development, the Electrical Trades Union of Victoria, which had been angered by changes to electrical licensing arrangements, said it would donate \$300,000 to Greens MP Adam Bandt in the 2013 election. The ETU, which cut its formal links to Labor in 2010, had played a ‘significant role in recent state and federal elections’, donating to the Greens, Labor and Katter’s Australian Party.¹⁴³

In a similar vein, but in protest at cuts to universities to fund school reforms, the National Tertiary Education Union said it would use its \$1 million war chest to back federal independent MP Andrew Wilkie, the Greens for the Senate and Adam Bandt in Melbourne.¹⁴⁴

Meanwhile, the Greens released their refugee policy which would:

- increase Australia’s humanitarian intake to 30,000
- resettle to Australia an emergency intake of 10,000 more genuine refugees
- provide an extra \$70 million per year in emergency funding for safe assessment centres in Indonesia
- shut down all offshore detention in Nauru and PNG, with Australia to assess the claims of people who arrive by boat
- ensure no children were in offshore detention or in detention in Australia.¹⁴⁵

August 2013

The ICAC report into corruption in NSW Labor dominated news on 1 August.¹⁴⁶ Reports of a proposed tax increase on cigarettes were also prominent as the Government prepared to announce various cuts in response to falling revenues.¹⁴⁷ Labor also committed to a five-year moratorium on any changes to the superannuation system—a move that the Opposition branded as ‘irresponsible’ because it ‘would block potentially beneficial changes to the system’.¹⁴⁸ That evening, both the Liberals and Labor held major fundraisers in Melbourne and Sydney respectively.¹⁴⁹ The Liberals expected to raise a ‘record-breaking \$1 million’ at their Crown Casino event.¹⁵⁰ The Prime Minister was reported to be hosting an intimate boardroom dinner at \$5,500 a head.¹⁵¹

Controversy over asylum seeker policy continues

The morning after Prime Minister Rudd had announced the new asylum seeker policy, radio and television ads—along with full page advertisements in major newspapers—had begun trumpeting the message that asylum seekers arriving on boats would not be resettled in Australia.¹⁵²

139. M Kenny, ‘[Rudd recruits Team Obama trio to take on Abbott](#)’, *The Age*, 31 July 2013, p. 3, accessed 31 July 2013.

140. M Saville, ‘[ICAC’s ‘disgusting’ ruling against Labor: Obeids, Macdonald face charges](#)’, *Crikey*, 31 July 2013, accessed 31 July 2013.

141. S Maher, ‘[Abbott to ‘stamp out corruption in unions](#)’, *The Australian*, 31 July 2013, p. 5, accessed 31 July 2013.

142. Ibid.

143. B Schneiders, ‘[Union in shock \\$1million move against Labor](#)’, *The Age*, 31 July 2013, p. 10, accessed 31 July 2013.

144. D Beniuk, ‘[Wilkie wins union’s vote](#)’, *The Hobart Mercury*, 31 July 2013, p. 10, accessed 31 July 2013.

145. *The Australian Greens*, ‘[Another way for refugees](#)’, media release, 31 July 2013, accessed 31 July 2013.

146. J Marszalek, ‘[Corruption rocks ALP](#)’, *The Mercury*, 1 August 2013, p. 16, accessed 1 August 2013; Editorial, ‘[Corrupt cogs in the Labor Party machine](#)’, *The Daily Telegraph*, 1 August 2013, p. 34, accessed 1 August 2013.

147. S Benson, ‘[Tax slug hits smokers](#)’, *The Mercury*, 1 August 2013, p. 13, accessed 1 August 2013.

148. S McMahan, ‘[Super pressure on Libs](#)’, *The Mercury* 1 August 2013, p. 6, accessed 1 August 2013.

149. S Lewis, ‘[Abbott’s guests pay liberally](#)’, *Adelaide Advertiser*, 1 August 2013, p. 14, accessed 2 August 2013.

150. Ibid.

151. Ibid.

152. AAP, ‘[Refugee ads attract complaints](#)’, *news.com.au*, 22 July 2013, accessed 1 August 2013.



Extract from Australian Government campaign

In July, Independent Senator Nick Xenophon had formally complained to the Auditor-General about the advertisements on the grounds that Labor was using taxpayers' money for its own political purposes.¹⁵³

The advertising campaign had been exempted from scrutiny by the Independent Communications Committee on the basis of its being declared a matter of 'extreme urgency' by the Special Minister of State.¹⁵⁴ Fairfax Media reported that the government had spent \$3 million in six days on advertisements in the Australian media before any had been placed in countries-of-origin of asylum seekers.¹⁵⁵

Customs and Border Protection had issued a lengthy statement saying media materials had been released in key transit regions for asylum seekers using the Australian embassies and high commissions in south-east Asia and the Middle East:

ACBPS has also used social media, including Twitter and Facebook, to assist in the viral dissemination of the migration policy change... In addition, ACBPS is using the services of existing providers in south-east Asia and the Middle East to implement information campaigns to increase awareness of the migration policy change. The focus here is on getting information into the communities through on-ground community, media and online channels.¹⁵⁶

Economic Statement 2013

With Governor-General Quentin Bryce returning on 2 August after a week-long trip in Far North Queensland, speculation intensified that the Prime Minister would call an election for 7 September. Labor was due to release its economic update during the day, and this was perceived as an exercise in 'clearing the decks'—in which case Rudd would not be able to attend the G20 Summit in Russia.¹⁵⁷ The [Economic Statement](#) appeared on the afternoon of 2 August. In the accompanying media release the Treasurer said:

- real GDP growth was expected to be 2½ per cent in 2013–14 and unemployment expected to increase to 6¼ per cent. However, in 2014–15, economic growth is expected to strengthen to 3 per cent
- lower than expected nominal GDP growth had had a major impact on expected tax receipts and other revenue, which have been revised down by \$33 billion over the forward estimates
- the expected deficit in 2013–14 was \$30.1 billion, and in 2014–15 would be \$24 billion
- returning the budget to a modest surplus of \$4.0 billion in 2016–17 was appropriate
- the Government was committed to a new National Competitiveness Agenda to lift productivity cooperatively with business and the unions to 2 per cent or better.¹⁵⁸

153. Ibid.

154. Ibid.

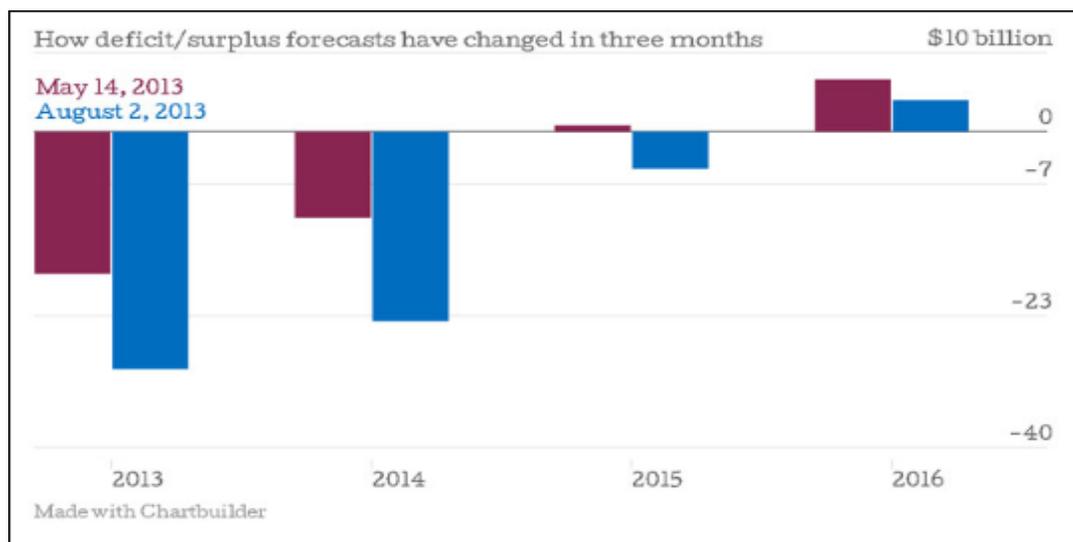
155. H Aston, '[Government to spend \\$30m advertising its PNG asylum policy](#)', *The Age*, 1 August 2013, accessed 1 August 2013.

156. B Jabour, '[Immigration department spends \\$2.5m on week of asylum ads](#)', *The Guardian*, (online edition), 22 July 2013, accessed 1 August 2013.

157. '[Poll date tipped to be named as decks cleared](#)', *Northern Territory News*, 2 August 2013, p. 11, accessed 2 August 2013.

158. C Bowen (Treasurer) and P Wong (Minister for Finance and Deregulation), '[Economic Statement August 2013](#)', joint media release, 2 August 2013, accessed 2 August 2013.

The following table indicates how economic forecasts had varied over a three-month period.



Source: ABC News online accessed 2 August 2013, <http://www.abc.net.au/news/2013-08-02/custom---deficit---surplus/4861872>

The Economic Statement also revealed that the cost of managing the surging numbers of asylum seekers had blown out by another \$350 million.¹⁵⁹ The Government's plan—which included a significant expansion of the Manus Island detention centre to house 3,000 people, up from the original capacity of 600—was estimated to cost \$113 million in 2013–14.¹⁶⁰

Other measures in the Economic Statement included:

- a 0.05 per cent levy on bank deposits up to \$250,000 to be collected from 1 January 2016
- increasing the tax on cigarettes by 12.5 per cent each year for four years effective 1 December 2013
- chasing unpaid tax and superannuation and raising the threshold from \$2,000 to \$6,000 on lost super accounts to be transferred to the ATO.¹⁶¹

The expectation that the Economic Statement would clear the decks for an election was realised when, on the afternoon of 4 August, the Prime Minister announced that he was advising the Governor-General to issue the writs for an election on 7 September 2013. The 2013 Federal election campaign had begun.

159. 'Labor's updated economic statement: Key points', ABC News, 2 August 2013, accessed 2 August 2013.

160. Ibid.

161. Ibid.



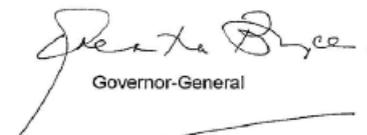
PROCLAMATION

I, QUENTIN ALICE LOUISE BRYCE, Governor-General of the Commonwealth of Australia, acting under section 5 of the Constitution:

- prorogue the Parliament from 5.29 pm on Monday, 5 August 2013, until Saturday, 7 September 2013; and
- dissolve the House of Representatives at 5.30 pm on Monday, 5 August 2013.

Signed and sealed with
the Great Seal of Australia
on 4th August 2013




Governor-General

By Her Excellency's Command



Prime Minister

Facsimile image of the Proclamation of the dissolution of the House of Representatives by the Governor-General

Rudd: the 2013 campaign and beyond

A detailed account of the 2013 election campaign appears in the forthcoming Parliamentary Library research paper *Federal election 2013: issues, dynamics, outcomes*.¹⁶² The following is a selective account of its key features.

The return of Kevin Rudd to the prime ministership in June 2013 had been widely regarded as a political strategy to limit the size of Labor's looming defeat—although the pollsters' views were that the switch to Rudd 'might give Labor a lift, particularly in Queensland, but was unlikely to avert electoral oblivion'.¹⁶³ The toppling of Julia Gillard by Rudd had brought to the fore again the tensions that had plagued the Labor caucus since Gillard's own ascendancy to the prime ministership by ousting Rudd in 2010. The resignations of several of Gillard's frontbenchers—and controversies over appointments Rudd made subsequently to his new ministry—added to the sense that the Labor caucus was not as united as it should be in the run-up to a federal election.¹⁶⁴

But, as described earlier in this paper, the return of Rudd had increased in particular the numbers of male voters supporting Labor, and his strong stance on asylum seekers appealed to those voters who had regarded Labor as relatively weak on matters of border protection or who were simply unhappy about 'foreigners' or 'queue jumpers' burdening the country.¹⁶⁵ Rudd's insistence on Labor Party reform and the new rules for electing Labor's leader had also been regarded favourably.¹⁶⁶ Rudd was indefatigable during the Labor campaign—although there were reports of frustration in campaign headquarters at Rudd's tendency to blaze his own trail and announce policies on the run. But the relentless Coalition campaign that for years had torn at Labor—highlighting its mistakes and proclaiming its brokenness—was to prove too much for the new Rudd Government to withstand. The Coalition had promised to stop the boats, scrap the carbon tax and reduce government debt—a message that was music to many voters' ears.

The official campaign

The opening day of the campaign was notable for the [strident headlines](#) from some News Corporation mastheads calling for the defeat of Labor.¹⁶⁷ Economic concerns quickly became the dominant campaign theme, and the major parties continued to trade blows over policy costings, alleged changes to the GST, and support for the motor vehicle and other industries. The Coalition had elected to use the Parliamentary Budget Office to verify its costings and to have these audited by an independent panel.¹⁶⁸

The Prime Minister and Opposition Leader held their first debate at the National Press Club on 11 August. The economy dominated the exchange—although the issues of climate change, asylum seeker policy, Sydney's second airport, aged care, and same-sex marriage were also addressed.¹⁶⁹ Several debates were later held between key portfolio ministers and shadow ministers. The publication of Treasury's [Pre-election Economic and Fiscal Outlook](#) prompted exchanges over the major parties' economic credentials, and the nature and timing of any return to a Budget surplus. Sexism also surfaced as an issue on the campaign trail¹⁷⁰—and the Coalition's [paid parental leave scheme](#) became one of its most controversial policies.¹⁷¹ Asylum seeker policy continued to animate public discussion.

162. B Holmes, *Federal election 2013: issues, dynamics, outcomes*, Research paper, Parliamentary Library, Canberra (forthcoming).

163. M Dunckley and E Tadros, '[Pollsters say Kevin '07 can't be messiah again](#)', *Australian Financial Review*, 27 June 2013, p. 9, accessed 27 June 2013.

164. M Kenny, '[Labor women win but factions rule](#)', *Sydney Morning Herald*, 15 October 2013, accessed 27 November 2013.

165. A Green, '[Vote Compass data confirms Labor had 'bloke problem' under Julia Gillard](#)', *ABC News*, 15 August 2013, accessed 20 August 2013.

166. Editorial, '[Time for Labor reform](#)', *Newcastle Herald*, 4 July 2013, op. cit.

167. Headline, '[Finally, you now have the chance to ...KICK THIS MOB OUT](#)', *The Daily Telegraph*, 5 August 2013, accessed 5 August 2013.

168. L Taylor, '[Joe Hockey refuses to commit to final budget total](#)', *The Guardian*, 6 August 2013, accessed 7 August 2013; S McDonald, '[Chris Bowen questions how Joe Hockey can run the economy if he can't trust Treasury figures](#)', *ABC News*, 26 July 2013, accessed 7 August 2013.

169. '[As it happened: Kevin Rudd and Tony Abbott face off in first leaders' debate of 2013 campaign](#)', *ABC News*, 12 August 2013, accessed 12 August 2013.

170. J Ireland, '[Tony Abbott's 'sex appeal' comment: a 'daggy dad moment](#)', *Illawarra Mercury*, 14 August 2013, (online edition), accessed 14 August 2013.

171. T Abbott, '[The Coalition's paid parental leave scheme](#)', Coalition policy document, Election 2013, 18 August 2013, accessed 19 August 2013.

A second leaders' debate in the style of a community forum was held in Brisbane on 21 August, and a third on 28 August at Rooty Hill in Sydney's western suburbs. The Opposition had by then released details of \$31 billion in savings, but had to weather constant criticism for not declaring its 'budget bottom line'.¹⁷²

The Coalition officially launched its campaign on 25 August, and Labor a week later. The final week of the campaign failed to improve Labor's position in the main opinion polls. The Coalition released more policy costings on Thursday 5 September, claiming it would improve the budget bottom line by over \$6 billion.¹⁷³

The Coalition had indicated the possibility of a double dissolution if a victorious Coalition's key policies were to be frustrated in the Senate.¹⁷⁴

A Coalition victory

The Coalition had a decisive win in the House of Representatives, with a two-party preferred vote of 53.45 per cent to Labor's 46.55 per cent—a two-party swing of 3.65 per cent.¹⁷⁵ Labor's primary vote fell to 33.38 per cent—its lowest in over 100 years.¹⁷⁶ The Coalition won 90 seats, Labor 55 seats, with the remainder going to small parties (three seats) and independents (two seats). The following table provides an overview.

	Primary Votes	Swing	Seats Won
Labor (ALP)	33.4%	-4.5%	55
Coalition (L/NP)	45.6%	+1.8%	90
Greens (GRN)	8.6%	-3.1%	1
Others (OTH)	12.4%	+5.8%	4

Source: ABC website, [Federal Election 2013](#)

The Senate proved to be an interesting contest, with small parties winning six of the seats—pending recounts in the WA Senate where voting was very close. The Coalition won 17 Senate seats, Labor won 13 seats and the Greens three seats, with one independent returned. Appeals for recounts in WA were further marred by the loss of some ballot boxes containing 1,375 votes—all of which had been verified during the initial WA Senate count. The AEC commissioned an independent investigation into the matter, and petitioned the Court of Disputed Returns for a resolution.¹⁷⁷

If the Court declared the election void and called for another Senate election just for WA this would be the first time this has occurred. The poll would most likely be held in the early part of 2014 but would need to be completed by 24 May 2014 so that the writ could be returned by 30 June and the elected senators could take

172. L Taylor, 'Joe Hockey refuses to commit to final budget total', *The Guardian*, 6 August 2013, accessed 7 August 2013. ; S McDonald, 'Chris Bowen questions how Joe Hockey can run the economy if he can't trust Treasury figures', *ABC News*, 26 July 2013, accessed 7 August 2013.

173. M Kenny, 'Hockey's \$6 billion promise', *Sydney Morning Herald*, 5 September 2013, p. 1, accessed 28 November 2013.

174. J Marszalek and G Jones, 'Carbon tax could lead to double dissolution', *The Daily Telegraph*, 4 September 2013, p. 7, accessed 28 November 2013.

175. All figures referred to here are official AEC figures taken from the AEC [Virtual Tally Room: The official 2013 federal election results](#), accessed 12 November 2013.

176. University of Western Australia, [Australian Politics and Elections Database](#), accessed 19 November 2013.

177. AEC, 'Petition lodged with Court of Disputed Returns', media release, 15 November 2013, accessed 22 November 2013.

their places in the Senate by 1 July 2014. The AEC estimated the cost of such an election would be about \$10 million plus a further \$2-3 million in public funding.¹⁷⁸

Former AFP Commissioner Keelty handed down his [report](#) on the missing ballot papers on 6 December 2013.¹⁷⁹ The whole issue will also be considered by the Joint Standing Committee on Electoral Matters (JSEM) during its [Inquiry into and report on all aspects of the conduct of the 2013 Federal Election and matters related thereto](#).

Rudd resigns from the Labor leadership

Having acknowledged the Coalition's victory, Prime Minister Rudd announced that he would not be seeking re-election to the Labor leadership. He had earlier stated his intention to stay in Parliament if he won the seat of Griffith, even if he lost the election.¹⁸⁰ But retiring Defence Minister Stephen Smith urged Rudd to retire altogether from politics:

The smart thing for the party and the smart thing for Kevin in my view is to not just walk away from the leadership but to walk away from the Parliament ...[and thereby] remove for all time the remnants of those political and leadership disputes and difficulties that we had from the moment effectively of the 1996 defeat.¹⁸¹

With Rudd's resignation from the leadership, the party embarked on its [newly minted process for electing the party leader](#). Senior frontbencher Chris Bowen assumed the role of Labor's interim leader while the two contenders for leadership—Bill Shorten and Anthony Albanese—pursued an internal election campaign for the hearts and minds of both the Labor Caucus and the rank-and-file Labor membership.¹⁸² Details of the Labor leadership process are contained in Appendix A.

Former minister Nicola Roxon criticises Rudd

When delivering the John Button Memorial Lecture in mid-October 2013, former Labor Attorney-General Nicola Roxon included a highly critical assessment of Kevin Rudd—an attack described by *The Guardian* as 'an extraordinary public evisceration of Rudd, covering both his period as prime minister and the period he spent out of the leadership campaigning with caucus supporters to get it back'.¹⁸³

The Kevin Rudd described by Roxon ran chaotic policy development processes, stifled cabinet collaboration and abused staff and senior officials – calling the then New South Wales premier Kristina Keneally “Bambi” behind her back. She said Rudd had a “fatal attraction to everyone else’s problems” but displayed little inclination or aptitude for implementation. The former prime minister, Roxon said, was “great at the cut through and then struggled at the follow through”.

“Removing Kevin was an act of political bastardry, for sure, but this act of political bastardry was made possible only because Kevin had been such a bastard himself to too many people,” Roxon said in the lecture. She said Rudd had always treated her “appropriately and respectfully. Although I was frustrated beyond belief by his disorganisation and lack of strategy, I was never personally a victim of his vicious tongue or temper. I did, however, see how terribly he treated some brilliant staff and public servants. Good people were burnt through like wildfire.”¹⁸⁴

Did Rudd ‘save the furniture’?

On 12 July 2013, shortly after Rudd had resumed the prime ministership—and following his address to the National Press Club—the ABC's chief online political reporter Annabel Crabb had written:

Twenty-six Caucus members changed their votes between last year's leadership vote and this year's. Their thoughts are their own, of course, but as a group their reasoning was fairly clear; disaster lay ahead with Julia Gillard, so best pop Kevin back in, to save the furniture.

178. Senate Finance and Public Administration Committee, [Official committee Hansard](#), 19 November 2013, accessed 21 November 2013.

179. AEC, [‘Keelty report released’](#), media release, 6 December 2013, accessed 12 December 2013.

180. S Scott, [‘If not PM then I’ll be an MP, says Kev’](#), *Courier-Mail*, 6 September 2013, p. 9, accessed 19 November 2013.

181. M Gordon, [‘Felled PM urged to leave Parliament’](#), *The Sunday Age*, 8 September 2013, p. 6, accessed 19 November 2013.

182. L D'Angelo Fisher, [‘The Labor leadership contest is breaking all the rules, but it just might work’](#), *Business Review Weekly*, (online edition), 26 September 2013, accessed 20 November 2013.

183. K Murphy, [‘Nicola Roxon says Kevin Rudd was a ‘bastard’ who deserved his removal’](#), *The Guardian*, (online edition), 16 October 2013, accessed 2 December 2013.

184. Ibid.

One wonders what they might have been thinking as they watched their recycled Prime Minister at the National Press Club yesterday. Because if it hadn't already dawned on them ... it must have been fairly clear by the time Mr Rudd concluded things ... Kevin is not here to save the furniture... He is the furniture.¹⁸⁵

A statistical analysis of electorate-level Sportsbet odds done for *AFR Weekend* after Rudd's return to the helm had shown that it 'was only likely to save seven seats'.¹⁸⁶ But on 22 September, the [Sun Herald](#) and the [Sydney Morning Herald](#) published analyses of the impact of 'the Rudd factor' on the election outcome showing that Rudd's return had mitigated Labor's losses:

Labor would have been reduced to a parliamentary rump worse than in the Whitlam defeat of 1975 had it not replaced Julia Gillard with Kevin Rudd as prime minister, according to leaked internal polling. Mr Rudd saved Labor at least 15 seats, including those of enemies Wayne Swan, Warren Snowdon and Gary Gray, who would all have lost their jobs if Labor had persisted with Ms Gillard, according to the polling.

In the months before the June 26 leadership coup, Labor's pollster told the party's national office to expect negative swings as large as 18 per cent, wiping out key electorates across Australia. It suggests Labor seats would have been reduced from 71 to 40, rather than the 55 it is now expected to hold... Labor's expected final result of 55 seats won under Mr Rudd will leave it with 37 per cent of the Parliament. This is a better result than Labor managed after John Howard's walloping defeat of Paul Keating. Mr Howard then secured 94 seats while Labor was reduced to 49 out of 148 seats, or 33 per cent.¹⁸⁷

Notwithstanding Rudd's role in reducing Labor's losses, there were criticisms of Rudd's performance during the election campaign. In the final week of the campaign, the *AFR*'s Laura Tingle had taken aim at Rudd's descent 'into "thought bubble" politics', describing it as the 'death rattle' of a prime minister who knows he is going to lose.¹⁸⁸ Tingle said that the thought bubbles had been 'so far off the message' and had given credence to the Coalition's claim that Rudd was 'a fake who doesn't believe in anything'.¹⁸⁹

Concerns had also been raised about the advice Rudd was receiving from Labor strategist Bruce Hawker. Media reports had suggested that some Labor powerbrokers—including ministers—had been 'openly questioning whether Julia Gillard would have done a better job than Kevin Rudd'.¹⁹⁰ A minister claimed Gillard would have slowly improved Labor's vote, while under Rudd it had soared and then plummeted.¹⁹¹ As well, others had thought that Rudd's insistence that Abbott had committed a '\$10b fraud on the Australian people' over Coalition costings showed poor judgement, especially after the Treasury and Finance departments publicly declared that they had not costed Opposition policies and that different assumptions would lead to different results.¹⁹²

Reflections on the defeat

On 29 October, the ALP's National Secretary and campaign director George Wright spoke at the National Press Club—a task he described as 'a bit like that of a losing captain in an AFL Grand Final':¹⁹³

[On] September 7 the Australian people passed their judgement. Labor's history of infighting in office left us unworthy of re-election in too many voters' minds. A slower growing post-GFC economy and the return of deficit Budgets made many voters uncertain about the future. Issues around asylum seekers arrivals remained a persistent political problem for the government until its last days. By the time the election campaign arrived these issues were so well entrenched that little could realistically be done to turn them around. Labor didn't so much lose the election as lose government. And we lost it because of a lack of unity and too much infighting.¹⁹⁴

185. A Crabb, '[The remarkable Rudd has a plan to stay](#)', ABC, *The Drum*, 12 July 2013, accessed 12 July 2013.

186. E Tadros, '[Punters keep in mind a Coalition landslide](#)', *Australian Financial Review*, 10 July 2013, p. 6, accessed 10 July 2013.

187. J Swan, B Hall, R Feneley, '[Rudd saved Labor, leaked polling shows](#)', *The Sydney Morning Herald*, 22 September 2013, accessed 28 November 2013.

188. L Tingle, '[Rudd's thought bubble is about to burst](#)', *AFR*, 30 August 2013, accessed 28 November 2013.

189. Ibid.

190. S Scott, '[Julia Gillard may have performed better in election campaign than Kevin Rudd, say key Labor Party figures](#)', *Courier-Mail*, 29 August 2013, accessed 11 November 2013.

191. Ibid.

192. B Packham '[Rudd sticks to Coalition costings fraud claim](#)', *The Australian*, 30 August 2013, accessed 11 November 2013.

193. G Wright, '[Address to the National Press Club](#)', *National Press Club*, Canberra, 29 October 2013, accessed 28 November 2013.

194. Ibid., pp. 3–4.

The weight of Labor disunity over the previous two parliaments had clearly become too heavy for either Gillard or Rudd to bear. It proved to be Labor's undoing.¹⁹⁵ Wright described the tumultuous and painful experience thus:

Gothic horror was a favourite subject of mine at university ... I'm perfectly qualified to be in charge of the ALP over the past couple of years.¹⁹⁶

In an opinion piece some weeks after the election, long-time observers of Rudd—journalists Michael Gordon and Tony Wright—sought to capture something of the man they [described as 'fundamentally unknowable'](#) .

Kevin Rudd remains one of the great enigmas of Australian politics. A man with an apparently unshakeable belief in his own considerable ability, he seemed always to be remote from a discernibly centred personality.

He could curse like a navy with labourers, speak Mandarin to the Chinese, charm a roomful of women at afternoon tea with witty repartee, intimidate and astonish a briefing of bureaucrats with his demanding intellect and whisper delicious and vicious gossip to journalists.

He tweeted a stream of sweet nothings to millions, regularly sent schoolyards of children into something approaching hysteria by his mere presence, spent years entertaining viewers on TV chat shows and brought much of the nation to tears, or close to it, when he stood in the Parliament and apologised, in a speech that will remain a treasure to Australian history, to the indigenous Stolen Generations.

Yet up close there was a social awkwardness to him, as if he had somehow bypassed his own people's natural vernacular in his solitary, driven and intellectually brilliant journey from a little share farm—his father dead early and his mother impoverished—all the way to the Lodge.¹⁹⁷

Rudd announces his forthcoming departure from Parliament

On 13 November 2013—in a somewhat unusual move that provoked 'tears, tributes, insults; even a denial from his daughter that she'd be taking his place in politics'—Rudd did not simply announce his resignation from Parliament forthwith.¹⁹⁸ Rather, he announced his intention to do so within days:

Mr Rudd announced he was quitting politics ... telling Speaker Bronwyn Bishop at the time he would officially resign towards the middle or end of [the] week... [The Speaker] did not indicate to Mr Rudd any reservations about this approach. ... Mr Rudd has issued a statement defending his timing, saying he has outstanding correspondence to deal with... Mr Rudd says a short delay between the announcement of his resignation and submitting a formal letter of resignation is entirely normal.¹⁹⁹

Rudd said that his decision to leave had been 'the product of much soul-searching for us as a family over the last few months'.²⁰⁰ He wished Prime Minister Abbott luck, saying the role was 'the hardest job in the land'.²⁰¹ Abbott praised Rudd as 'one of the big figures in this Parliament and one of the big figures in the life, the public life of our country over the best part of two decades'.²⁰² He also described as 'an extraordinary achievement' Rudd's apology to Indigenous Australians, saying it was 'something to crown an amazing public life'.²⁰³

The former prime minister's Labor colleagues highlighted Rudd's enduring popularity with the public, his stewardship of the Australian economy, and the Labor leadership reforms that had 'revitalised and democratised

195. Ibid.

196. E Griffiths, '[ALP national secretary George Wright says former government a 'gothic horror' story, tells MPs to 'get on with it'](#)', *ABC News*, 29 October 2013, accessed 25 November 2013.

197. M Gordon and T Wright, '[The Labor messiah who could not save himself](#)', *Sydney Morning Herald*, 14 November 2013, accessed 28 November 2013.

198. M Farr, '[Tears, insults after Kevin Rudd's shock resignation](#)', *news.com.au*, 14 November 2013, accessed 28 November 2013.

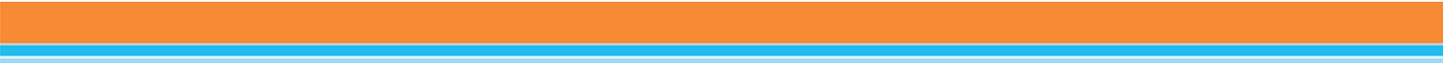
199. '[Former prime minister Kevin Rudd defends resignation delay](#)', *ABC News*, 18 November 2013, accessed 28 November 2013.

200. '[Former prime minister Kevin Rudd quits federal politics with emotional speech to Parliament](#)', *ABC News*, 14 November 2013, accessed 28 November 2013.

201. Ibid.

202. Ibid.

203. Ibid.



the party'.²⁰⁴ Julia Gillard tweeted: 'Best wishes to Kevin, Therese & their family as they embark on the next stage of their lives. JG'.

Kevin Rudd formally resigned from the Australian Parliament on Friday 22 November 2013.

204. Ibid.

Appendix A: Process for election of Labor leader



National Executive Guidelines for the Election of Leader of the Federal Parliamentary Labor Party

The following is a consolidated list of guidelines for the ballot for the election of the Leader of the Federal Parliamentary Labor Party.

1. There will be a postal ballot of qualified Party members conducted by the National Returning Officer (NRO) from a central balloting location. The normal conventions in relation to scrutineers shall apply.
2. A qualified Party member shall be a financial member of the Australian Labor Party (including Victorian Central Branch members, and Life Members and others who are not required to pay annual dues but are deemed to be financial) as at the date of the last federal election, 7 September 2013, but does not include members of the Federal Parliamentary Labor Party (FPLP).
3. There will be a postal ballot with random signature checks:
 - All financial members will be posted a ballot paper in a reply paid envelope.
 - Members will be required to sign a declaration when returning the ballot. This will mirror the process used by the AEC in the conduct of many union elections.
 - If a returned ballot envelope is challenged, the NRO will request a copy of a signature from the member's application or renewal form. This will be provided by the State or Territory Secretary. If a signature is not available (due to the unavailability of older records) the NRO will ask the member to provide a sample signature (such as that provided on a driver's licence).
 - There will also be additional random checks of signatures against membership application and renewal forms by the NRO.
4. All State and Territory branches (in accordance with rule 15q) will forward membership details in accordance with the timetable set out below.
5. Each candidate will be provided with a copy of the voters roll, including the name, postal address, all phone numbers and any email address held by the State or Territory branch. Candidates will be required to provide a formal undertaking to the Party that this information will only be used for the purpose of this election.
6. Candidates agree that they will do no more than two national mail outs to voters.

7. The State branches through their normal credentialing and disputes processes will resolve disputes over financial eligibility. State Secretaries will then inform the NRO of any additions to or deletions from the roll.
8. Scrutineers will be required to be authorised by an eligible candidate in a method determined by the National Returning Officer.
9. For the purposes of scrutinising the ballot, authorised scrutineers will be able to inspect (at the central balloting location) the roll of voters at any time during the ballot.
10. On receiving their ballot paper, voters will be sent a publication which contains (in an order determined by lot) statements of up to 1,000 words from each candidate. The statements will include a photo of the candidate (where submitted). These statements will also be available on the ALP website.
11. The National Executive prohibits the use by either by candidates or other parties, of any paid advertising (including print, TV, radio, outdoor or the internet) and paid canvassing in relation to the ballot for the Leader of the FPLP.
12. Guideline 11 applies to all Party members and affiliated unions from the opening of nominations until the close of voting.
13. In relation to candidates, enforcement of Guideline 11 shall be the responsibility of the FPLP and penalties may include disqualification of a candidate.
14. Candidates will be required to conduct all financial transactions in relation to the election through National Secretariat accounts established for this purpose.

Proposed timeline – 2013 Federal Parliamentary Labor Party Leader

- | | |
|--------------------------|---|
| • Friday 13 September | Nominations open |
| • Wednesday 18 September | States send National Returning Officer (NRO) rolls of qualified Party members |
| • Friday 20 September | 5:00pm Nominations close |
| • Tuesday 24 September | Member voting opens, ballot papers and candidate statements issued |
| • Wednesday 9 October | 5:00pm. Member ballot closes |
| • Thursday 10 October | 4:00pm. Members of FPLP to meet vote for Leader. |
| • Friday 11 October | NRO count of member ballot |
| • Sunday 13 October | 2:00pm. Caucus RO count of FPLP vote and declaration of elected candidate |

Source: ALP website, [National Executive Guidelines for the Election of Leader of the Federal Parliamentary Labor Party](#)

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