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The 2006 Victorian State Election: Maintaining Labor

Brian Costar

The 2006 Victorian State election was notable for a number of firsts including: a new proportional representation voting system for the Legislative Council, which had been reduced in size from 44 members to 40; an 'above the line' voting method in the Council together with 'optional preferential' voting 'below the line'; a fixed election day of 25 November 2006; a new contestant in the form of the Family First Party, which had a Senator elected from Victoria at the 2004 federal election; the real prospect of a party other than Labor, Liberal and National gaining parliamentary representation for the first time since 1955; and Premier Steve Bracks had the task of defending the Labor Party's only genuine landslide victory, achieved in 2002.

The Bracks government went to the polls holding 62 of the Legislative Assembly's 88 seats—seven of which were held by margins of 2.8 per cent or less. Few commentators doubted that the government would be returned since the Liberal Party and the Nationals needed a swing of nearly eight per cent to win a majority of seats; none of the published polls in 2006 indicated that a swing of that magnitude was likely. Incumbent State governments across Australia have proved to be notoriously difficult to dislodge. Usually, some or all of the following conditions must exist to trigger a change in government: a severe economic recession, gross financial mismanagement, or widespread corruption. None of these factors was evident in Victoria in late 2006, thereby making the Liberals' task of convincing a majority of voters that a change of government was warranted a very difficult one.

Additionally, Liberal leader Ted Baillieu had a relatively short time to present himself to the electorate, having replaced Robert Doyle in May 2006, just over six months prior to the election. The second Bracks government (2002 to 2006) was relatively trauma free (Hayward, 2006, 382-403). Over the period the economy continued to grow, and with budget surpluses each year, the government was viewed as fiscally responsible. While no major political scandal beset the government, the Opposition did call during the term for the establishment of a permanent anti-corruption commission, and later a Royal Commission, into alleged police corruption

and a spate of gangland killings. However, by 2006 the violence had abated and a number of people were facing serious charges.

The campaign

While all the policy staples of State politics—education, health, transport—were present in the 2006 election campaign, the media focus was largely on the leaders of the two major parties, Labor’s Steve Bracks and the Liberals’ Ted Baillieu. Labor strove to convince the electorate that it should trust Bracks as Premier for another term, while the Liberals endeavoured to build the electorate’s familiarity with their relatively new leader. It was noted in the *Herald Sun* (24 November 2006) that ‘Brand Bracks’ was core to the Labor strategy; Treasurer John Brumby received only a fifth of the number of press mentions as Bracks in the three weeks leading up to the election, while Deputy Premier John Thwaites received even fewer (*Herald Sun*, 24 November 2006). Similarly, deputy Liberal leader Louise Asher was far in the background as far as press coverage was concerned. The media highlighted the similarities between the two leaders; both family men and fathers of three, active sporting participants, and both presenting a clean-cut “nice guy” image (*Age* 15 November 2006). Some commentators argued that in terms of policy the leaders also offered rather similar ideas, although this was strongly denied by both men and their parties.

With much of the State in severe drought, water and climate change were the major policy issues of the campaign, to which the major parties presented quite different policy responses. The Liberals proposed the building of a desalination plant and a new dam on the Maribyrnong River to address water shortages, both of which were opposed by the Labor Party. Labor promised to legislate targets to reduce greenhouse gas emissions, and to increase the amount of energy consumed from cleaner sources. They also proposed a \$14 million energy efficiency rebate scheme, solar panel installation on 500 schools and community buildings, and a registration fee cut for hybrid cars. While supportive of cuts to greenhouse gas emissions, the Liberals did not produce targets, and said they would scrap the government’s renewable energy target scheme. They also promised a \$670 million dollar investment in ‘cleaner coal’

technology (*Age*, 22 November 2006). The Greens' policies included the cessation of logging in water catchments, a target of a 20 per cent reduction in greenhouse gases by 2015, targets for renewable energy production, and the closure of the Hazlewood power plant.

The leaders' debate

A debate between Steve Bracks and Ted Baillieu was held early in the campaign on Friday 3 November, and was broadcast live on ABC television. The Premier used the forum to try (in vain) to elevate the matter of the federal Coalition government's industrial relations policy 'to the forefront of his re-election campaign' (*Herald Sun*, 4 November 2006) as well as to highlight issues such as water, health, the environment and education, stating that his party was 'focused on what matters to Victorians and Victorian families' (*Ibid*) Bracks also attacked the Liberal leader's links with the former Kennett government, and questions were raised about potential conflicts of interest that may arise if Baillieu became Premier because of his substantial shareholdings.

Ted Baillieu responding that he had been open and transparent about his financial interests, and would deal with such issues in cabinet on a case-by-case basis. He did not, however, shy away from his connection with Jeff Kennett, stating that Kennett 'is a friend and a very, very fine Victorian, and I support him speaking out' (*Age*, 4 November 2006). Baillieu challenged Bracks on his decision to break his 'no-tolls' promise in regard to the Scoresby freeway, and accused the Premier of 'running a mediocre government, which had "changed the culture" of Victoria for the worse through excessive advertising, declining services and a lack of accountability' (*Sunday Herald Sun*, 5 November 2006).

While one commentator described the contest as a 'dull, nil-all draw' (*ibid*), others variously described it as 'feisty', 'heated' and 'two leaders talking tough' (*Age*, 4 November 2006) although most conceded the result was fairly even, with both men displaying strengths and weaknesses. The debate was watched by 291,000 viewers or about nine per cent of the State's voting population; while this figure is higher than the usual Friday night ABC *Stateline* audience of around 200,000, the debate was out-rated on the night by programs on the commercial channels.

What the polls said

Opinion polls conducted throughout 2006 consistently indicated an ALP victory, although differed on the precise margin. Newspoll (reported in the *Australian*) showed Labor's primary vote hovering between 43 and 46 per cent, while ACNielsen/*Age* Polls predicted a result for Labor of between 41 and 43 per cent. The table below shows the results of four polls conducted in the last days of the campaign; the final row shows the actual result.

Table 1: Primary voting intentions as predicted by major polling organisations

| Polling organisation, date, source | ALP | Liberal/ Nats. | Greens | Family First | Others |
|--|--------------|---------------------------|---------------|-------------------------|---------------|
| Newspoll 22-23 Nov, <i>The Australian</i> | 45 | 37 | 9 | n/a | 9 |
| ACNielsen/ <i>Age</i> Poll 22-23 Nov, <i>The Age</i> | 42 | 41 | 11 | 2 | 4 |
| Galaxy Research Poll 21-22 Nov, <i>The Herald Sun</i> | 42 | 39 | 12 | 4 | 3 |
| Morgan Poll 21-23 Nov, <i>Nine Network</i> | 42.5 | 40.5 | 12.5 | 3 | 1.5 |
| Actual election result | 43.06 | 39.61 | 10.04 | 4.29 | 3.01 |

All four polling organisations could lay claim to a high level of accuracy, well within sampling error. In terms of the two-party preferred vote, Newspoll predicted the ALP would win 56 per cent and the Liberals/Nationals 44 per cent; ACNielsen/*Age* Poll predicted ALP 53-Lib/Nats 47; a Morgan Poll commissioned by the Nine Network predicted 53-47, while the *Herald Sun's* Galaxy Research poll predicted 55-45. In this instance, the Galaxy Research Poll was closest to the actual result which was ALP 54.2 %, Lib/Nats 45.8 %.

Preference negotiations

In single-member alternative vote systems minor parties are usually preference givers and the major parties preference receivers—but, in Victoria, not always. In rural electorates the allocation of Labor, Liberal and National preferences had the capacity to determine outcomes as did the Liberal Party's decision to preference the Greens in the Labor-held seats of Melbourne, Brunswick, Richmond and Northcote.

While the Nationals declared early that it would place the Greens last on its how-to-vote cards, many true and false rumours circulated during the campaign as to what the other parties intended to do with their second preferences. Most attention centred on the Greens as the opinion polls consistently rated them the most popular minor party with the most preferences to distribute. In the end the Greens preferenced Labor in the marginal seats that counted, but, in a gesture of gratitude for gaining Liberal preferences in four inner-city seats, issued a split ticket in 22 seats—but Labor lost no seats because of this. Despite their public differences, the Liberal and National Parties exchanged preferences, and in key three cornered contests Labor favoured the Nationals—with the exception of Rodney. The new Family First Party preferenced the Liberals ahead of Labor, but in some seats directed their preferences through other right-of-centre minor parties such as the DLP and the Christian Democratic Party.

The Result: Who won; where and why

In political science terms the 2006 Victorian State election was a 'maintaining' election in which the result did not deviate significantly from the previous poll. Given the magnitude of Labor's victory in 2002 this constituted a significant achievement by the Bracks government. Labor's primary vote fell by 4.9 per cent but it sustained only a relatively small 3.6 per cent swing on the two-party preferred count—less than half the 7.6 per cent swing needed to lose government. Table 2 below shows the overall party results for the Legislative Assembly by percentage of first preferences achieved, seats won, and the percentage of swing for or against.

Table 2: Overall Legislative Assembly result by party

| Party | % share of first preference vote | Seats won | Swing |
|-------------------|---|------------------|--------------|
| ALP | 43.06 | 55 | -4.89 |
| Liberal Party | 34.44 | 23 | +0.53 |
| Australian Greens | 10.04 | 0 | +0.31 |
| The Nationals | 5.17 | 9 | +0.87 |
| Family First | 4.29 | 0 | +4.29 |
| People Power | 0.51 | 0 | +0.51 |
| Other | 2.50 | 1 | -1.61 |
| Total | 100 | 88 | - |

Labor's victory was built on strong metropolitan and provincial city performances. In the metropolitan area, the Labor Party's highest primary votes were in the western, northern and south-eastern suburbs. With eight seats also won in eastern Melbourne, the ALP won a total of 44 out of 62 seats in metropolitan Melbourne. In the provincial city districts, Labor was very successful, winning all eight seats. By contrast, the Liberal Party polled best in the eastern suburbs of metropolitan Melbourne, winning eleven seats, followed by the south eastern suburbs, winning seven seats.

The ALP lost five of the seven seats it previously held with margins of less than 3.0 per cent and two others held by apparently safe margins of 4.9 per cent and 6.9 per cent. Table 4 below shows the government seats lost, the swings required for the seats to change hands, the swings actually achieved, and the new majority for each electorate.

Table 4: Seats lost by Labor at the 2006 election

| Seat | Swing required by non-ALP party (%) | Swing achieved by non-ALP party (%) | Won by | New majority (%) |
|-------------|--|--|---------------|-------------------------|
| Evelyn | 0.4 | 3.1 | Liberal | 52.81 |
| Hastings | 0.9 | 1.8 | Liberal | 50.99 |
| Kilsyth | 2.1 | 2.4 | Liberal | 50.27 |

| | | | | |
|----------------|-----|-----|----------|-------|
| Ferntree Gully | 2.3 | 2.3 | Liberal | 50.04 |
| Bayswater | 2.8 | 5.6 | Liberal | 52.83 |
| Morwell | 4.9 | 7.0 | National | 52.12 |
| Narracan | 6.9 | 9.5 | Liberal | 52.80 |

Only the seat of Narracan recorded a swing in excess of what the Liberal Party (with the Nationals) needed to win a majority in the Assembly—though Morwell came close. The Opposition won five very marginal Labor seats in Melbourne’s eastern and south eastern suburbs with modest swings; these seats are now equally marginal Liberal seats. Two sitting Labor members resisted the general swing in the eastern suburbs and, aided by strong Green preference flows, successively defended wafer thin margins in Gembrook (1.3%) and Mount Waverley (2.3%) (Economou, 2006,7). The five Labor losses had been won from the Liberals at the 2002 landslide election—as had Gembrook and Mount Waverley.

The unexpected losses of Morwell and Narracan require more explanation. They are contiguous seats located in Gippsland’s Latrobe Valley: Morwell had been a Labor seat since 1970 and Narracan was one of the non-metropolitan ALP victories in 1999. The former has experienced major demographic change as a consequence of the downsizing of the State Electricity Commission (SEC) and the ‘Labor’ town of Morwell now has a smaller population than the more traditionally conservative Traralgon. The media also reported internecine factional strife within the local ALP branches erupting just before the election and resulting in the resignation of members, one of whom nominated as an Independent and directed preferences to the National Party (*Age*, 21 November 2006). Narracan had been Labor for only two terms (1999 to 2006) and its loss can be accounted for by the general fall in support for the government in rural areas, as well as the issue of water. Defeated member Ian Maxfield claimed that the ‘Liberal and National parties ran an incredibly effective scare campaign by claiming that we were sending sewage to Gippsland and taking fresh water into Melbourne’ (*Age*, 27 November 2007). Additionally, Maxfield’s chairmanship of the parliamentary Alpine Grazing Taskforce, which recommended the cessation of cattle grazing in the Alpine National Park, made him a target for hostile rural interest groups.

The small parties

The Nationals

The Nationals, led by Sale solicitor Peter Ryan, went to the 2006 election holding seven seats in the Legislative Assembly. Pre-election media speculation as to their likely performance was not encouraging with one journalist reporting that ‘party hard-heads concede they cannot expect to pick up extra seats...’ (*Age*, 28 November 2005). But while the party’s representation in the Legislative Council was cut from four to two (largely as a consequence of the new STV electoral system) it increased its lower house numbers by two, and its primary vote in the Assembly climbed from 4.3 per cent in 2002 to 5.2 per cent. The Nationals won Morwell from the ALP and Mildura from the Independent Russell Savage. Voters turned away from Savage in protest against the government’s proposed siting of a toxic waste dump in his electorate. The seven sitting National MPs performed strongly and their average primary vote rose by nine per cent. However, only one seat (Murray Valley) was won without the need for preferences and the seat of Rodney was put in doubt by the decision of the ALP to direct preferences away from new candidate and former Victorian Farmers Federation president Paul Weller. But a very high 48 per cent leakage of Labor preferences gave him the seat.

The Greens

The Greens contested every lower house district, and polled 10.04 per cent of the primary vote, but failed to win a seat. While some commented that this was a disappointing outcome, and only 0.31 per cent higher than their 2002 election result, it is impressive when considered in context; it is the first time a third party in Victoria has gained over ten per cent of the vote in Victoria since the DLP did so in 1970. High pre-election expectations may have dampened what was otherwise a good result and three Green candidates were elected to the Legislative Council.

Close contests were predicted in the four Labor inner-city seats of Brunswick, Northcote, Melbourne and Richmond. The Greens did indeed record their highest

proportions of first preference votes in these seats, gaining 29.7, 27.4, 27.4 and 24.7 per cent of the vote respectively. The seat of Melbourne proved to be very close; defeated in 2002 by a slim margin, Richard Di Natale again contested the seat for the Greens, and required a 2.3 per cent swing to defeat Labor's Health Minister Bronwyn Pike. The result hung in the balance for a number of days after the election—Ms Pike was eventually victorious, with a swing against her of only 0.46 per cent of the two-candidate vote. The Greens benefited from Liberal preference allocation in this seat, but 25 per cent of Liberal voters preferred Pike to Di Natale, which secured her the seat.

Family First

The 88 Family First lower house candidates polled 4.3 per cent of the primary vote, much of which was at the expense of Labor. In the 16 districts in which Family First polled more than 6 per cent of the vote only one, Scoresby, was not held by the ALP before the poll. More specifically, the pro-family, moral conservatism of the party had particular appeal to voters living in the outer western and south eastern suburbs. These areas constitute a new mortgage belt where voters tend to be younger, more likely to have been born in south and east Asia or Europe, express greater commitment to a religion and have lower tertiary qualifications than the State average. Conversely Family First failed to enthuse the more cosmopolitan inner- suburban voters with the party having its worst results in seats such as Albert Park, Prahran and Richmond. Family First was also weak in National Party held seats where it struggled to distinguish itself from the established party's own morally conservative policies on such issues as abortion.

A second preference election?

At the 2006 Victorian State election 39 (44%) of Assembly districts were won without the need to distribute preferences: Labor won 25, the Liberals 13, and the National Party one. The ALP gained another 23 seats with the help of Green

preferences and seven as a consequence of preference leakages from other parties. The Liberal Party won three seats on Family First preferences, two on Nationals preferences, one on preferences from an Independent and four on leakages of Green preferences. The Nationals secured four seats on Liberal preferences, one on Labor preferences and three on Green leakages. The sole successful Independent was elected on Labor preferences. While all parties helped their friends (and some enemies) to win seats, it was the Greens that determined 61 per cent of the 49 seats won on preferences.

While the ALP was dependent for its Assembly majority on second preferences, in all but one seat the party's candidates polled in excess of 40 per cent of the primary vote and needed only a little help to get over the line. The exception was Prahran where Labor gained only 36.72 per cent of the primary vote, but won the seat with 80 per cent of the Green candidate's share of the primary vote (which was a high 20 per cent). The lowest primary vote polled by a winning candidate was the National Party's Russell Northe in Morwell with 27.59 per cent. While 2006 appears at first glance to be an election decided by preferences, in only five cases did the candidate who led on the primary count not win the seat: Labor came from behind in Gembrook, Prahran, Forest Hill and Mount Waverley, as did the Nationals in Morwell.

The Result in the New Legislative Council

The 2006 election was the first election to be conducted under the changes to the Legislative Council, and the new STV proportional representation system, introduced in 2003 (Costar & Gardiner, 2003). The state is now divided into eight Council Regions (five metropolitan and three regional) each returning five members, creating a comparatively high quota of 16.7%.

The ALP polled 41.45 per cent of first preferences across the State, with the Liberal Party polling 34.55 per cent. The ALP's vote translated into the election of at least two members for each region, with successful third candidates in Northern Metropolitan, Western Metropolitan and South Eastern Metropolitan, for a total of 19 in the 40 member upper house. The highest percentage of ALP first preferences

(58.69 per cent) was in Western Metropolitan, while the lowest was in Northern Victoria (30.11 per cent).

The Liberal Party achieved a minimum of two members for six regions, with a third successful candidate in Eastern Metropolitan, while in Western Metropolitan and Northern Metropolitan it gained one member for each, for a total of 15 members . The Liberal Party’s highest vote was in Southern Metropolitan (46.22 per cent), while the party’s lowest vote occurred in Northern Metropolitan (23.22 per cent).

The Greens won 10.58 per cent of first preferences State-wide, electing candidates in three regions, Northern Metropolitan, Western Metropolitan, and Southern Metropolitan. The highest Green vote was in Northern Metropolitan, where the combined first preferences of Greens candidates equalled 17.07 per cent. The Nationals, with 4.43 per cent of first preferences, had successful candidates in two regions, Eastern Victoria and Northern Victoria. It should be noted that the Nationals did not stand candidates in the metropolitan regions. The Nationals achieved a quota on first preferences only in Northern Victoria (with 21.2 per cent). The DLP achieved 1.97 per cent of first preferences State-wide, and were successful in having one member elected in Western Victoria—again showing the capacity of STV systems occasionally to elect candidates from a very low base of first votes. Table 5 summarises the Council result

Table 5: Legislative Council composition by party and region 2006

| Region | ALP | Liberal | Greens | Nationals | DLP |
|-----------------------|------------|----------------|---------------|------------------|------------|
| Eastern Metropolitan | 2 | 3 | - | - | - |
| Eastern Victoria | 2 | 2 | - | 1 | - |
| Northern Metropolitan | 3 | 1 | 1 | - | - |
| Northern Victoria | 2 | 2 | - | 1 | - |
| South Eastern | | | | | |

| | | | | | |
|--------------------------|-----------|-----------|----------|----------|----------|
| Metropolitan | 3 | 2 | - | - | - |
| Southern Metropolitan | 2 | 2 | 1 | - | - |
| Western Metropolitan | 3 | 1 | 1 | - | - |
| Western Victoria | 2 | 2 | - | - | 1 |
| Total | 19 | 15 | 3 | 2 | 1 |

When counting concluded about two weeks after polling day two ‘new’ parties had entered the Legislative Council: the Greens (predictably) and the Democratic Labor Party (very unpredictably). As the first new party to gain representation in the Victorian Parliament in decades, the election of the three Greens candidates was a significant event in Victoria’s political history. The Greens share of the first preference vote (10.58 per cent) was slightly down on the figure achieved for the 2002 election for the Council (10.87), but this time the new PR voting system allowed them to win seats.

The DLP

One of the 2006 election’s biggest surprises was the election in Western Victoria of the DLP’s Peter Kavanagh. The DLP won 2.66 per cent of the first preference vote for its five candidates. At the head of his party list, Peter Kavanagh secured 2.57 per cent of first preference votes. From his base of 10,145 votes, Kavanagh was the recipient of a stream of preferences from, among others, Family First, the Nationals and the ALP and ended with a total of 88,027 votes, thus securing a quota and the fifth place.

6. Conclusion

Despite losing seven Legislative Assembly seats, political commentators agreed that the 2006 election was good for the Labor Party, and disappointing for the Liberal Party. The government retained a comfortable lower house majority, its vote remained

strong in key areas, and it sustained only a relatively moderate swing against it of 3.6 per cent on the two-party preferred count. The *Age's* State political reporter, Paul Austin, concluded (17 December 2006) that 'the big story of the 2006 Victorian election is that the Labor Party is the big winner again...'. The ALP did, however, lose control of the upper house, and must now rely on either the Liberal Party or votes from the minor parties in the Council to have its legislation passed. By the next election in 2010, Labor will have been in power for 11 years—its longest continuous period in office since the party's inception in Victoria.

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