20. Rural and Regional Australia: The ultimate winners?

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On Tuesday, 7 September 2010, after 17 days of negotiations, two of the three rural Independents, Rob Oakeshott and Tony Windsor, announced their decision to support a Labor government. In justifying this outcome, Tony Windsor said that the vote of the country had been sidelined for too long and had been ‘subsumed into two major parties which are dominated by city-based majorities and the elections have been fought on the western suburbs of our major cities so that country issues haven’t really come to the fore’. He went on to say that ‘the fact that there are country Independents in this building indicates that country people have had enough...so we are taking advantage of a particular political moment and sending a signal to country people that if you want to be taken for granted go back to the old parties’ (Windsor 2010).

This sense of being forgotten, or ignored, has been a recurring theme in our analyses of the rural and regional vote in recent election campaigns (Curtin and Woodward 2002, 2005; Woodward and Curtin 2010; see also Costar and Curtin 2004; Curtin 2004). And little changed in the campaign of 2010; once again, The Nationals leader, Warren Truss, was virtually invisible in the media at the national level (Gannon 2010). The election-eve editorial of the *Weekly Times* lamented the fact that the ‘needs of people outside metropolitan areas’ had been overlooked and presciently argued: ‘The best thing for regional Australia may be a hung parliament, with the three rural Independents—Bob Katter, Tony Windsor and Rob Oakeshott—as kingmakers’ (*Weekly Times* 2010a). Even the Coalition’s campaign launch made no specific reference to The Nationals. In contrast, Bob Brown, as leader of the Greens, made the headlines in the national print media almost daily during the campaign. And, in the main, major-party policy announcements focused on big-picture, nationwide issues and were most often launched in marginal electorates.

Yet while the campaign strategies might have reflected those of the past, the election result in 2010 was like no other: a hung parliament giving rural and regional Australia probably the biggest ‘win’ in decades. The three rural Independents, re-elected in safe country electorates, were placed in the unique position of ensuring rural and regional Australia were given the undivided attention of the major-party leaders, post election. The result: a rural package of \$10 billion that was composed of existing and new commitments. The new (additional) funding for rural and regional Australia, which amounted to nearly

\$4 billion, included \$1.8 billion for health, \$800 million for the Priority Regional Infrastructure Program, \$573 million for the Regional Infrastructure Fund, \$500 million for education, \$125 million for reward payments to schools, \$66 million for regional skills investment, \$41 million for general practice and Aboriginal health, and \$15 million for local school control. There was also a commitment to a national price for the National Broadband Network (NBN) and that the network would be built first in the regions (Oakes 2010).

The psephological analysis of the hung parliament outcome is outlined elsewhere in this book and is not solely a result of those in regional Australia who voted independent. The fact that the re-elected Independents prevailed and became critical players in their own right suggests, however, that the electoral story of rural and regional Australia has become increasingly complex. First, the issues of climate change and the mining tax complicated voting trends in rural and regional Australia. The final detailed Newspoll published in *The Australian* before election day revealed that the Coalition's support outside the capital cities had dropped by 4 per cent since 2007 (from 44.2 to 40 per cent) while the Greens' support in the same areas had increased by 6 per cent to 13 per cent (Newspoll 2010), indicating that regional voters were not universally opposed to some form of carbon pricing scheme. The election result reinforced this position. Similarly, there was no uniform rural and regional response to the revised 'mining tax'. While Bob Katter was inherently opposed to the tax, The Nationals had complicated the anti-tax message in the lead-up to the election, with Nationals leader, Warren Truss, and his maverick Senate colleague Barnaby Joyce demanding voters be given more of the spoils of the mining boom through a policy like the WA Royalties for Regions (Parnell and Barrett 2010).

Second, the election outcome was a mixed one for The Nationals. While its decision to merge with the Liberals in Queensland makes comparisons difficult, it arguably increased its representation in the House of Representatives from nine to 12, gaining two seats in Queensland from the ALP (Flynn and Dawson) and the wheat-belt electorate of O'Connor in Western Australia from the Liberals (although the elected National, Tony Crook, has chosen to sit on the crossbenches) (Taylor 2010). In addition, The Nationals successfully defended Riverina against a Liberal challenge. Their inability to win back the seats held by rural Independents bodes ill, however, for the once-dominant rural party. The Nationals seem unable to recognise and represent the diversity and heterogeneity that now constitute rural and regional Australia, both socially and economically, and they are increasingly invisible on the national stage on issues that matter outside the capital cities. The result is now electoral challenges on three sides: from the Liberals outside Queensland, from re-elected and now-

powerful Independents who might well deliver, and from the Greens who are harvesting votes and directing preferences in ways that might yet prove difficult for conservative rural MPs.

Policy and Campaign Issues

In the lead-up to the 2010 election campaign, farmers seemed to have fewer economic concerns than in previous elections: drought fears had resided, wheat prices had climbed and the global economic crisis had not had the same negative impact on the agricultural sector as it had elsewhere. Agricultural production and growth, in seasonally adjusted terms, were up 10.9 per cent in the December 2008 quarter on top of the previous quarter's 13.4 per cent, and between November 2007 and November 2008, an extra 17 255 Australians found work in the farm sector (NFF 2010, 4).¹ In 2010 the National Farmers' Federation (NFF) shifted its focus to securing farmers' 'property rights' (in terms of access to water and environmental land-management requirements), trade liberalisation and population policy. Several of their demands, however, were such that neither of the major parties could attend to them without risking a political backlash elsewhere. For example, in an attempt to harness the implications of Treasury's population projections, the NFF's document (released in July 2010) demanded tax, immigration and welfare reform packages that provided incentives for relocation to regional Australia. Yet, by the time the campaign was under way, the idea of a 'big' Australia was becoming unpopular with voters and the rhetoric of both party leaders on cutting population growth and immigration was once again being seen as a negative. Also politically unpalatable to both the Liberals and The Nationals was the NFF's call for revisions to the *Fair Work Act*, reviving instead another version of WorkChoices. And, the NFF's simultaneous recommendations for further action on free trade and enhanced biosecurity once again revealed the tension that exists between trade liberalisation and border protection within the agricultural sector. This tension was highlighted clearly by Bob Katter in his post-election speech where, despite announcing his support for the Coalition, he berated Nationals leader, Warren Truss, for his role as Agriculture Minister in perpetrating the 'destruction of the sugar industry, the destruction of the fishing industry, the destruction of the tobacco industry and the potential destruction of the banana industry' (Katter 2010).

There were, however, some 'wins' for the NFF. Both the major parties committed funds to wide-ranging broadband initiatives, although Labor's NBN was more comprehensive and expensive (at \$43 billion compared with the Liberals' \$6

1 Federal Labor did not appear to use the May 2010 budget to shore up support in country Australia. There was \$1 billion for rail freight and \$700 million more for the infrastructure fund but little else—a departure from the strategy used by the Howard Government post Pauline Hanson.

billion plan). Yet despite the cost difference, Labor's initiative was critical in winning over the two NSW rural Independents. And although the NBN had already begun its roll-out in Tasmania, Labor (re)launched the program in the marginal Queensland seat of Herbert (Townsville) in the last week of the campaign (Berkovic and Cresswell 2010). Alongside this, Labor announced 23 new GP super clinics, a number of which were to be located in marginal regional seats as well as in Bob Katter's electorate of Kennedy (Dusevic 2010). Both were launched as national interest policies although both were cited as likely to have a strong resonance with bush voters. On top of this, Labor talked up its policy of telemedicine, which explicitly linked health services and the telecommunications initiative and found traction in the bush where access to specialist health services can often prove difficult (Cresswell 2010).

Around the edges, small announcements were made: both sides committed themselves to the uncosted 1700 km inland rail link between Melbourne and Brisbane; Warren Truss promised \$1 billion for an education fund to upgrade regional universities and support remote students (Maher 2010); and there was much negative coverage of Labor's failed carbon emissions trading scheme and the rather weak alternative of providing funds for building community consensus for an alternative strategy through a range of 'talk fests' (Karvelas 2010). The ALP promised \$200 million for its Building Better Regional Cities Program (Metherell 2010) and that half of its proposed \$96 million for emergency-room doctors and nurses would go to regional and rural Australia (Arup 2010). The Nationals announced their intention to spend \$300 million on bridge repairs in rural Australia (White and McKenzie 2010), and the Coalition offered a grab bag of election 'sweeteners': \$150 million for rural research and development, \$5 million in grants for agricultural science researchers, \$20 million for feral animal control, \$15 million for a biosecurity 'flying squad' (for serious quarantine risks), \$10 million for early bushfire warnings and \$2 million for an audit of 'green tape' (*Weekly Times* 2010b).

In addition, the ALP put forward a plan to develop a national food security strategy, which was welcomed by the President of the NFF (*Weekly Times* 2010b), while there were divisions between The Nationals and the Liberals over Nationals proposals for 'zonal taxation' and a registry of foreign-owned agricultural assets (White 2010). Two other issues that emerged in rural and regional Australia were concerns regarding (forestry) Managed Investment Schemes, where both Coalition partners resisted rural pressure to scrap their tax advantages (Dowler 2010), and opposition to ALP plans to extend marine parks, which Tony Abbott promised to halt (Needham 2010).

But the big issues for the bush that gained most attention were water policy and the findings of the inquiry into the Murray–Darling Basin, and the 'mining tax'. Although Gillard had renegotiated the parameters of the resource tax with three

key mining giants, the smaller mine owners continued to rally voters against the Government. On 18 August, the coalminer New Hope was still urging shareholders to consider the impact of the resources tax when casting their vote (Tasker 2010). Labor promised to direct the funds raised into a regional infrastructure fund, but this seemed to be too little too late for those opposed to the idea. On the water issue, Labor promised voluntary water buybacks to return sufficient water to the Murray–Darling Basin (as would be recommended by the Basin Authority), \$4.4 billion on water-saving infrastructure, and to pay off the water debts for the Snowy River (Arup and Harrison 2010; Arup and Welch 2010; Hunt 2010). The Coalition, in contrast, was less forthright on whether it would accept the Murray–Darling Basin Authority’s recommendations, arguing that it would strike a balance between the environment and the needs of rural communities although it implied that it would match Labor’s promise (although Barnaby Joyce suggested he would reject the recommendations; Wahlquist 2010). It specifically committed to a \$730 million boost in water-saving infrastructure in rural areas and to purchase 150 billion litres of water for the Lower Lakes and Coorong in South Australia (Arup and Welch 2010).

Results

In the latter part of the last week of the campaign, it became increasingly clear from the polls that the result would be extremely close, with 16 of Antony Green’s ‘key seats to watch’ located in regional Australia (ABC 2010). Despite the closeness, however, the Coalition maintained its dominance in non-metropolitan seats by securing 36 of the possible 62 seats on offer. In terms of first-preference votes, the swing against Labor in rural and regional Australia was 4.9 per cent—slightly lower than the national swing against them (see Table 20.1). The swing away from Labor, however, did not translate uniformly into a swing to the Coalition parties; the latter received 46 per cent of first-preference votes (up 2 per cent) while the Greens increased their share of first preferences by 2.9 per cent, bringing their total first-preference vote to 9.7 per cent. In Western Australia and Queensland, where the anti-mining tax lobbying was most evident, and where Senators Ron Boswell and Joyce were revealed as vociferously anti-Green (Franklin 2010), the Greens vote reached 13 per cent and 10.9 per cent respectively. Even in Katter’s seat of Kennedy, the Greens won a respectable 4.5 per cent of the vote. Such an outcome seems to reinforce the points made by both Oakeshott and Windsor in their decision speeches to support Labor that climate change is a key issue for both regional and urban Australia, requiring meaningful attention and policy direction.

Table 20.1 House of Representatives, Rural and Regional First Preferences

Party	Non-metropolitan electorates			
	Seats won 2007	Vote 2007 (%)	Seats won 2010	Vote 2010 (%)
ALP	29	39.6	23	34.7
Liberal Party	22	31.4	15	24
Nationals	10	13	7	9
LNP (Qld)	-	-	14 **	13 **
Greens	0	6.8	0	9.7
Independents	2	4.4	3	5
Others	0	4.8	-	4.6
Total	63	100	62 *	100

* The AEC has reclassified Forde (Qld) and Brand (WA) outer-metropolitan seats while adding the new rural seat of Durack (WA)

** Comparisons between 2007 and 2010 are inexact because of an inability to differentiate between Liberal and Nationals in Queensland

Source: AEC election results; Woodward and Curtin (2010).

While the swing against Labor was enough to almost lose them government, only 16 seats changed hands (discounting Lyne, which was held by Oakeshott going into the election), compared with 26 in 2007. Seven of these 16 seats were classified as non-metropolitan seats, but not all returned to the Coalition. The ALP lost six non-metropolitan seats, all of which were marginal, and most were surprising wins, courtesy of the massive swing against the Howard Government in 2007. Five of these were Queensland seats, where the protest vote against the Coalition had proved costly to The Nationals' rural Queensland heartland in particular. Labor's other rural loss in 2010 was the seat of Macquarie in New South Wales, but they picked up McEwen from the Liberals, while the Liberals lost O'Connor to the independently oriented Nationals member Tony Crook.

It is probably easier to analyse the ALP's losses than it is to measure the gains for The Nationals. Significant is the fact that the Greens' share of the first-preference vote was higher than that won by The Nationals (9 per cent compared with the Greens' 9.7 per cent) across all States except Queensland. While The Nationals hold only seven seats, all are relatively safe; the only marginal is Tony Crook's seat of O'Connor in Western Australia. And while The Nationals were unable to regain Lyne in New South Wales from Rob Oakeshott, they did win back both the seat they lost in Queensland in 2007 (Dawson) and the new seat of Flynn, which was nominally safe for them but which they failed to win—albeit under the banner of the Liberal National Party (LNP) of Queensland. Nominally then, The Nationals have 12 seats to their name, five of these in Queensland, compared with 10 won in 2007. Of course, the Liberals have also 'forfeited' their ownership of 10 seats as part of the new LNP but it is not yet clear what

implications this merger will have on The Nationals' 'brand' in the longer term in Queensland or elsewhere. Certainly, in the seat of Kennedy, the newly merged party offered no challenge to the supremacy of Katter. And while the seats of Dawson, Flynn, Herbert, Leichhardt and Longman have been returned to the Coalition, the swing towards the new LNP was insufficient for these seats to regain their pre-2007 margin of more than 5 per cent. Instead, the Greens, Family First and at least one Independent picked up enough votes to ensure these four seats remained marginal.

In conclusion, just less than half (27) of the 58 marginal seats on offer in 2010 were classified as either rural (19) or provincial (eight), representing 43 per cent of rural and regional seats. This indicates that in one sense rural and regional Australia were not forgotten during the campaign, but were indeed targeted as part of the now-common major-party strategy of focusing on marginal seats. Ultimately, however, and largely thanks to the re-election of the three rural Independents, the result of the 2010 election will benefit rural and regional voters in both safe and marginal seats.

Table 20.2 House of Representatives, Rural and Regional Marginal-Seat Distribution

Party	Number of non-metropolitan marginal electorates (and total non-metropolitan electorates)	
	2007	2010
ALP	14 (29)	9 (23)
Liberal	11 (22)	4 (15)
Nationals	3 (10)	1 (7)
LNP (Qld)	-	6 (14)
Independent	0 (2)	0 (3)
Total	28	20

Source: AEC election results.

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