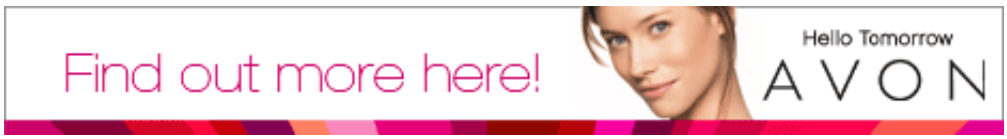
Welcome to The Age. Skip directly to: Search Box, Section Navigation, Content. Text Version.

Fairfax Digital NEWS | MYCAREER | DOMAIN | DRIVE | FINANCE | MOBILE | RSVP | STAYZ
member centre | login | register

www.theage.com.au



Home » National » Breaking News » Article

Poll tips narrow win for Labor in ACT

- Advertisement
- Email
- Print
- Normal font
- Large font

October 5, 2008 - 5:17PM

Advertisement

The upcoming ACT election is shaping as a cliffhanger, with Labor set to lose three seats but retain office with Greens preferences, a new poll reveals.

Incumbent Jon Stanhope has plummeted in the polls as preferred chief minister since winning a second term for Labor in 2004, slipping more than 20 percentage points.

He leads the relatively inexperienced Liberal leader Zed Seselja, by 41.6 per cent to 40 per cent, according to the Patterson poll published in the Sunday Canberra Times.

Four years ago he enjoyed a massive 63 to 19 per cent buffer over then Liberal leader Brendan Smyth.

The first poll of the campaign predicts Labor and the Liberals will both win six seats in the Legislative Assembly, with the Greens snaring four.

The 17th seat is too close to call, but likely to fall to the ALP.

Canberrans head to the polls on October 18.

Mr Stanhope currently leads a majority government but has been accused by his opponents of being out of touch and arrogant, a view confirmed by the Patterson poll which shows 51 per cent of Canberrans also see him as arrogant.

However, it isn't all bad news.

Fifty-eight per cent label his leadership style as "strong", while 56 per cent believe he is also passionate and capable.

In other worrying news for ACT Labor, a new study shows state and territory governments tend to be unfairly rewarded or punished for the condition of the global economy.

The study, conducted by Australian National University economists Andrew Leigh and Mark McLeish, found voters blamed state governments for conditions beyond their control.

Global markets are currently experiencing the biggest upheaval in over 70 years.

"We are the first to show that economic conditions affect the outcomes of Australian state elections," Mr McLeish said.

During the period 1992-95, when unemployment in Australia reached nearly 12 per cent, six of the eight states and territories ousted their government, the study states.

During the boom times of 2003-06, when unemployment averaged five per cent, no state or territory government lost office.

But Mr McLeish says voters aren't entirely irrational.

"If a state outperforms the national economy, its government is more likely to be re-elected," he said.

Mr Stanhope is hoping to reverse the trend that has seen state and territory Labor parties struggle in elections since the ALP won federal power last November.

Since Kevin Rudd became prime minister, state Labor parties have experienced a near-loss in the Northern Territory, a surprise defeat in Western Australia and a meltdown in NSW, where the party was duly battered in local government elections last month.

© 2008 AAP
Brought to you by aap

When you see news happening: SMS/MMS: 0406 THE AGE (0406 843 243), or email us. **More**

- Advertisement
- Email
- Print
- Normal font

Study finds all politics is global

BY DANIELLE CRONIN
6/10/2008 1:00:00 AM
Voters tend to unfairly punish or reward state and territory governments for the condition of the global economy, according to Canberra researchers.

Australian National University economist Andrew Leigh and Mark McLeish have trawled through data from 191 state and territory elections to investigate how voters respond to economic conditions.

They found a "bit of venting" at the ballot box, with state and territory governments blamed for conditions that were outside their control.

Their report comes as ACT voters prepare to head to the ballot box on October 18 and the US is in the grip of an economic crisis.

"Our model was just about purely how does the unemployment rate on the day of the poll relate to the government's chances of re-election," Dr Leigh said.

"On that metric, you'd think that the ACT Government is heading for being returned and certainly that's what the betting markets say.

"It would be unfair if ACT voters threw out [Chief Minister] Jon Stanhope for factors unrelated to his performance.

"It's perfectly reasonable to keep or get rid of governments for things they've done. It seems though, in our study, that voters systematically make mistakes and that the state of the US economy does matter."

Mr McLeish said it was the first study to show that economic conditions affected the outcomes of state and territory elections.

"But what is most striking is that voters do not tend to filter out the performance of the national economy when deciding whether or not to re-elect a state government," he said. "Voters are not entirely irrational. If a state outperforms the national economy, its government is more likely to be re-elected.

"But when the Australian economy booms, all state governments are more likely to be re-elected even although they probably can't take much credit for the boom.

"Indeed, when the United States economy does well, Australian state governments are more likely to be re-elected."

The researchers found no evidence that voters used state elections to send "a message to Canberra".

But state and territory governments were less likely to be ousted if the Federal Government was of the same political party.

The study found unemployment had a strong impact on election outcomes, with each additional percentage point of unemployment reducing the incumbent government's re-election probability by 3-5 per cent.

Dr Leigh said voters did a "bit of venting" at the ballot box an observation backed by "terrific" political science research.

"[It] suggests that ... a spate of shark attacks prior to the 1916 US presidential election actually had an influence on the election outcome," Dr Leigh said.

"I think when people see bad things happening in the world, then they take it out in the ballot box. Our results are consistent with what psychologists call fundamental attribution error.

"Just as CEOs tend to be overpaid when the whole sharemarket booms, Australian voters mistakenly reward state governments when the national economy booms."

Printed October 06, 2008 02:14am AEST

Jobless rate and national economy key to state power

Siobhain Ryan | *October 06, 2008*

LABOR'S grip on state power, already shaken by the loss of Western Australia, could be loosened further as the jobless rate rises, new research suggests.

An Australian National University study released yesterday has estimated an incumbent state government's chances of re-election falls by 3 to 5 per cent for every extra percentage point rise in unemployment.

And it is likely to be punished at the ballot box, even if the downturn is beyond its control, study authors Andrew Leigh and Mark McLeish found.

"We are the first to show that economic conditions affect the outcomes of Australian state elections," Mr McLeish said.

"But what is most striking is that voters do not tend to filter out the performance of the national economy when deciding whether or not to re-elect a state government."

The study, which analysed state election results between 1916 and 2006, found that "both luck and competence are equally important" in voters' assessments of their governments' credibility as economic managers.

Voters were just as likely to reward or penalise governments for the state of the national economy as for their own jurisdiction's economic performance, relative to other states and territories.

The results bode ill for Labor, which holds power in all Australian states and territories bar Western Australia. WA fell to the Liberals last month.

The national economy is slowing and the jobless rate is expected to rise.

Dr Leigh compared voters' "attribution error" with the corporate world's penchant for awarding massive salaries to chief executive officers when rises in company valuations coincided with bullish stock markets.

"Just as CEOs tend to be overpaid when the whole share market booms, Australian voters mistakenly reward state governments when the national economy booms," he said.

"We can see this pattern over the past two decades.

"The Australian unemployment rate reached nearly 12 per cent in early 1993.

"During the period 1992-1995, six of the eight states and territories ousted their government.

"During 2003-2006, Australia's unemployment rate averaged 5 per cent. In these years, no state or territory government was ousted from power."

The study found the average state unemployment rate was 6.3per cent when governments fell at the ballot box, compared with 4.3 per cent when they were re-elected.

The central finding -- that voters were not perfectly rational -- was consistent with previous research, including a 2004 study that discovered governments were less likely to be re-elected at times of drought, floods, or shark attacks.

The new ANU study found no evidence, however, that voters used state elections to send "a message to Canberra".

In one of the few positives for Labor, state governments were less likely to be ousted if the federal Government was of the same political party.

Copyright 2008 News Limited. All times AEST (GMT +10).

smh.com.au
The Sydney Morning Herald

Print this article | Close this window

State voters swing with jobs

Jessica Irvine Economics Correspondent
October 6, 2008

Advertisement

INCOMPETENCE may not be sufficient reason for NSW voters to boot out the State Government, but the global financial crisis may clinch it.

A study by economists at the Australian National University has found that the national economy has a bigger impact in toppling state governments than their own performance.

Using the unemployment rate as an indicator of economic strength or weakness and state election data back to 1913, Dr Andrew Leigh and Mark McLeish found large rises in the jobless rate coincided with periods where voters were more likely to turf out state governments.

"Voters tend to unfairly keep governments in booms and unfairly turf governments out in busts," Dr Leigh said.

For example, in the early 1990s when the jobless rate hit 12 per cent, six of the eight state and territory governments were ousted.

Of the 191 state elections since 1913, the 63 that changed a government were associated with an average unemployment rate of 5.2 per cent. In those where they was no change, the unemployment rate averaged 3.8 per cent.

With unemployment on the rise again in NSW and tipped to rise nationally, Dr Leigh said the economy would play a large role in deciding if NSW Labor was re-elected in 2011.

"Maybe a global downturn will end up throwing [Labor] out of office, but they shouldn't complain if a global boom kept them in office," he said.

"The NSW Government shouldn't necessarily get credit for a mining boom caused by the rise of China."

However, it was unclear whether NSW voters would reward the Government for overseeing a drop in the state's jobless rate dropped from 5.1 per cent to the current 4.7 per cent, or punish it for a period when the gap between the national and NSW jobless rate grew from about half a percentage point to a full percentage point.

"You could say 'fabulous, the NSW Government is helping to reduce unemployment' or you could say 'hey, NSW is falling even further behind'."

The results do not include last month's election in Western Australia where voters ejected a state government during the biggest commodity boom since the Korean War.

Dr Leigh conceded the WA election result did not fit the historical pattern.

"The economy matters, but it's not a perfect predictor," he said.

This story was found at: ***http://www.smh.com.au/articles/2008/10/05/1223145175368.html***