

The New Government's Agenda

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All governments are shaped by their context and the government of John Howard was no different. The recession of the early 1990s, 13 years of Labor government, the narrow loss in the *Fightback!* election of 1993, and the subsequent leadership transition from John Hewson to Alexander Downer and then John Howard were key components of the background to the 1996 election of the coalition government.

The loss of the 1993 election was felt particularly. When I was elected in 1991, there was a strong mood for economic reform in the Party Room. I recall vividly the two-day Party meeting at which the *Fightback!* package was discussed and settled. Apart from a few remaining protectionists, such as the South Australian Steele Hall, the policy struggle to open the economy had been won. This was in no small part due to John Howard's advocacy over the previous decade, but it was shared by the leadership and members of the Liberal Party, including John Hewson, Peter Reith, Alexander Downer and Peter Costello. While there was general support for the opening up of the economy by the Hawke-Keating government, there was also a strong sentiment that other areas, including the labour market had been protected from the flexibility necessary to drive productivity and the further economic growth that would underpin employment and rising standards of living. Advocacy by small business was on the ascendency, so much so that I ensured that I had the backing of key members of the Australian Small Business Association [ASBA] in my pre-selection bid in 1991.

This attitude was reflected in the *Fightback!* package. As I recall, there was really only one aspect that attracted broad criticism, and was amended, namely proposals to move mothers from the support pension to unemployment benefits when their children attended school. In fact, it was not until a decade later, when I was the employment minister, that the changes were finally commenced.

Although I supported the *Fightback!* proposals, I had a strange feeling about the package at the time. I was the *rappporteur* for the Party Room, and recorded in my notes that the atmosphere was surreal, and wondered if the prevailing optimism during the two-day meeting about the package was overly sanguine. My reservations were *Fightback!* mollified by the reception that *Fightback!* received in the weeks and months after its release. It appeared that we would win the 1993 election until the campaign faltered in the last week.

The narrow loss of the 1993 election, when the economy had yet to recover fully, resulted in the transition to John Howard and a more pragmatic approach to policy, including changes to health proposals, retreat from the GST, the modification of the Telstra Sale plans and the Industrial Relations ideas.

These changes led to the claims that John Howard, as Opposition Leader, had adopted a small-target approach and had no policies in the lead-up to the 1996 election. It is true that he withstood the pressure from Labor and the media to release policies early, but the criticism missed the point that John Howard had set out a clear approach to his leadership of the Liberal Party. At his first media conference after becoming leader, he said:

I've always believed in an Australia built on reward for individual effort, with a special place of honour for small business as the engine room of our economy. I've always believed in a safety net for those amongst us who don't make it. I've always believed in the family as the stabilising and cohering unit of our society. And, I believe very passionately in an Australia drawn from the four corners of the earth, but united behind a common set of Australian values.

Those few sentences not only defined John Howard's political approach, but remain a model of simplicity, values and direction in encapsulating a policy approach. Howard's subsequent 'Headland' speeches, covering such topics as the role of government, a fair Australia, and national identity, further outlined the challenges facing Australia and his approach to them. By 1996, most Australians understood the broad direction in which he sought to take the nation if elected.

This brings me to the first year of the new government. As others have identified, three issues dominated the Parliamentary agenda in 1996: budget repair, industrial relations reforms, and the partial sale of Telstra. The budgetary situation that the new government inherited was worse than expected. The initial departmental advice to the government urged labour market, shipping and waterfront reform, along with the sale of Telstra. These issues became the focal point of the government's program.

As Paul Kelly observed in *The March of Patriots*, the 1996 budget 'launched the political strategy that defined Howard's social vision and kept him in office.'

Temperament is a critical element of good leadership. Although I didn't join the Cabinet until 2003, it was clear from the outset that the Prime Minister presided over an effective Cabinet. He built a spirit of collegiality, both in the Cabinet and the Party Room, by balancing the ability to provide direction and to listen to colleagues. Howard's colleagues, from senior Cabinet members to new backbenchers, were his political antennae. He may not have agreed with every contribution, but he was always listening, observing trends, and mindful of the often small things that can derail a government. Successful governments need longevity, but longevity will only happen if the leaders are attuned to the winds of public concerns.

My notes of Party Room meetings are replete with two expressions. The first was that the Liberal Party represented a 'broad church' embracing both classic liberalism and conservatism. The Prime Minister's ability to balance the tensions along this political spectrum, were a major factor in the government's success. He understood that liberal economic reform or an expanded immigration program for example, could only be successful if the government acknowledged and appreciated the innate conservatism of the Australian people.

The second constant was John Howard's regular warning against hubris. I suspect it was a reminder to him as much as it was to all his colleagues. But he was correct. When leaders and governments appear arrogant, deaf to community concerns, and out of touch, the electorate will respond negatively.

A critical element of listening involved a direct conversation with the Australian people, often via talkback radio.

In a recent lecture on public leadership, I observed:

In my participation in public life for more than a quarter of a century, and my close observation of Australian political leaders, including seven Prime Ministers, I have concluded that it is not the grand rhetorical gestures, the proclamation of aspirations, or even the implementation of proposals and policies that mark the true measure of a leader, but the response to the unexpected, the unwanted, and the unanticipated events that arise. In other words, it is the management of crises, not the projection of aspirations, which is the true mark of leadership.

Nothing illustrated this point in 1996 more than the Port Arthur massacre, which elicited an immediate and strong response. While endeavouring to accommodate the need, for example, for farmers to have guns, the Prime Minister held his nerve on the central issue.

There was also a clear direction about the government's objectives. The Prime Minister and the Party knew that advancing legislation, even in the face of an intransigent Senate, underscores the importance attached to the measures and the willingness of the government to fight for them. This was to become more apparent in subsequent years on issues like industrial relations reform.

This is not to say that there were not mistakes during the first year of government. The ministerial code was too narrowly drawn. The image of the Prime Minister wearing a bullet-proof vest at a rally at Sale in Victoria was regrettable. Mr Howard may disagree, but I wonder whether the turnover of departmental secretaries was premature, at least in some cases, and contributed to the leaks prior to the first Costello budget. And the division of 'core' and 'non-core' promises created a weapon with which the government was attacked for many years.

1996 was a busy year in the Parliament. The government introduced 201 bills, 156 in the House of Representatives and 45 in the Senate. Of them, 84 passed in 1996, 77 the following year, and three in 1998. Two areas were of particular interest to me at the time: the family tax measures, the reversal of Labor's restrictive new school's policy, both of which I had advocated from opposition.

Personally, 1996 was a busy year for me. I chaired the House Legal and Constitutional Affairs Committee, and commenced an inquiry into a matter that in part motivated my desire to become a parliamentarian, namely, the breakdown of marriage and relationships. In 1995, the Northern Territory Assembly narrowly passed a law allowing euthanasia which came into operation in July of 1996. A number of my colleagues were unhappy with this development, and I agreed to raise the matter in the Party Room. The rest is history. The campaign to override the Northern Territory provisions dominated my life for the next year.

Let me conclude these brief and necessarily incomplete observations. The first year of a new administration involves considerable transition from opposition to government. If successful, it can establish a pattern of competence that engenders trust in a government. The events of 1996 and their contribution to the longevity of the Howard government will repay an ongoing examination, as will the ability of that government to overcome the legislative obstacles it faced. In particular, the character of leadership is worth further exploration. In her portrait of the great American president, Abraham Lincoln, Doris Kearns Goodwin, describes how Lincoln led an ambitious 'team of rivals' who

worked together for the common good of the United States. Given the events since the Howard era, a better understanding of the leadership traits of one of our most successful prime ministers is worthy of ongoing study.

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