

Message to the Australian green/Left, most voters don't want you

By Paul Kelly, The Australian, 20 May 2019

Scott Morrison called it a miracle. But the most astonishing election result since World War II is attributable to two forces — Morrison's superior reading of the Australian character and Bill Shorten's fatal overreach in his agenda for radical change.

Morrison's victory redraws the landscape. This is a win for Morrison's vision of the Liberal Party — speaking to the silent, hardworking and retired Australians who don't want sweeping change, class warfare or progressive ideology imposed upon them, but seek instead a government offering reliable, steady and credible returns.

The Abbott-Turnbull era is closed. The Morrison era is launched. With Malcolm Turnbull and Tony Abbott out of parliament, Morrison has the chance to give the government and the Liberal Party a fresh start under a united team, a prospect virtually impossible last August.

This victory, its engineering and campaign was Morrison's work — it transforms him from an underrated stopgap into an authority figure. Too much of Labor's climate change campaign was post-material utopianism, not the practical politics Morrison or most Australians represent.

Labor's calculated shift to the Left in its ethos and policies has ended in tears. Bill Shorten did not just lose an election the party was convinced it would win. The transition of Labor into a redistributive, progressive party — sharply different to that Kevin Rudd led to victory in 2007 — is revealed as a flawed project. Labor has a special problem. The challenge now is not just its strategy; it is Labor identity.

The paradox of Labor's campaign was the scant evidence that the majority of the public wanted the sweeping change, punitive tax increases or vast spending agenda that Shorten offered. With its rejection, this defective manifesto, endorsed by the leadership group, looms as a monumental folly. What were they thinking?

But a miracle result does not equate to a comfortable government. Morrison needs to reach a majority in his own right. Minority government is a recipe for trouble. If Morrison can get to 76 or 77 seats — a likely outcome — then he governs without the crossbench, a critical threshold. Labor has lost and it must rethink to stay competitive. Many of its retained seats are reduced to marginals. Labor threw this election away. It faced a government whose divisions meant it had virtually forfeited the right to govern. Victory was there for the taking but Labor, arrogantly, chose to make itself the issue. It surfed the great progressive wave that seemed to be Australia's future but forgot the lesson of Trump and Brexit and the silent, working and retired people who listened to Morrison's pitch.

Shorten's blunder was overkill. That allowed Morrison to overcome the legacy of chaos. The paradox is the task of reconciling regional Queensland with leafy Melbourne that tormented the Coalition in recent years became the issue that smashed Labor — its progressive agenda disappointed in Melbourne and provoked a workers' revolt in Queensland.

The progressives treated Queensland with moralistic superiority — wanting Adani to be halted, dispatching anti-coal political convoys from the south and lecturing Queenslanders on how they should live. Labor's reward is a primary vote of 27 per cent in the state.

Many in the political cognoscenti misread and underestimated Morrison. They disliked his “everyman” style, his denial of grandeur, his down-to-earth, matey, community-based politics, his modest agenda and his values, notably his faith. But no other Liberal politician could have achieved this win — and the party knows it from top to bottom.

The Liberals beat back the Labor attack, survived most of the assault from independents — apart from Abbott’s own defeat — and will have fresh confidence in fighting GetUp in future. Morrison’s election-night speech stuck by his script — he will work for ordinary people. It is hard to imagine a Liberal leader more remote from the “big end of town” fiction that Shorten used as the selling point for his tax redistribution.

The group that will carry the party into the future after the Abbott-Turnbull era is apparent — Morrison with Josh Frydenberg as his deputy, Christian Porter and Greg Hunt, with Mathias Cormann and Peter Dutton both committed to Morrison.

The policy foundation for the Morrison campaign was the Frydenberg budget. This was the essential platform. It embodies the long-established Morrison trifecta strategy from his own time as treasurer — entrench the surplus, back strong service delivery (Morrison will prioritise medicines, the NDIS, mental health and youth suicide prevention programs) and personal income tax cuts.

The aim will be the demonstration effect of Morrison’s central theme — the economy is about people. This has the potential to reshape the Liberal appeal drawing upon this victory — for Morrison the Liberals are the party of surplus budgets, compassion for families, service delivery and tax policy that backs aspiration.

During the campaign Morrison signalled his outlook by saying “people want a government that has simple, honest aspirations” not a government that engages in “a great class conflict and makes grand, unachievable promises about what they think they can do”.

Morrison will not be a grand economic reformer. He has no interest in debates about the free market versus government intervention. He is practical and will adopt whatever works. Morrison will not seek to remake the nation. He will seek to improve the nation — and the lot of people. One of the first priorities will be to legislate the three-stage personal income tax cuts, a test for the new Senate.

On the economy, Morrison needs to activate business investment, a critical task given the evidence of economic slowdown and the risk of recession. He will support all industries — manufacturing, services, farming and mining — and tell the public no industry should be closed for political reasons. Morrison’s method will be consensus; his purpose moderate economic reform to keep the growth economy on track.

Now that he has won, the fact that Morrison made so few promises in the campaign is a plus, not a minus. He will have flexibility. The result suggests he has rebuilt the Liberal base vote in a remarkably fast fashion and, given the United Australia Party and One Nation breakaways, that he has secured a superior preference flow from these parties than before.

With this win the Coalition has broken free from the Rudd-Gillard-Rudd era that was extinguished after two terms, the fate most analysts felt would befall the Coalition. At this third

election the Coalition shows a two-party-preferred vote of about 51-49 per cent, enjoying a swing of about 0.5 per cent.

Perhaps never in our history has a government been behind in the polls for so long, so consistently, yet won the poll that counts. Last night the government was on 74 seats, Labor on 65 with six independents and Greens and six seats undecided. Morrison should secure government in his own right.

Labor's mistake is that it became infatuated by its success and its near victory against Turnbull in 2016. Labor captured the popular mood on same-sex marriage, the banking royal commission, the problem of stagnant wages growth and the public's concern about health and education. Yet it overreached and misjudged.

It succumbed to an old-fashioned spending agenda financed by a higher tax burden and a series of tax redistributions that hurt an array of investors, higher income earners and retirees. This was never first-best tax reform defined as "broadening the base and cutting the rates". It knocked aspiration. It was often sold on false grounds, witness Shorten's claim that franking credit refunds were "gifts". It was framed for two years in rhetoric of class warfare unseen for many decades and ran in parallel with proposed changes to the industrial relations system to secure higher wages through public intervention, not productivity.

This was accentuated when Labor embraced climate change ideology, with Shorten doubling down as the campaign advanced. He refused to provide any data on the economic costs of his emissions reduction policies on the basis that this was no longer needed. For Shorten, Australia had reached the stage where cost-benefit economic arguments didn't matter — the environmental and moral case was the new polity.

This was ideological folly yet a reflection of progressive politics. The upshot is the Labor primary vote is under 34 per cent. Only one in three Australians is voting Labor as the first preference. In the resources states of Queensland and Western Australia it is far worse. The coal revolt in Queensland covered four seats — Herbert, Dawson, Capricornia and Flynn. The coal campaign conducted by Resources Minister Matt Canavan had a material effect.

Senior Labor figures speaking on election night and yesterday were a bundle of confusion. They lost because of their blunders — yet they seem unable to absorb this. The reason is not hard to find. Labor has changed its character as a party and it believed that Australia was also moving. But this weekend many of the Forgotten People did a rethink. They thought twice and decided not to trust Labor and its grand agendas of sweeping change. That leaves Labor with an embarrassing gulf between its own party and the people.

EDITOR-AT-LARGE

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