



Government advertising on industrial relations

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The Howard Government was elected in 1996 on a promise to end the excesses of the Keating years, including a promise that government advertisements would be independently vetted. Yet the Commonwealth as well as State governments continue to use public money to pay for advertising that is clearly partisan.

Since its election, the Howard Government has spent nearly \$2 billion on government advertising, most of it in the run-up to elections. Much of the advertising can be described as legitimate dissemination of information but some of it has been blatant political propaganda. This is particularly true of the advertisements on industrial relations (IR). The Howard Government spent \$55 million to launch WorkChoices in mid 2006 and another \$61 million to publicise its second wave (according to the Appendix of *Mid Year Economic and Fiscal Outlook*).¹ The Opposition is claiming the figure is now \$66 million.²

WorkChoices is the most divisive issue of the election and one that could help decide the outcome on 24 November. The policy differences on IR have narrowed since Rudd decided to accommodate business concerns and Howard tried to make the system fairer—but the issue still carries considerable clout.

The Coalition ads on IR targeted key Labor and community concerns on Australian Workplace Agreements, unions and the alleged unfairness of the laws. They were politically pointed. The first wave of ads claimed that workers would be ‘safeguarded by a modern award system’, that workers would have a right to join a union and would be protected against ‘unlawful’ dismissals. There was no warning at all that some workers could be worse off as a result of the new laws – as it panned out within a few months of the introduction of the new laws.

By early 2007, the Howard Government itself recognised that its IR laws had gone too far and that the balance needed to be redressed. It introduced its Fairness Test and launched a

¹ http://www.budget.gov.au/2007-08/myefo/html/05_appendix_a-01a.htm

² <http://juliagillard.alp.org.au/news/1007/mediaportfolionews16-03.php>

second wave of ads. The ads claimed for example that recent jobs growth and low levels of industrial disputation were all due to WorkChoices, although many economists firmly reject this proposition and attribute the employment gains to the strength of the global economy, the mining boom and the surge in our terms of trade.

The excuse of some Ministers that the government ads were in response to misleading trade union or ALP ads does not wash. The cost of trade union and ALP ads came from their members or donors. The Government ads were paid for by taxpayers.

Some of the government advertisements featured Barbara Bennett, the Director of the Workplace Authority, who was reported to have said that 'WorkChoices is something I believe in very much'. Surely the proper role of a senior public servant should be to implement—not advocate—government policies, especially when these policies are being vigorously contested by the Opposition. This was a further step backwards from the neutrality and independence of the public service.

The heavy spending on government advertisements added to the already huge advantages of incumbency enjoyed by government, including access to government departments right up to the election call, the right to make key appointments to statutory bodies and benches, the special entree into the media, its control of Parliamentary question time and procedures, its ability to rort grants, its advantage on parliamentary allowances (recently increased), the early access to government-financed information and its ability to suppress unwelcome official information. The government ads just made the playing field even less level.

All this happened at a time when the Senate lost its independent monitoring role and efforts were made to silence other voices of political dissent in Australia such as from non-government organisation—charities, community legal centres, youth, aboriginal and environmental groups.

Seldom if ever has so much money been spent so close to an election on a key election issue as the Howard Government has in the last 18 months – a 'multibillion dollar

swindle', according to the National Political Correspondent of the *Herald Sun*, Steve Lewis (5 October 2007). It is true that the Howard Government's use of taxpayers' money for political advertising is not unique. But the fact that other governments have engaged in abuse does not make the Howard Government's actions right.

The sort of taxpayer-funded propaganda campaign that the Australian government is currently engaged in would not be possible in many countries which we like to compare ourselves with. In USA, NZ, Canada and Britain, for example, such political advertising is either prohibited or there are clearly and precisely defined guidelines or regulations to ensure independent accountability.

Kevin Rudd has foreshadowed he would impose stronger independent controls on government advertisements if he were elected. Hopefully he means it.

It is worth adding a footnote about the business ads on IR. At the instigation of the Prime Minister, business groups also spent millions on WorkChoices and ran them at about the same time as the second wave of government ads. The business ads were not only political but downright misleading. They stated, for example, that an Econtech study showing that interest rates would be 1.4 percentage points higher if 'workplace reforms' were reversed. It turns out that they meant reforms over the last 15 years. But Labor had made it clear it had no intention of reversing the 1993 reforms, which account for 2/3 of the 1.4 per cent interest rate impact estimated by Econtech, and that it would retain many of the 1996 and 2006 reforms (such as in regard to trade unions). The estimated impact on interest rates is thus based on false premises.

The business groups refused to tell us where the money was coming from (i.e. which specific companies were funding the campaign). This meant public shareholders could not know whether their particular company was funding the deceptive advertising or what purpose it served. Some of these shareholders were workers or had children who were workers or were represented by their superannuation trustees and may have been very concerned about the impact of WorkChoices on the quality of life in their workplace and on the wider community. But they were never given a voice in the matter. In the UK any

corporate involvement in politics, including donations to political parties, requires shareholder approval.

Whether the government and business ads have been effective in winning votes for the Coalition is hard to assess. But it is a reasonable presumption that they were intended to do so. In terms of the government ads, this was a use of public money for unauthorised partisan purposes and at odds with the basic principle of a level playing field for electoral competition.