

Make the
LIBERAL
PARTY
Great Again

JOHN RUDDICK



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*Dedicated to the men and women of Liberal Party
who love their party despite not having a say.
You soon will.*

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PREFACE

The reforms proposed here will lift Australia. The case in favour of wholesale democratic reform of the Liberal Party is compelling. I would like to hear the intellectual case for retaining delegates and preselections and party room ballots beyond the tripe of an insider class protecting its perks. The conceptual underpinnings and the case studies from comparable overseas political parties I suspect make these proposals irresistible.

Few people have spent more time than the author weighing the merits of the different means of choosing the leader of a parliamentary party in the Westminster system. The words flow in the unguarded style of the patriot, the fact-reverence of a citizen historian, the sharp edges of the partisan and the echo of a boy from Tamworth who has adopted, like Jeremy Bentham and JS Mill, a philosophy that requires action. The work is infused with a stoic but cheerful resolve to modernise the Liberal Party.

This book is a manifesto, an extended pamphlet that recalls the comparative method of Edmund Burke's *Reflections on the Revolution in France* which endorsed the American Revolution but opposed the French. The book's natural readers are staunch Liberal Party supporters across Australia (the vast majority of whom are not yet party members) who want to know the realistic path to make the Liberal Party great again.

Reading the evidence on which the author relies will give the lay person an understanding of how modern countries choose their leaders. I find it an interesting question. If you

understand the different models, you will enjoy an instant upgrade in your understanding of every foreign election about which you hear news. You will never be short of intelligent conversation. The comparative method of the book gives us a menu of options we may place on the scales of reason. It is a lower risk to purchase a business with a trading history, than a theoretical concept.

In more good news, the convention model proposed would produce soirees and parties that would comply with Step 11 in Donald Trump's *The Art of the Deal* — have fun! They will also make good TV. We may argue over the mechanics and some details but I'm going the whole enchilada. As just one startling example of choice, for a \$50,000 bond and a \$50,000 fee, and the signatures of 300 party members across multiple provinces, the Canadian Conservative Party allows a person to nominate for leadership of the parliamentary party without yet being a member of parliament. One rule change multiplies the number of possible options for prime minister. That is useful information to throw a torch light onto what might happen in the future. If you have ever asked yourself the question, 'Would I make a good politician?' then, as a happy accident, you will learn from this book how heavily, or lightly, the dice is weighted for or against you. One system recommends you sharpen your skill, talent, learning, judgement and vision to present yourself to a large company of your peers — the other that you grease up to a faction boss.

What simple observation reveals is that Australia's adoption of primaries and conventions to choose political candidates, including party leaders, is not a radical idea — nor even

original or threatening but a natural next step. Reform now would be an organic, evolutionary and late arrival for a country that once set the pace in the democratic world.

The underlying argument has not changed since Aristotle, as outlined by John Ruddick in a gripping chapter on *The Wisdom of Crowds*:

‘it is possible that the many, though not individually good men, yet when they come together may be better, not individually but collectively, than those who are so, just as public dinners to which many contribute are better than those supplied at one man’s cost.’

This book is actually the leak of a state secret — citizens are better at choosing premiers and prime ministers than 100 odd career politicians and better judges of talent than the delegate you send on your behalf to a preselection. Colleagues choosing their leader must always weigh the citizen’s interest against another force — the impact of the party room ballot on their own influence, emoluments, reputation and prospects. Conflicts of interest are a design feature of a party room system developed in the age of the horse and sulky. In the case of choosing leaders, the shortest path to merit is to include in the franchise those citizens who are prepared to pay a nominal membership fee and give up a day to vote at a leadership convention.

I hope this book can trigger a reform discussion in every state and territory division of the Liberal Party of Australia. Citizens need political parties with porous membranes, with

motive to grow, open to talent, resistant to lobbyists, allowing an open shop against incumbents and free of prejudice except merit. No human system is perfectible but it is in our interest, when it is in our power, to minimise harm. It is in our power. Read the book. Join the movement. Make the Liberal Party great again.

Ross Cameron

FOREWORD

This is a book which is indeed timely.

In it John Ruddick calls for the Liberal Party of Australia to be brought, not so much into the 21st century, but rather into the latter part of the 20th century.

When this occurs, as it must, the Labor Party will be forced to follow suit.

The principal parties in almost all comparative democracies have in the last century become significantly more open, transparent and democratic than either of Australia's principal parties.

This is a national disgrace.

We are, after all, a country which was once a proud pioneer in matters of democratic achievement in such matters as universal and women's suffrage and the secret ballot, known in some places as the 'Australian ballot'.

The principal parties have shamed the nation.

Worse, this has contributed to a drastic decline in the quality of government.

John Ruddick speaks rightly and wisely of the wisdom of crowds, a concept which he traces back to Aristotle. That, of course, is an excellent justification for democracy over all the alternatives.

The fact is that in Australia our political parties are not fundamentally democratic.

They are closed shops, even if some divisions of the Liberal Party do allow more democratic preselections in the

lower house and notwithstanding the Labor Party's nervous experimentation with membership involvement in the election of the federal leader.

Some years ago, John Ruddick persuaded me that the party leader and potentially the prime minister or premier should be elected not by the parliamentary party but by the membership as a whole.

I first had some difficulty with this because of the crucial constitutional convention that a government must always enjoy the confidence of the lower house. When I thought about the matter I quickly realised that this does not mean that the parliamentary party should elect the leader. In the United Kingdom, for example, there was a time when the leader was, in the ultimate sense, selected by the Monarch, at least as regards the Conservative Party.

It is not only that it is virtuous and proper that preselections for both houses and elections of the leaders be democratic. This also offers the opportunity for a significant improvement in the quality of those chosen. The present system too easily results in a choice not based on merit but based on the candidate's loyalty to some shady powerbroker who, extraordinarily in any advanced democracy, can sometimes also be a lobbyist.

The more democratic the preselection or election the more likely these will be on merit. This of course does not guarantee that the candidate will always be the best. Even crowds make mistakes. But it will significantly improve the chances of quality leadership emerging.

On this John Ruddick is right to see membership plebiscites to elect lower house candidates as only a step in the

achievement of primaries where registered supporters of the parties make these decisions. This removes the control which party bosses can too easily enjoy in removing or refusing membership on a selective basis, thus ensuring preselections and elections which the powerbrokers prefer.

There is scope for John Ruddick's proposals to be encouraged by a legislative incentive, which I have argued elsewhere. This would be to require that in return for the cornucopia of legal and financial privileges the parties have awarded themselves, they should be required to be open and transparent and democratic.

Such legislation would never be passed by the politicians voluntarily. There would need to be enormous pressure from a public which realises that this will be one way to reverse the declining quality in the governance of their country.

For this end, by writing this book, John Ruddick is performing a signal service in informing the public of the opportunities possible in the democratisation of the Liberal Party of Australia.

May this book have the wide readership it deserves.

David Flint

INTRODUCTION

INTEREST IN LIBERAL REVIVAL

Mr Menzies Urges Active Support

The Argus

19 February 1945

Sydney, Sun: 'When a conference of delegates from every Australian state met in December at Albury, established the Liberal party of Australia, and adopted a constitution, we all returned to our various places determined to set up provisional executives and push on with the work of, establishing sub branches in as many localities as possible,' Mr Menzies said in a broadcast last night.

'We believed that Australian public opinion was ripe for a Liberal revival, that many hundreds of thousands of people were gravely concerned at the drift in our national affairs.

'During this last week, at the invitation of the NSW provisional executive, I have addressed the first five meetings for the establishment of sub-branches at Mosman, Five Dock, Killara, Double Bay, and Randwick. In my political experience I have never-seen such meetings. At Mosman 1,000 people attended, many of whom, could not get into the hall and many of whom stood all alight in the gangways and corridors. At Five Dock there was a full house. At Killara the meeting spread into adjoining buildings and over the street. At Double Bay and at Randwick there were similar experiences.

‘If you recall that there is no election campaign on you will see vividly what an extraordinary interest there is in this new movement, and what a genuine and profound public opinion lies behind it. DON’T SIT BACK. Don’t stand off the Liberal movement and be just an onlooker. Don’t sit back to see what is going to happen. Don’t suppose that if this chance does not come off there will be other chances in the future. This year will determine whether the Liberal forces of Australia are to get together and begin to fight their common foe.

‘I, for one, am no believer in the passive idea that the right way to change the government is simply to allow the government in power to disintegrate. In particular I would like to say this to you: Nothing would be more foolish than to assume that because there is a new political movement all those who are at present in Parliament or at present prominent in organisations should stand aside.

‘The truth is that many of our best and most active citizens have for years done a job which many others have declined to do. But if we are to win elections and form governments we must have good recruits both in and out of Parliament. The search for candidates should begin now. Those of you who feel in yourselves vigour, capacity to serve, practical experience of the problems of production, of business, and of administration should not only join this organisation, but make it clear to your friends that you would be willing to become candidates and serve in public affairs.

‘My last word is this: Everybody is being invited to join this organisation, not only those who belonged to earlier organisations, but those who have so far belonged to none. The

essence of the organisation is its democracy. Every person, new or old, will join it on the same terms. There will be no vested interests. There will, I hope, be a widespread contribution of relatively small sums by rank and file members so that the foundation of our finance will be rank and file subscription.’

CHAPTER ONE

THE DOMINANT POLITICAL PARTY

The Liberal Party has dominated Australian political history. Our school textbooks and popular culture are silent on this towering point so here are the cold hard facts:

- Since 1901 the Liberal Party and its direct ancestors have governed Australia at a federal level for almost 80 years compared to Labor's 38. A thumping lead on any scoreboard.
- The nation has held 45 federal elections. Labor has won 14.
- Only one of our eight longest serving prime ministers has been Labor ... and today Bob Hawke is applauded by all for his Liberal Party inspired economic reforms.
- Our worst two-party preferred result since 1946 was when Malcolm Fraser was defeated in 1983 with 46.8%. In the same period Labor has lost seven federal elections with a lower vote.

Federal Labor governments are popular at the outset as the press cheer them on ... but they tend to crash surprisingly soon. The upheavals of the Rudd/Gillard/Rudd government are still fresh in our minds. What has however been wiped from the national memory is that chaos is standard operating procedure for federal Labor governments ... with just two exceptions Curtin-Chifley (1941-1949) and Hawke-Keating (1983-1996). Our Labor friends are welcome to debate the

policy merits of their terms in office but every other federal Labor government (Chris Watson, Andrew Fisher x3, Billy Hughes, James Scullin, Gough Whitlam, Kevin Rudd x2 and Julia Gillard) were short, shambolic and since the revered Fisher, internally acrimonious.

Federal Liberal governments are more frequent, last longer and are generally remembered by future generations as successful. When we do lose office the swing against us is usually modest. Labor on the other hand is typically belted out of office.

When Gough Whitlam defeated Prime Minister Billy McMahon in 1972 Labor won narrowly (67 v 58 seats) ... but when Malcolm Fraser defeated Prime Minister Whitlam less than three years later it was a tsunami (91 v 36 seats). When John Howard defeated Prime Minister Keating in 1996 he won big (94 v 49 seats) but when Prime Minister Howard lost 12 years later to Kevin Rudd it was small (83 v 65 seats) ... and Rudd won by claiming he was John Howard-lite. After six years of political and policy chaos the natural party of government returned when Tony Abbott won by a smidgen less than Howard in 1996.

Liberals lose not because we've been a bad government but the people, rightly or wrongly conclude 'the country's in good shape ... so we should probably give the other guys a go.' Young people should take careful note of the political views of their wiser grandparents. Older Australians are the most pro-Liberal demographic because they have lived through more than one federal Labor Government. The most left-wing youth generation in modern times was the teenagers of the 1960s ...

but today those baby boomers are the staunchest Liberal voters.

Why has the Liberal Party had so much success at a federal level? Because free enterprise and right of centre values are good for the Australian people. Why has Labor failed to win votes in federal elections? Because left-wing parties get fooled by fads and ignore the lessons of history. The left is convinced that all that happened in the past was wrong but we can proceed to a future utopia of increased state control under their guidance.

In 2018 however this great Liberal Party, one of the most successful political parties in the democratic world, is in a malaise. Yes, we are in government federally and half the states but only because Labor is in a more pitiful state. Would the Australian cricket team be proud of narrowly defeating the national side of Holland?

Paul Kelly wrote in *The Australian* on 11 April 2018:

The crisis within the Liberal Party is permanent and deep-seated. As an institution it is now incapable of unity around a common agenda. It is riven by disputes about the policies it needs to succeed and what the Liberal Party represents.

When Robert Menzies founded the party, he placed it squarely among those great parties of the world which believe in the autonomy and authority of the individual and which reject the promised benefits of decision-making by a powerful centralised state.

Australians expect when they cast a vote for a Liberal candidate he or she will be strongly committed to forming a small government with its activities strictly limited. Above all a Liberal government will be, at least in peacetime, a low taxing,

low spending and low borrowing government. A federal Liberal government will vacate those areas that are the proper function of the states and a free people. That's the theory anyway.

Fairfax economic journalist Ross Gittins described the 2017 federal budget of a Liberal government in the *Sydney Morning Herald (SMH)* on 10 May 2017:

In short, it's a big spending, big taxing, big borrowing budget. Smarties may call it 'Labor lite' but, in truth, it contains measures Labor wouldn't have dared to take: increasing the Medicare levy, imposing a much bigger tax on the big banks, and standing up to the Catholics schools ...

A week later on 18 May 2018 and in the *SMH* again was a response to the same budget by Opposition frontbencher Anthony Albanese (a Labor lefty known for integrity):

'Budget 2017 was an overwhelming victory for the Australian Labor Party and the broader labour movement,' Mr Albanese said. 'It was the budget of ideological surrender. We in the Labor Party and the broader labour movement should celebrate our victories.'

The so-called personal tax cuts of the 2018 federal budget sound like traditional Liberal Party policy ... but on closer inspection are a stunt. When John F Kennedy, Ronald Reagan, Margaret Thatcher, Bob Hawke, John Howard and Donald Trump cut taxes, individuals and the wider economy felt the benefit because the cuts were across the board, substantial and immediate. The first round of the Turnbull/Morrison tax cuts will barely be noticeable and the rest are projected so far into the future they will be mostly overtaken by bracket creep

before implemented. And will they be implemented? It is a seven-year package! We'll likely have three federal elections in that time and Labor tends to win one in three. The tax cut for our biggest employers has already been abandoned in the midst of the most recent Liberal leadership crisis.

Shortly after the 2018 budget was announced *The Australian's* Economics Editor Adam Creighton wrote on 14 June 2018:

Voters have Hobson's choice when it comes to tax. Both major parties are proposing to increase income tax, the Coalition only a little less quickly than Labor.

So shallow and ignorant has the political debate become that the Turnbull government's plan to increase taxes is being couched as a cut and, even more farcically, as an excessive one by the Labor opposition.

This is not only my view. 'The proposed changes to the personal income tax system are not excessive and are not even a true tax cut,' write Robert Carling and Matthew O'Donnell, two former Treasury economists, in an analysis to be released today.

In 1998 the major parties debated the merits of a GST: consumption versus income tax. In 2018 they debate the rate of change of an increase in income tax, absent any structural reform of the tax system.

Writing for the Centre for Independent Studies, the two authors assess the government's so-called \$144bn seven-year tax plan, announced in last month's budget, against timeless tax criteria: equity, efficiency and simplicity. It

gets two out of 10 on all three, its only saving grace being it is better than Labor's.

Carling and O'Donnell make what should be an obvious point: that taxes will rise regardless of whether the Coalition or Labor wins the next election.

So, this is where we are at in 2018. The Liberal Party has usually been steering Australia since Federation and Australia is a smashing success ... but today the party that authored that success has temporarily backslidden on its founding principles. It is reminiscent of Margaret Thatcher's speech to her Constituency Association (i.e. what we call a FEC) during her campaign for the Conservative Party leadership in 1975 as recorded in the second volume of her autobiography:

There is a widespread feeling in the country that the Conservative Party has not defended Conservative ideals explicitly and toughly enough, so that Britain is set on a course towards inevitable socialist mediocrity. That course must not only be halted, it must be reversed.

It's never easy governing from the right. The press is mostly against us and Labor smears us as heartless ... but if we persist with our traditional platform then middle Australia usually sides with the Liberal Party on polling day.

Chris Kenny wrote in the *Weekend Australian* on 10-11 September 2016 about that week's resignation of Sam Dastyari from the federal shadow cabinet. Under the heading 'Forget the fall, it's the rise that's the cause for alarm' he wrote:

What sort of party places such power in the hands of someone so young, inexperienced and frivolous? What

sort of national debate defers to the prognostications and feeds the ego of such an ambitious dilettante? The Dastyari episode exposed an issue of substance emanating from an appalling trivialisation of our national politics.

While Labor has led this cheapening of politics — where young Turks think they can learn their craft by watching *The West Wing* — the Liberal Party has not been immune. The key players in the assassination of Tony Abbott and installation of Malcolm Turnbull were not experienced operatives deeply concerned about Coalition policy direction; they were nervous novices wielding power beyond their guile, intent on arresting an opinion poll deficit and accelerating their careers. One was Wyatt Roy, a 25-year-old who entered parliament direct from incomplete undergraduate studies and was rewarded, post-coup, with an assistant minister's job.

An analysis by Fairfax published on 25 March 2017 revealed after the 2016 federal election 49% of Liberal MPs are former staffers or party officials. In the previous parliament it was 36%. Labor of course has more when union officials are included.

Below is an excerpt from an article by Gemma Daley in the *Weekend Australian Financial Review* 21-22 July 2012:

Australian politicians lacked experience in the corporate world and this deficiency in Parliament may have a 'profound long term negative impact' on the economy Australian Institute of Company Directors chief executive John Colvin said. Only seven out of 226 federal parliamentarians had at least a decade's experience as senior executives or board executives in major

commercial enterprises and only 13 had some similar experience, research by the institute shows.

There has been a marked trend towards a greater incidence of career politicians with an associated narrowing of background and experience of those being elected' Mr Colvin told the Australian Economic Forum on Friday.

Nowadays, elected representatives from both sides are much more likely to come through the ranks of what is known as the political class.

Mr Colvin reminded his audience of the number of MPs who had a union or party background. As at March 2011, 131 out of 226 were previously employed as a party or a union official prior to entering Parliament and of those 70 per cent were previously employed as party officials.

'I think it matters a great deal' Mr Colvin said. 'A lack of understanding by politicians, cabinet ministers and those individuals advising them on issues facing business and the role that businesses play in society can have a profound long term negative impact on the Australian economy and hence the welfare of the Australian people.'

Should we blame apparatchiks for taking the opportunity to rule the country? No. We should correct the system. We are too great a nation to be weighed down by a faulty political class. Australia produces world class entrepreneurs, military leaders, corporate captains, artists, scientists, sporting heroes and more. We need higher calibre MPs. We need to reform the Liberal Party in line with world's best democratic practice. In

the early 21st century the Liberal Party organisation is a 19th century relic.

Liberal parliamentarians too often appear to have lost touch with the founding principles that remain sacrosanct among the rank and file members of the Liberal Party.

We are going to make the Liberal Party great again by forging a mass membership democratic party. Democratic reform is not an end in itself — sound policy is. Sound policy will flow from parliamentarians and leaders that rise in a democratic party. This is not a book about policy ... but an appendix is the Institute of Public Affairs most powerful summary of traditional Liberal Party policy.

The right side of politics is capable of inspiring a membership surge. Parliamentary leaders Joe Lyons (early 1930s), Robert Menzies (late 1940s) and Malcolm Fraser (mid-1970s) each saw big numbers of sincere supporters lining up to become card-carrying members. Those surges however were fleeting because new members soon worked out the Liberal Party is run by a small number of delegates and most members are just there to hand over time and money.

On 14 June 2018 the federal president of the Liberal Party Nick Greiner addressed the Federal Council and said:

We all know the realities of where political parties are in most western countries and Australia. Is it really too much of a challenge for each of us in the party to aspire to get one new member? We really don't have and won't have the free union man and women power. We are really behind on boots on the ground. We really need to do whatever we can to address that situation the best we can.

The tone is defeatist. One line appeals with no action plan will go nowhere until membership of the party carries value. Blaming Liberal supporters for not wanting to join the party is like a failing businessperson blaming everything except the quality of the product being offered.

Since Ancient Greece democracy has been the exception but when embraced it has made nations stronger and richer. Political parties naturally arise in democracies and the record is clear — internally democratic parties function better than parties run by an oligarchy.

Many things make Australia a success but at the top of the list is our ingrained democratic ethos.

The process that brought about Federation was a triumph of people power unmatched in world history at the time. The colonial politicians dithered for a decade or two on the question of continental unity and Federation became possible only when the people took control of the agenda. There were no national referendums in the United States to debate and ratify their constitution in 1789 but there were in Australia in 1898-1900. US senators were not elected by the people from 1789 until 1913 but our senators have been popularly elected from the outset. The Australian Constitution can only be amended if the people approve ... but the American Constitution can only be amended by politicians.

In 1901 Australia had world's best practice democratic government ... but since that glorious inception we have rested on our laurels. In the early 21st century our political parties are the least democratic in the Anglosphere nations.

We need democratic champions in each state and territory division of the Liberal Party to campaign for these reforms:

1. US style primaries inviting Liberal Party **supporters** to vote for our state and federal lower house parliamentary candidates.
2. State conventions open to all party **members** to elect our senate and upper house candidates.
3. Conventions open to all party **members** to elect our state and federal parliamentary leaders.

A primary would invite candidates to contest for the party nomination in a certain electorate a few months prior to a state or federal election. The candidates would need to campaign to win over the Liberal Party supporters in that electorate. It would be a contest fought out over policy and popularity. On primary day all Liberal Party supporters (not just local party members) would be entitled to cast a vote for their favourite candidate by walking into a local polling station to vote and then walk out. A primary is democracy 101.

There must be at least a million Australians who are rusted on Liberal Party supporters but have such busy lives they haven't thought to become a party member. They're the people who once or twice a year get into a 'discussion' at work or around a BBQ and defend the Liberal Party. They follow the news and sit on the edge of their seat on election night cheering on a Liberal win.

These supporters care about the Liberals choosing a good candidate for the seat in which they live. These quieter Liberals are not personally ambitious but they are for their nation. They possess sound judgement because they think with purity. In a

safe Liberal federal seat 10% of the electorate will participate in a primary. The calibre of our parliamentarians will increase.

Once these supporters have voted in a primary many will take the next step and become a party member by paying an annual fee of \$30 or so. As a member they can attend a state or territory convention and get a vote for our upper house and senate candidates. These conventions will attract first class senate candidates and double as a great social event for Liberal Party members.

The truly transformational reform however will be conventions open to all party members to elect our state and federal parliamentary leaders. A membership-wide ballot for federal parliamentary leader with hundreds of thousands voting will be won or lost over a battle of ideas and not murky backroom deals. Conventions will invite the media inside to broadcast the leadership election to the nation. These live TV events will help sell our candidates and political message to the public and motivate party supporters to become members.

Australians have been habituated to learning the results of leadership ballots from a virtually unknown party whip, like a cardinal announcing a new pope out of a puff of smoke. Against this background, direct election of political leaders by a mass party membership may seem radical. Ordinary party members electing the parliamentary leader is standard operating procedure in the three leading political parties of both Britain and Canada. Presidential candidates and most other candidates in the United States and France are elected via primary.

Politically interested Australians are strangely ignorant of the political reforms embraced by our cousins abroad. Peter

Van Onselen is one of Australia's most insightful political commentators. Often pundits fill their column with a collection of in vogue clichés but PVO's commentary typically has original insights drawn from Australian history and the politics of other nations. But PVO too appears ignorant of Westminster reforms in recent decades. Writing in the *Weekend Australian* on 7 July 2018 he stated:

We have a lot to thank the British for as a key player in the history of Western civilisation; for a start, the parliamentary democracy they conferred on us ... Prime ministers are merely the first among equals in parliamentary systems. Members are elected individually and vote to select their party leader.

Not true. Even the New Zealand Labour Party (NZLP) and our federal ALP now invite their membership to have a significant say in the election of their parliamentary leader. Today among the Anglosphere nations only the Liberal Party of Australia and the New Zealand National Party continue the archaic practice of choosing their parliamentary leader via a secretive vote in the party room.

There are different ways to conduct such a large and consequential ballot. The model proposed here draws from the experience of the parties in comparable countries. The Liberal Party's delay in adopting these monumental political reforms can become a positive if we learn from abroad.

The parliamentary leadership election rules of the two leading political parties in Canada are the best guide for the Liberal Party of Australia. Canada is instructive not just because of their democratic excellence but because there is no

nation more constitutionally similar to Australia. What works in Canada will work in Canada's southern hemisphere twin.

We can however improve on the Canadian model by embracing an American innovation — leadership conventions. Party members in Canada vote for their preferred leadership candidate via a postal ballot ... which means there is no great national gathering of the membership. Spectacle has a role in politics and there will be no greater spectacle than a convention of members to elect a prime minister or leader of the opposition.

On 19 October 2015 the Conservative Party of Canada lost an election after a decade of government and the defeated prime minister Stephen Harper resigned his party leadership. A few weeks later the party's 'Leadership Election Organization Committee' announced the timetable for a parliamentary leadership contest which would conclude 18 months later. In the wake of Harper's resignation, the party room did elect an interim leader of the opposition so they could function in the parliament ... but that interim leader was barred entry to the real contest.

Over a dozen candidates nominated. Some of these aspiring leaders of the opposition were not at the time members of parliament — just like some of the most successful Canadian prime ministers of the past century. Candidates had to pay a \$50,000 'entrance fee' plus a \$50,000 compliance bond. They had to have been nominated by 300 party members from across at least 30 electoral districts. Each campaign had a website, professional staff and a \$5 million spending limit. TV debates had high ratings as the candidates sparred over policy.

259,010 members of the Conservative Party across Canada were entitled to vote. After 13 rounds of voting the winner was Andrew Scheer who is today Canada's Leader of the Opposition and at June 2018 is leading in the polls.

There was nothing remarkable about this process. The parliamentary leaders of the three major Canadian political parties have been elected by thousands of party delegates since the early 20th century. In recent decades delegates have been cut and now every rank and file member is granted a vote for the most consequential decision the party makes.

The timetable and rules of this party defining contest are in plain sight. It is a dignified process which informs the nation of the qualities of the incoming leader of the opposition. Members vote for the candidate they believe combines electability and a policy agenda in tune with Canada's needs.

The Liberal Party of Australia should largely copy this Canadian leadership election model. It is superior to the UK Conservative Party which holds a traditional party room ballot to elect a leader ... and then the final two candidates standing in the party room proceed to a ballot of the entire party membership. The shortcoming is that too often the party room produces only a single candidate which deprives the membership of any say ... which is how Theresa May became prime minister.

A leadership campaign fought out among the mass membership over competing policy agendas is invigorating for the nation and the new leader. It hones the policy settings of the party. The Canadian model makes a contest a certainty while the UK Tory model makes it the exception.

Australian leadership contests are the opposite of the dignified Canadian experience. With barely an exception since Federation our parliamentary leadership contests have been wars without blood. Deception, scheming, leaks, deal-making and egomania characterise our party room ballots. Lifelong personal bitterness is just one by-product. The most consequential outcome is too many leaders with such a rickety hold on the top job that too much of their focus is on maintaining a majority in the capricious party room.

Party room ballots produce a near permanent instability in the leadership. In *Lazarus Rising* John Howard wrote:

The legendary political journalist Alan Reid had a colourful saying to describe a situation within a political party where an event, coming from nowhere, could bring about a sudden change, usually of leadership. He would speak of there being ‘plenty of dry grass around’ meaning that the leader’s position was inherently unstable, and all that was needed was for someone to throw a match to the dry grass.¹

Randomly pick any date in the past five decades and there is a decent chance the press was questioning the future of either the Liberal or Labor federal parliamentary leader. The press isn’t to blame ... it’s in the public interest if some MPs are plotting to boot out the prime minister or the leader of the opposition.

Since 2010 there have been eight attempts (and counting!) by a party room to remove a prime minister of Australia — four were successful (2010, 2013, 2015 and 2018), three came close (2012, 2015, 2018) and the other was called off with moments to go (2013). This perennial instability is a product

of our party room ballot for leader. It diminishes the nation and undermines the public's faith in our fundamentally sound system. It's not the fault of the Constitution of Australia ... it's the fault of the constitutions of our political parties.

Leaders are less vulnerable to collapse when they are elected by the membership which gives them greater confidence to perform. Too many parliamentarians are too jumpy about events and polls ... but the membership of a centre-right party is wiser in aggregate than the party room.

We need 100,000 Liberal supporters across Australia to become paid up members of the Liberal Party. Only as a party member can you help agitate for change. There is no point throwing your shoe at the telly ... if you want to actually do something you must join the party.

CHAPTER TWO

THE WISDOM OF CROWDS

Political betting has become a sizable industry in recent decades. Betting markets do sometimes get election results wrong ... but they have a far better track record than the pundits. On the night of the 2016 US presidential election betting sites (with a couple of billion dollars at stake) called the election for Trump about two hours before the pundits caught up.

Betting markets are the most reliable indicator not just for election outcomes but for the results in individual seats, winning margins and other indicators. This is not because the bookmakers are political geniuses ... they simply reflect what a whole lot of punters are thinking. The political wisdom of a large number of lay people will in most cases be wiser than a few professionals.

It was said Aristotle was the last person alive who knew everything there was to know. While that is probably a stretch all agree Aristotle was brainy ... and he was particularly brainy when it comes to politics. The following is from his third book on Politics:

The principle that the multitude ought to be supreme rather than the few is one that is maintained, and, though not free from difficulty, yet seems to contain an element of truth. For the many, of whom each individual is but an ordinary person, when they meet together may very likely be better than the few good, if regarded not individually

but collectively, just as a feast to which many contribute is better than a dinner provided out of a single purse.

For each individual among the many has a share of virtue and prudence and when they meet together, they become in a manner one man, who has many feet, and hands, and senses. Hence the many are better judges than a single man of music and poetry; for some understand one part, and some another, and among them they understand the whole.

For this reason, Solon and certain other legislators give the people the power of electing to offices, and of calling the magistrates to account.

On the other hand, the popular form of government involves certain difficulties. In the first place, it might be argued that he who can judge of the healing of a sick man would be one who could himself heal disease, and make him whole — that is, in other words, the physician; and so in all professions and arts. As, then, the physician ought to be called to account by physicians, so ought men in general to be called to account by their peers.

Secondly, does not the same principle apply to elections?

For a right election can only be made, some argue, by those who have knowledge. Those who know geometry, for example, will choose a geometrician rightly, and those who know how to steer, a captain; and, even if there be some occupations and arts in which private persons share in the ability to choose, they certainly cannot choose better than those who know. So that,

according to this argument, neither the election of magistrates, nor the calling of them to account, should be entrusted to the many.

Yet possibly these objections are to a great extent met by our old answer, that if the people are not utterly degraded, although individually they may be worse judges than those who have special knowledge — as a body they are as good or better. Moreover, there are some skills whose products are not judged of solely, or best, by the artists themselves, namely those skills whose products are recognized even by those who do not possess the skill. For example, the knowledge of the house is not limited to the builder only; the user, or, in other words, the master, of the house will be even a better judge than the builder, just as the captain of a ship will judge better of a rudder than the carpenter who made the rudder, and the guest will judge better of a feast than the cook.²

Aristotle was describing the ‘wisdom of the crowd’. In 2004 columnist for *The New Yorker* James Surowiecki wrote a book entitled *The Wisdom of the Crowds — Why the many are smarter than the few and how collective wisdom shapes business, economies, societies and nations*. He should have added political parties. Surowiecki’s opening passage reads:

One day in the fall of 1906, the British scientist Francis Galton left his home in the town of Plymouth and headed for a country fair. Galton was eighty-five years old and beginning to feel his age, but he was still brimming with the curiosity that had won him renown — and notoriety — for his work on statistics and the science of heredity.

And on that particular day, what Galton was curious about was livestock.

Galton's destination was the annual West of England Fat Stock and Poultry Exhibition, a regional fair where the local farmers and townspeople gathered to appraise the quality of each other's cattle, sheep, chickens, horses, and pigs. Wandering through rows of stalls examining workhorses and prize hogs may seem to have been a strange way for a scientist (especially an elderly one) to spend an afternoon, but there was a certain logic to it. Galton was a man obsessed with two things: the measurement of physical and mental qualities, and breeding. And what, after all, is a livestock show but a big showcase for the effects of good and bad breeding?

Breeding mattered to Galton because he believed that only a very few people had the characteristics necessary to keep societies healthy. He had devoted much of his career to measuring those characteristics, in fact, in order to prove that the vast majority of people did not have them. At the International Exhibition of 1884 in London, for instance, he set up an 'Anthropometric Laboratory', where he used devices of his own making to test exhibition-goers on, among other things, their 'Keeness of Sight and of Hearing, Colour Sense, Judgment of Eye, [and] Reaction Time.' His experiments left him with little faith in the intelligence of the average person, 'the stupidity and wrong-headedness of many men and women being so great as to be scarcely credible.' Only if power and control stayed in the hands of the select, well-bred few, Galton

believed, could a society remain healthy and strong.

As he walked through the exhibition that day, Galton came across a weight-judging competition. A fat ox had been selected and placed on display, and members of a gathering crowd were lining up to place wagers on the weight of the ox. (Or rather, they were placing wagers on what the weight of the ox would be after it had been 'slaughtered and dressed'.) For sixpence, you could buy a stamped and numbered ticket, where you filled in your name, your address, and your estimate. The best guesses would receive prizes.

Eight hundred people tried their luck. They were a diverse lot. Many of them were butchers and farmers, who were presumably expert at judging the weight of livestock, but there were also quite a few people who had, as it were, no insider knowledge of cattle. 'Many non-experts competed,' Galton wrote later in the scientific journal *Nature*, 'like those clerks and others who have no expert knowledge of horses, but who bet on races, guided by newspapers, friends, and their own fancies.' The analogy to a democracy, in which people of radically different abilities and interests each get one vote, had suggested itself to Galton immediately. 'The average competitor was probably as well fitted for making a just estimate of the dressed weight of the ox, as an average voter is of judging the merits of most political issues on which he votes,' he wrote.

Galton was interested in figuring out what the 'average voter' was capable of because he wanted to prove that

the average voter was capable of very little. So he turned the competition into an impromptu experiment. When the contest was over and the prizes had been awarded, Galton borrowed the tickets from the organisers and ran a series of statistical tests on them. Galton arranged the guesses (which totalled 787 in all, after he had to discard thirteen because they were illegible) in order from highest to lowest and graphed them to see if they would form a bell curve. Then, among other things, he added all the contestants' estimates, and calculated the mean of the group's guesses. That number represented, you could say, the collective wisdom of the Plymouth crowd. If the crowd were a single person, that was how much it would have guessed the ox weighed.

Galton undoubtedly thought that the average guess of the group would be way off the mark. After all, mix a few very smart people with some mediocre people and a lot of dumb people, and it seems likely you'd end up with a dumb answer. But Galton was wrong. The crowd had guessed that the ox, after it had been slaughtered and dressed, would weigh 1,197 pounds. After it had been slaughtered and dressed, the ox weighed 1,198 pounds. In other words, the crowd's judgment was essentially perfect. Perhaps breeding did not mean so much after all. Galton wrote later: 'The result seems more creditable to the trustworthiness of a democratic judgment than might have been expected.' That was, to say the least, an understatement.

... under the right circumstances, groups are remarkably intelligent, and are often smarter than the smartest

people in them. Groups do not need to be dominated by exceptionally intelligent people in order to be smart. Even if most of the people within a group are not especially well-informed or rational, it can still reach a collectively wise decision.

The Liberal Party of Australia will be better when it has harnessed the aggregate wisdom of its membership. In a 1787 letter to Peter Carr, Thomas Jefferson said:

State a moral case to a ploughman and a professor. The former will decide it as well, and often better than the latter, because he has not been led astray by artificial rules.

Centre-right and centre-left parties are not mirror images of each other that only differ on policy. The parties are fundamentally different because the people that comprise them are different.

The membership of a centre-left party is typically younger, emotional and gullible. Lefties base their policy outlook on feelings. When the collective ‘wisdom’ of a centre-left party comes together they will more likely vote for a leader that is unelectable i.e. UK Labour’s leader Jeremy Corbyn.

The membership of centre-right parties are typically older and so with more life experience are wiser and more rational. The collective wisdom of a centre-right party will in most cases settle on the best leader for the nation.

CHAPTER THREE

THE COMING DEMOCRATIC REVOLUTION

The lesson from comparable political parties around the world is glaring — the Liberal Party of Australia operates under a discredited 19th century structure. In the 1950s the British Labour Party commissioned a report into its party rules which concluded its organisation resembled, ‘a penny farthing machine in the jet age’. Today in the digital age we Liberals are still a penny farthing.

No conservatives since Winston Churchill are more revered than Margaret Thatcher and Ronald Reagan. Supporters of Thatcher in the UK Conservative Party were aghast when the parliamentary party room deposed her, against the wishes of a party membership who adored the Iron Lady. That bitter pill provided the impetus for a successful campaign to reform the Conservative Party, giving every member a vote in every contested ballot for the parliamentary leader.

In 1976 Reagan almost pulled off a miracle by nearly defeating the incumbent president (Gerald Ford) for the Republican Party’s presidential nomination. It would have been the first successful challenge to the nomination of an incumbent president since 1856. Reagan’s impressive performance made him the frontrunner for next time. It was possible only because, for the first time in 1976, the Republican

Party embraced nationwide primaries to elect their presidential candidate. No primaries — no Reagan.

After his narrow loss in 1976, Reagan worked to entrench primary elections for Republican presidential candidates, telling the Conservative Political Action Conference (C-PAC) in Washington DC on 6 February 1977.

The New Republican Party I envision will not be and cannot be one limited to the country club, big business image that, for reasons both fair and unfair, it is burdened with today.

The New Republican Party I am speaking about is going to have room for the man and the woman in the factories, for the farmer, for the cop on the beat and the millions of Americans who may never have thought of joining our party before, but whose interests coincide with those represented by principled Republicanism.

If we are to attract more working men and women of this country, we will do so not by simply ‘making room’ for them, but by making certain they have a say in what goes on in the party.

Democratic reformers are in good company. Like a country, a company or a golf club, a political party needs a constitution which sets the internal rules. There is no point attempting to amend the existing state and federal constitutions of our party ... they are byzantine documents that have been endlessly fiddled with since the first non-Labor parties formed around Federation. Those early documents were modelled on British

political parties formed in the mid-19th century. We need to put these documents in a museum and start afresh.

If we care about good government, no path offers higher returns than reforming the Liberal Party so we send men and women of courage to represent Australians in our parliaments.

We need leaders who are truly servants of the citizens they represent. We need to find more politicians prepared to stand by sound principles at the risk of losing their seats because they love their country more than their career.

The political class assume the average voter is stupid and can only be persuaded by focus-group tested slogans. This is the false dogma of an insider political class who understand little beyond the bubble they inhabit. The average Australian is smart enough to be won over by a robust contest of ideas ... and we will have that contest only when the Liberal Party is democratic.

CHAPTER FOUR

THE LIBERAL PARTY AND THE NATIONAL INTEREST

Democratic nations spontaneously coalesce roughly equally around a centre-left and a centre-right party. Popular governments hold office longer than others but, in most democracies, the middle ground likes to alternate between the two. Today's left and right are the heirs of the populares and optimates of the Roman senate over 2,000 years ago. This natural internal political dichotomy is good for the nation. There could be something in the democratic psyche that tells marginal-seat Australia that it's good for the nation for the Liberal Party to occasionally lose. Being out of office helps us recalibrate our direction and I suppose we need to give the other team some experience behind the driver's wheel.

Centre-left democratic governments around the world in the 20th century tilted towards the Soviet Union. The greater the tilt the greater poverty. In Australia our centre-left party, the Australian Labor Party (ALP), has been, on an international spectrum, one of the 'least left' centre-left parties. When ALP governments pursue misguided policies other centre-left parties around the world are taxing, spending and regulating more. Many factors explain Australia's success but ALP centrism is towards the top of the list.

In the 1984 Paul Keating was ecstatic to be named 'Finance Minister of the Year' by *Euromoney*, which was

a journal dedicated to promoting free enterprise. In her memoirs Margaret Thatcher wrote of Keating, 'I found Mr Keating refreshingly orthodox on finance. A far cry from the British Labour Party.' For the previous nine decades the ALP had proudly gone to every election on a platform of democratic socialism.

In the same decade that the Hawke Government admitted the left was wrong about economics, UK Labour campaigned on huge tax hikes, nationalisation, union rule and 'unilateral disarmament' in the hope the Kremlin would too. Across in France at that time the Socialist Party government of Francois Mitterrand had four cabinet members who were members of the Parti Communiste Français i.e. openly communist.

The Australian colonies began conducting democratic elections in the 1850s ... and they were the most democratic elections in the world at that time. Prior to the late 1880s candidates for the Australian colonial parliaments would today be considered 'independents'. There were no formalised parties with membership, central headquarters, co-ordinated campaigns or endorsed candidates. Once elected these independent parliamentarians would often form loose groupings with labels ('Protectionists, Free-Traders etc.) but there was no extra-parliamentary political structure.

Labor Party members are proud of their history. It is easily the oldest continuous party in Australia. In 1891 shearers went on strike demanding better pay and conditions. The Great Shearer's Strike was a dramatic few months with parts of Queensland in near civil war like conditions. The strike failed when the demands were unmet and the strikers returned

to work but it gave birth to two Aussie legends — Waltzing Matilda and the Australian Labor Party. In the wake of their defeat unions in each of the colonies coordinated a professional political front. The party's early rapid success inspired the forebears of the Liberal Party to formalise soon after.

Today there are over 50 political parties around the world with formal links to the trade union movement. The ALP is the most electorally successful of them.

Labour's Chris Watson became Prime Minister in 1904 (they changed from 'Labour' to 'Labor' a decade later). By this time the new nation had had two federal elections and Labour had come third on both occasions. Watson however ascended to the top job while the two larger conservative parties had a domestic.

Nevertheless, Watson was the world's first national leader from a trade union party. It would take UK Labour another two decades and New Zealand Labour three. Canada's trade union party has never won a national election (though came close in 2015) and while the trade union movement in the United States supports the Democratic Party the two are not intertwined.

In 1910 Labour's Andrew Fisher was Australia's first truly popular prime minister leading his party to a huge election victory. Labour was the first party with majorities in both the House and Senate. Fisher was a misguided but sincere Christian socialist who had a breakdown during the war and the new Labor PM was Billy Hughes. In 1916 Hughes (along with a third of his caucus) quit the ALP and teamed up with the conservative opposition. Hughes remained PM until 1922 leading a revamped right of centre party — the Nationalists.

History repeated in 1931 when the nation's Treasurer Joe

Lyons quit Labor (along with a handful of others), teamed up with the Nationalists to again 'reform' the centre-right which was now badged the United Australia Party (UAP). The UAP elected Lyons parliamentary leader and it went on to win the next four federal elections and evolve into the Liberal Party the following decade. In the 1950s Labor split again. This time the splinter did not entirely defect but formed the Democratic Labor Party which was a significant force across three consequential decades.

Labor has been a dynamic ingredient in our national story ... and since Australia is on any measure a success it's fair to assume Labor is due its share of the credit. But a fair-minded person would also give the Liberal Party and its ancestors a lot more credit.

It is a common mistake to assume Labor has dominated Australian political history. We hear far more in our popular culture about John Curtin, Ben Chifley and Gough Whitlam than we do about Billy Hughes, Stanley Bruce and Joe Lyons ... but the latter three served in the top job for almost twice as long as the former. Hughes, Bruce and Lyons were colourful characters who were good prime ministers of Australia and helped deliver today's national prosperity. They are sadly forgotten.

Lyons was an Irish Catholic who rose from poverty in north-west Tasmania to become a good premier having 12 children along the way. He was swept to power in 1931 (the biggest federal election win in our history) by a national revival movement and went on to win two more federal elections comfortably. Thanks to Labor, the Great Depression was deeper

in Australia in the first few years than most western nations but thanks to Lyons we emerged strong. Unlike most European and North American leaders at the time Lyons resisted the then seemingly inevitable slide towards socialism. Whitlam has had countless biographies, but the first full biography of Lyons as not written until 2011 by Anne Henderson.³

Despite our lack of acknowledgement, if Australia's 'board of directors' is the federal cabinet it's the Liberal Party that usually occupies that boardroom. Even if someone intends to never vote Liberal in their life they should acknowledge it is in the national interest for the Liberal Party to be its best.

CHAPTER FIVE

DELEGATES AND ROTTEN BOROUGHS

The structural defect of the Liberal Party is that it is run by delegates. A delegate is a party member who has voting rights for internal elections while most members don't. The vast majority of party members will occasionally get to vote for a delegate but never be one themselves.

It is as if the delegate system were deliberately designed to enable the capture of the parties by cabals. But when professional political parties began to form in the UK and the US in the early to mid-19th century there was little choice but to use delegates to structure the party. Many communities were quite remote. Each local branch of a party would elect a delegate to travel by horseback and later train to a higher party forum where the delegate would speak and vote on their branch's behalf.

While there once was a place for delegate representation in political parties there is no such need now. The delegate system today is entirely corrupted. It is a web enabling control of the party by a few.

The Liberal Party professes support for free market principles because we believe individuals are more successful when they run their own affairs rather than obey heavy handed interference from on high. They believe in this approach when

it comes to society and the economy but they continue to reject it within their party.

Many sincere Liberal supporters contact the party and enthusiastically come along to a meeting or two. Few are seen again. They realise the party is all about delegates and that plotting who will be delegates consumes most of the party's energy. A small number of new members however like what they see. They are attracted to a system that can be manipulated and throw themselves into party affairs. Sustained hard work can get a talentless person a long way in the delegate system.

A faction is simply a big gang of delegates who are in cahoots to vote for each other regardless of any other consideration. A factional player invests loyalty credits in the factional bank in the expectation the investment will one day provide a return.

A party still structured around delegates in the age of mass communication will inevitably produce a small inward-looking group of powerbrokers who dole out seats in parliament to the most loyal of their apprentices. There are fortunately exceptions when a talented outsider breaks through the controls and actually wins a seat in parliament but the sad fact is that increasingly the Liberal Party is a closed shop which excludes those who have not earned the loyalty of the dominant delegate machine.

In recent years, most state divisions of the Liberal Party have granted ordinary members a direct say in the election of our candidates for state and federal lower house seats (i.e. a plebiscite) ... but the model adopted is basic and still open to manipulation. If a party member only gets to vote for their local MP once a decade too few party supporters will

bother becoming a member. No state division (bar the ACT) has progressed to the next obvious step of inviting all party members across the state or territory to elect our senate and upper house candidates.

Since delegates have power, their election (aka their appointment) is carefully planned by factions. It is far easier to have a small inactive branch comprised of family and a few useful idiot friends because that way the election of delegates is easily preordained when they sit around someone's living room for a few minutes each year.

Many of the 360 or so branches in the NSW Liberal Party are nothing more than paper branches — i.e. they complete their paperwork properly but that is the sum total of the branch's activity. These paper branches are often allocated more delegates than a bona fide branch with well attended regular meetings. It is a scandal of monumental proportions.

At the top of the delegate empire sits the state executive (also known as the Administrative Committee in Victoria) ... who are effectively the board of directors of each state division. The state executive ensures delegates that sustain their power base remain in place. Unfriendly branches are subjected to harassment and new branches are strategically created in key locations to maintain delegate strength.

Party members are expected to pay fees and undertake work for the benefit of the party yet have a limited or non-existent role in choosing our candidates. At the same time the freedom of speech of the party member is highly restricted. No public criticism of the party aristocrats is tolerated under pain of suspension or expulsion.

The atmosphere which prevails was well described by Frank Robinson of Lindfield in a letter to *The Australian* published on 8 October 1993. In part it read:

After attending Liberal Party branch meetings for over 18 months I thoroughly agree with Professor Goldsworthy's remarks in a speech to the party immediately after the last election in which he said 'The best way to discourage anyone from joining the Liberal Party is to take them to a branch meeting.'

A member of the Liberal Party today can be likened to a golf enthusiast who joins a golf club with the not unreasonable expectation of playing golf. After paying his fees he then discovers that only the officials can play golf! He is expected to mow the fairways, look after the green, contribute additional money for the upkeep of the club but not play golf — the very reason he joined!

This is the same position of Liberal Party members who pay their fees, expected to raise funds, help at election time but have no say in policies or the preselection of parliamentary representatives in their own electorate! Why be a member?

Liberals rightly deplore micro-parties when they game senate and upper house election rules. But inside the Liberal Party factional bosses have just as brazenly gamed the delegate structure. The *Daily Telegraph* editorial on 1 August 2013 wrote:

When a party is based around selection mechanisms that are dependent upon backroom deal-making and anti-democratic power plays, the inevitable outcome is the rise

of people who are skilled at manipulating such an environment.

Paul Barry interviewed the then Vice President of the NSW Liberal Party, Michael Photios on 19 July 2011 for the now inactive website Powerbroker under the title ‘Powerbroking’s a “hobby” for this NSW Liberal king’. This included the following parts:

If you believe Michael Photios, he is by far the most powerful political fixer in the NSW Liberal Party: a brilliant strategist who has achieved dominance for the Left by splitting the Right and scattering his enemies. Not only does he tell heroic and amusing tales of his exploits, he is more than happy to share his secrets. ‘Charm, manage, lead,’ he proclaims.

‘We go from success in the morning to success in the afternoon when we roll out pre-selections’, Photios chirps cheerfully. And a quick parliamentary roll-call backs up this boast, with at least a dozen new NSW MPs indebted.

Like so many political powerbrokers, Photios has been at it all his life. He joined the party as a 15-year-old while still at The King’s School, Parramatta, then persuaded his father to fund him into politics when he got bored with studying law. He became the youngest-ever president of the Young Liberals at 22, boosted membership fivefold and went on to set a series of records: youngest MP of his era, youngest Cabinet minister of his time and longest-serving member of the party’s state executive, with his 30-year term beating John Howard into second place.

‘It’s a hobby,’ he says. ‘I’ve loved doing it. I’d have done it for nothing. I had no silver spoon, no pedigree, no political contacts, no university degree and a wog name, but I was able to become a significant political powerbroker.’

Photios was already playing that power game when he came into the NSW parliament in 1988 at the age of 27. Four years later he helped bring down Nick Greiner and install John Fahey as leader. Since then he has made and/or broken another four Liberal leaders.

He is now a key member of Barry O’Farrell’s kitchen cabinet and said to be one of the few people who is really close to the NSW Premier. This bodes well for his new lobbying business ...

Photios wants his outfit to be the conservative version of Hawker Britton, selling unparalleled access to O’Farrell and his ministers and the next Liberal government, which he is convinced is coming down the road in Canberra. He’s even offering a special two-year package so clients can ready themselves for the day Abbott takes over.

On 4 October 2016 Pamela Williams wrote a profile about Photios in *The Australian*:

When Malcolm Turnbull called a press conference in Canberra a year ago to challenge Tony Abbott, Michael Photios was neither an MP nor on the Liberal Party’s executive.

Nevertheless, the NSW factional powerbroker and lobbyist was an intimate player in the coup to topple a prime minister. The convivial and engaging Photios was

Mr Everywhere — number crunching behind the scenes, debating what date Turnbull should spring the trap, rolling moderates' votes behind the challenger.

And:

On April 27, Photios attended a fundraising dinner in the boardroom of the National Press Club in Canberra. During the evening, Photios implied that he had played a significant role in masterminding the Turnbull coup. Several of those in attendance say he openly discussed his connections to Turnbull. One diner tells *The Australian* that Photios had made it clear he had spoken to Turnbull about the forthcoming budget and that everything would be based on the idea of a 'plan'. Another diner says it was clear that Photios was exceptionally well-connected and 'a player' with a big role in the coup against Abbott.

The NSW Division of the Liberal Party is well known across the whole party as the hotbed of factional disputes. This 'Hatfield and McCoy' style conflict is not new. When Robert Menzies was travelling the nation in the mid-1940s and setting up the Liberal Party he often bemoaned the internal strife in NSW and the countless weekends he had to be away from his young family so he could try and soothe the tension in NSW.

The following is a quote from historian Ian Hancock's *History of the NSW Liberal Party* in which he describes Menzies' address to the first NSW State Council in 1945:

Menzies then addressed the gathering. In one trenchant comment he observed how some State parties were 'peaceable' and others 'warlike' ... If anyone still wondered where Menzies placed NSW, his next sentence erased

any uncertainty. No Provisional Executive Chairman, he said, ‘had a task half as difficult and half so responsible as ... Mr Spooner (*the NSW Provisional Chairman*).’ The delegates cheered Menzies’ call for unity.⁴

They may have cheered but the acrimony has only escalated. In 2011 a campaign began to implement modest democratic reform in the NSW Liberal Party. All factions were immediately hostile but it took off like wildfire among the lay membership. A year later the state executive decided by fiat who our candidate for the federal seat of Robertson would be ... and bypassed giving any local members any say. There was no justification of course it was just that the ruling faction on the state executive couldn’t control the outcome if the locals did get a say. They were drunk with power and had overreached.

Ordinary party members in Robertson and across the state were outraged. For the good of the party the Robertson locals accepted the imposed candidate but they did demand reform to prevent it happening again in other electorates. The Robertson Liberals proposed constitutional reforms so that henceforth all state and federal candidates would be elected by a vote of all party members who live in that seat — i.e. a plebiscite.

The state executive however refused to allow even a debate on the proposal ... so the Robertson Liberals took the party to the Supreme Court where it blew \$300,000 and lost badly. The Supreme Court ruled the party must debate the Robertson reform ... and so we did.

Around this time on 24 September 2012 Paul Sheehan wrote in the *Sydney Morning Herald*:

Last month Tony Abbott was given a blunt warning, by phone, from a senior member of the Liberal Party. According to notes of the conversation taken by an exceptionally reliable member of the Abbott inner circle (which is not a euphemism for Abbott), this was the warning: “If you insist on supporting these motions there will be World War III. We will blow the division up from underneath you. You will lose the [next] election.” This was a reference to moves inside the NSW Liberal Party to democratise the party and curb the power exercised — and routinely abused — by the state executive of the NSW Liberal Party.

When state council met to debate plebiscites (as demanded by the Supreme Court) the hierarchy, led by then Premier Barry O’Farrell, rejected these modest democratic reforms. The newly elected Premier strode into a packed theatre, took to the stage and declared, ‘I believe in plebiscites. I always have ... but not in the form proposed today.’ Of course Bazza forgot to explain what form would be acceptable.

After making it clear where he stood the Premier then spent the rest of the day at the top table raising his hand (in the full glare of the packed room) to vote down democratic reform. Around a fifth of the room were the newly elected state MPs who were desperate to get on O’Farrell’s right side so they voted against democratic reform too ... with a few courageous exceptions including Dominic Perrotte, Anthony Roberts, Greg Smith, David Clarke, Kevin Connolly and a couple of others. Incidentally Opposition frontbencher Malcolm Turnbull was there and spent the whole day voting against democratic reform.

Then Opposition Leader Tony Abbott popped into the meeting. He spoke for ten minutes about the Robertson proposals and concluded, 'I think I may be in favour of democratic reform but am unsure about these Robertson proposals.' Unlike O'Farrell, Abbot then departed. Being 'unsure' is better than being opposed (like O'Farrell) but it doesn't make one a candidate for a chapter in 'Profiles in Courage'. Abbott should have taken a stronger stand that day. The forces in that room opposed to democratic reform were the same schemers who had cost Abbott the 2010 election by delaying crucial preselections until the campaign had started because they were more concerned with factional victory than a federal election victory. And these forces then became the nucleus of the plot to overthrow Abbott in 2015.

So, the Robertson proposals were rejected ... but the factional bosses were now openly exposed as self-interested and hostile to the membership.

In 2014 John Howard entered the fray and wrote a report recommending the introduction of democratic reform that was in line with the Robertson proposal. No one carries the weight of Howard and that reform was looking likely to be implemented ... but just before it could be voted on Malcolm Turnbull became prime minister and everyone knew those who had helped engineer Turnbull's party room victory were hostile to democratic reform.

In 2016 when the subject of democratic reform came up again one of the top factional bosses (let's call him A) made a critical error on behalf of the delegate empire. No one has battled against the membership having a say in the party more

than A. He has voted at hundreds of preselections while 90% of party members haven't voted in one.

This day at state council A came up with another way to kick the democratic can down the road by proposing a convention of all party members be held in a year or two to discuss party reform. That was agreed. The factions patted themselves on the back for engineering yet more delay and took comfort that the convention would have no power... but democratic reformers couldn't believe their luck.

In July 2017 the NSW Liberals held a convention that was open to all party members and for the first time all could vote on constitutional reforms. It wasn't binding but the membership could at least express themselves in a mass vote. In the words of Professor David Flint it was the equivalent of the Tennis Court Oath in the lead-up to the French Revolution.

Nevertheless, it was the best attended Liberal Party event for decades (possibly ever) and generated plenty of public interest. Around 65% of ordinary members voted in favour of far-reaching democratic reforms including giving every party member a vote for the state and federal candidates in the seat they live in plus a vote for our senate and upper house candidates and the state executive. These reforms would have seen the NSW Liberal Party leapfrog from the least democratic party in Australia to the gold standard.

The hierarchy was in a panic. It was no longer an academic debate about whether the membership wanted to have a say in their party — we now had empirical evidence and the entire press gallery was on side. The factions wheeled out their favourite tactic — delay — but at some point the party's state

council had to decide what to do in response to the membership demands. Seven months later the hierarchy did grudgingly concede some significant democratic reforms. The factional empire in NSW remains in place but it's got the wobbles.

CHAPTER SIX

PRIME MINISTERIAL POWER 101

The most important reform and the one from which all others will flow is for the Liberal Party membership to elect our parliamentary leaders. To understand why we need to understand the powers of an Australian prime minister.

Most nations (including Australia) have a four-step law making process. Our prime minister is key at each step.

Firstly, there is an elected legislature (in our case ‘parliament’) that votes for or against proposed new laws known as bills. The Australian prime minister is central to this process as leader of the political party that enjoys majority support in the lower house. This is however only the start of the prime minister’s power.

The second step in law-making is for the proposed law to be given Royal Assent by the governor-general. Like many ‘heads of state’ the Australian governor-general has a veto over any proposed law but, by convention, has never exercised that power except when a bill has been presented which has not been properly passed. With the GG’s approval the bill becomes an actual law.

It is the Australian prime minister who recommends to the crown who our governor-general should be ... and the crown agrees. The governor general can dismiss the prime minister ... but the prime minister effectively appoints the governor

general. It's a neat check and balance and the presence of the impartial crown adds a further layer of stability.

Third, the new law is given effect by the executive who are individuals empowered to implement the law. In Australia these individuals are the ministers who each administer a government department or two. The cabinet is a powerful but informal meeting of senior ministers. It is chaired by the prime minister.

The fourth step is the legal interpretation of a law and the justices of the High Court are supreme in our judicial system. Those seven justices are officially appointed by the governor-general after advice from the prime minister and his or her cabinet.

An Australian prime minister not only occupies the dominant position in the legislature they are the effective head of the executive government and appoint the governor-general plus the top judges. When an Australian prime minister meets an American president, they meet as leaders of their nations ... but an Australian prime minister has more domestic political power than an American president.

Australia and the US have a common constitutional parent — Great Britain. Most nations today refer to their head of government as the 'prime minister' and base their constitutional arrangements to some extent on the British Westminster tradition.

CHAPTER SEVEN

HOW TO BECOME PRIME MINISTER OF BRITAIN

Since the Magna Carta in 1215 the power of the English parliament has been waxing and the power of the crown waning. Most monarchs in other kingdoms have obstinately refused to give power away and ended up in exile or executed by the new republic ... but the British Royal Family has conceded power incrementally for a millennium and retained the affection of the people.

The long struggle between Parliament and the Crown for supremacy was essentially settled in 1688 as result of the Glorious Revolution when King William III and Queen Mary II accepted the throne by swearing to ‘govern the people of this kingdom of England, and the dominions thereunto belonging, **according to the statutes in parliament** agreed on, and the laws and customs of the same’.

This was Constitutional Monarchy Mark 1 under which the law would be made by the House of Commons, the House of Lords and the Monarch ... but that the Monarch would continue to head the executive. This was to soon evolve into Constitutional Monarchy Mark II where the head of the executive would be the prime minister.

In 1714 a 54-year-old German Prince (who couldn't speak English) was crowned King George I of Great Britain and Ireland. It was a good day for good government around the

world. The arrival of King George I allowed parliament to capitalise on the new king's disinterest in politics and ensure the emergence of the modern Westminster system of government.

Sir Robert Walpole was the leader of the largest bloc of parliamentarians in the House of Commons at the time. He became a friend and confidante of the king ... and before long was running the government.

The 'cabinet' was originally a term to describe a gathering of the crown appointed ministers who would meet with the monarch in a palace room to decide government policy. King George I however didn't bother attending cabinet meetings and left it up to Walpole who excluded non-parliamentarians from the cabinet. Government decision makers (i.e. ministers) in Britain were thereafter restricted to members of the House of Commons and the House of Lords.

Walpole is regarded today as the first individual to be the British Prime Minister. He effectively held that role from 1721 to 1742 making him also Britain's longest serving prime minister.

The powers held by Walpole are essentially the same as those held today by the British prime minister. The monarch officially rules but they don't really because they have 'appointed' someone in their place ... and that someone always happens to be the leader of the House of Commons.

The office of prime minister in Britain was the office that dare not speak its name for almost two centuries. While the term prime minister came into common usage in the late 19th century it was only in 1905 that it was given formal recognition. The words 'prime minister' are not mentioned

in a 1900 statute of the British Parliament also known as the Australian Constitution.

The formula used by parliament to select a prime minister for more than two centuries after Walpole would later be referred to as the ‘customary processes of consultation’. The concept of a party room ballot to elect a British parliamentary leader was a much later innovation. The ‘customary processes of consultation’ was an undefined process among the leading members of the cabinet who would confer as to who should lead.

Prior to 1965, the Conservatives retained a belief in non-democratic processes of consultation amongst party elites, through which a new party leader emerged. This mechanism operated on the following basis.

Elites within the Conservative establishment would collectively evaluate the merits of potential leading candidates. Through their deliberation one candidate could emerge. Once elites had agreed on an approved candidate for the succession, that individual would be ritually acclaimed as the new party leader.

Although the deliberations that elites engaged in could consider the state of opinion about potential candidates amongst their parliamentary colleagues, this aspect of the decision-making process was not formalised. Nor were the views of Conservative parliamentarians necessarily quantified.⁵

The process was out of the public gaze as party grandees took soundings for a month or so. Overt campaigning was frowned upon. Once a consensus had formed as to who should lead, two or three senior cabinet ministers would meet with the monarch and their recommendation would receive approval. This formula was used by both leading political parties of the 19th century — the Conservatives and the Liberals.

The first British political party to conduct a party room (or caucus) ballot for their parliamentary leader was the Labour Party. The first two British Labour MPs were elected in 1900. At the next election in 1906 Labour broke through with 29 MPs. Keir Hardie won the leadership of Labour by one vote in their first parliamentary meeting and Labour continued using the party room vote to elect their parliamentary leader until 1980. The British Liberal Party did embrace the party room ballot in 1919 but by 1922 Labour had permanently replaced the Liberals as the leading party of the left.

The Conservative Party was the dominant British political party in the 20th century. The Tories used its opaque ‘customary processes of consultation’ for several decades after Labour adopted the party room vote.

In an early scene in the movie *Darkest Hour* we get a glimpse of how the ‘customary processes of consultation’ worked when Neville Chamberlain resigned and half a dozen or so Tory grandees sat around with whiskey and cigars to decide who would be PM.

In 1957 the Conservative Prime Minister Anthony Eden resigned for health reasons. The ‘customary processes of consultation’ got underway and decided Harold Macmillan

would be PM ... but for the first time there was public criticism that he had been selected by an aristocratic clique.

The next Conservative Party leadership change in 1963 was a public relations disaster. When Prime Minister Macmillan resigned (also for health reasons), the usual 'customary processes of consultation' began. By chance the process coincided with the Conservative Party Annual Conference which meant parliamentarians, party supporters and the press were in one location and all talking about one thing — leadership.

There were four all but declared candidates. Supporters promoted their candidate's strengths and their opponent's weaknesses. For the first time the press became participants in the process and the public watched on with interest. Three of the four candidates found a way to address the conference and make an unofficial pitch for the leadership.

In the end however the 'customary processes of consultation' produced a result and Alex Douglas-Home became the Conservative party leader and prime minister. It was the last hurrah for the elitist practice. The press made much of the fact that the 'soundings' were conducted by five grandees — four of whom went to Eton including the new prime minister himself. The criticism was ongoing and helped defeat the Conservatives at the next general election.

After that loss Douglas-Home remained as caretaker Conservative Party leader to oversee reform of the leadership process. The Conservatives finally adopted Labour's six-decade old formula and gave all Conservative Party parliamentarians one equal vote in the election. In 1965 Edward Heath became

the first Conservative leader elected by the ‘party room’ and ten years later Margaret Thatcher became the second after her supporters introduced rules on how to remove a parliamentary leader.

In 1997 the Conservative Prime Minister John Major was defeated by Labour’s Tony Blair in a general election. Major immediately resigned the party leadership.

His desire for a swift departure from front line politics would ensure that the succession would be determined under the existing party leadership election rules. This was despite that there existed a widely held view that the existing rules needed reappraisal and that new procedures should be adopted that would incorporate the mass membership.⁶

A party room ballot was conducted and William Hague defeated Kenneth Clarke by 92 to 70 to become the leader of the opposition.

The whips had expedited the ballot to prevent discussion about ordinary members voting. During the contest however, William Hague had spoken out about his support for democratic reform.

The rationale for shifting to mass membership involvement in the succession process was three-fold. The first factor related to the acrimonious removal of Thatcher from the party leadership in November 1990. Her removal had been at the behest of a minority of the parliamentary Conservative Party in direct contravention to the wishes of the mass membership. The vast majority

of the mass membership had remained loyal to Thatcher and wanted her to remain as party leader. The fact that their opinion was disregarded had created outrage amongst party activists.

The second factor related to the rapid decision to determine a successor to Major without amending the procedures for electing the party leader first. In the immediate aftermath of his resignation, the 1922 Executive Committee (i.e. the Conservative Party backbenchers) had refused to consider the idea of extending the franchise to the mass membership as a prelude to determine a successor to Major.

Their intransigence was immensely provocative to party activists ... the third factor related to the outcome of the Conservative Party leadership election of June 1997. In the course of the campaign numerous surveys of mass membership opinion repeatedly demonstrated a preference for Clarke over Hague, as the heavyweight political status and experience of Clarke overcame his profound Europhilia.⁷

The pro-Clarke left and the pro-Thatcher right of the party both had reason to support democratic reform. The following year the Conservatives reformed their procedure for electing their parliamentary leader. These rules adopted in 1998 remain in place today:

- A leadership contest is held when the incumbent leader resigns or loses a spill motion in the party room.

- A leadership candidate needs two fellow parliamentarians to publicly nominate them.
- If there is only one candidate he or she becomes the parliamentary leader without a ballot.
- If there are only two candidates ballot papers are posted to every member of the party across the nation i.e. around 300,000 individuals.
- If there are more than two candidates the party room alone ballots and eliminates a candidate at each round. When the party room has settled on the final two they proceed to a ballot of the party membership.
- The membership returns their completed ballot paper via post.
- During the two-month campaign period the two candidates address party forums and make their pitch via the media.
- All party members who have joined the party at least three months before the ballot are entitled to vote.
- Candidates are prohibited from paying for advertising.
- An incumbent leader can be removed only by the party room. If 15% of the party room sign a spill petition (names can remain secret) the party room will vote on the simple question of whether they retain confidence in the incumbent leader.
- If a majority lack confidence the incumbent leader is prohibited from nominating for the new leadership contest.

Since this landmark reform the Conservatives have however only conducted only two membership-wide ballots to elect

their parliamentary leader. The parliamentarians effectively conspire amongst themselves to deprive the membership a say. If there is only one candidate (and there usually is) the will of the membership is ignored.

Tony Blair was easily re-elected in the 2001 general election and so Hague resigned as leader of the opposition. Three candidates were nominated so the party room scheduled a meeting to ballot. Whoever was to come third in that ballot would be eliminated from the contest and the two remaining candidates would then proceed to a vote among the party membership.

Michael Portillo was widely expected to come first in the party room and in the membership ballot. He considered Kenneth Clarke his most significant rival. It is rumoured a handful of Portillo supporters in the party room were told to vote tactically and give their votes to the most right-wing candidate in the party room ballot — Iain Duncan Smith. The plan was for Portillo to come first in the party room narrowly and for Duncan Smith to get just enough votes to come second and thereby knock out Clarke. Portillo would then face Duncan Smith in the membership ballot and win easily as Clarke's supporters could be expected to vote for the least right-wing candidate.

The scheme backfired however when Clarke came first and Duncan Smith beat Portillo by one vote. Portillo was eliminated. In Margaret Thatcher's final act of power-politics she announced her support for Duncan Smith and the membership elected him leader of the opposition.

This significant event in Conservative Party history didn't

register among politically interested Australians because the result was announced the day after the 9/11 terrorist attacks in the United States. Had that been a slow news day the Liberal Party of Australia may have by now embraced membership elections for parliamentary leaders.

Duncan Smith had a difficult two years as opposition leader. His leadership coincided with the campaigns in Afghanistan and Iraq which propelled Prime Minister Blair to the top of world stage leaving the opposition leader struggling for relevancy. In 2003 Duncan Smith faced a spill in the party room and lost.

The next parliamentary leader of the party was Michael Howard who did not need a membership ballot because he was the only candidate the party room produced. When Howard lost the general election in 2005 he remained on as a caretaker leader explicitly to reverse the membership ballot for the parliamentary leader.

Howard proposed a modified version of the old party room formula. He wanted a system where any MP with more than 10% support of the party room would be a candidate. All candidates would then proceed to a national convention where around 1,000 party activists would rank them in order of popularity. The convention was however just a beauty pageant and the real ballot would be held after the convention and back in the secretive party room. The parliamentarians were meant to take note of the convention result ... but free to vote for whoever they wanted. Howard's convoluted formula proposed a tiny fraction of the membership would have an immaterial say. The deputy leader of the party Michael Ancram said at the time:

‘Rather than restricting or removing the franchise, we should be looking to extend it in a way which will attract the enlistment of a much wider representation. To do that we must show our membership that we value them.’ The chairman of the Liberal Democrats Paul Holmes ridiculed the Conservatives. He said the attempt to reverse the democratic reforms, ‘shows what a complete shambles the Conservatives are in and it shows just how out of touch Tory MPs were in the first place that they wanted to deny democracy to their party members.’ The former parliamentary leader of the party Iain Duncan Smith told the BBC, ‘It is very difficult to anticipate taking the vote away from people ... MPs were probably more unrepresentative of voters generally than party members.’⁸

Howard’s silly proposal was rejected. He then resigned as parliamentary leader paving the way for the second membership ballot for parliamentary leader.

Five candidates nominated. As in 1963 the leadership contest coincided with the Conservative Party Annual Conference. Leadership was the only topic of conversation, so the five candidates were invited to give a 20-minute speech to the conference. Prior to the speeches the bookies short-priced favourite was David Davis. David Cameron was a distant third. In the full glare of the membership and the media Davis played with a straight bat while Cameron hit a six. Within hours of the speech Cameron had catapulted to favourite.

Public opinion polls strongly supported Cameron who went on to finish first in the party room — 253,600 ballots were then posted to party members and 199,844 were returned with

Cameron winning with 134,446 votes. Cameron won the next general election and the next.

One of the most honourable acts in recent world politics was Cameron's decision to resign as prime minister within hours of Brexit as he had championed Remain. The Conservatives therefore needed a new leader. Several candidates expressed interest but the parliamentarians elbowed out all but one — Theresa May — who became prime minister without a membership wide vote.

Had the membership been invited to choose the prime minister they would have voted for a pro-Brexit candidate. The reason Brexit negotiations have been bogged is because those sitting across the table from Teresa May have been briefed on her pro-Remain position and they know she won't fight hard because her heart is not in leaving the EU.

CHAPTER EIGHT

UK LABOUR ENDORSES DEMOCRACY

The British Labour Party conducted its last party room ballot in 1980 when Michael Foot won 139-129. The following year Labour agreed to new rules for the election of their parliamentary leader. The party took a significant democratic step by increasing the number of people involved in the process but rejected the ‘one vote, one value’ principle. *The Australian Labor Party* has now followed that precedent even though British Labour has since abandoned it.

From 1983 to the early 1990s the UK Labour parliamentary leader was elected by three constituencies. The trade unions (and a few other ‘affiliated’ groups) were given 40% of the votes. These trade union votes were largely exercised by delegates chosen by trade union executives. The party room was given 30% and so were the party membership. However, few ordinary party members chose to take part in the election. As the party’s 2014 ‘Collins Report’ observed: ‘This change marked an important devolution of power, but to activists rather than to all members.’⁹

After Labour’s fourth general election loss in 1991 the party adopted two more significant democratic reforms. The three constituencies were now divided into equal one third weightings which trimmed the power of the unions. More importantly every individual union member and every individual party

member would receive a ballot paper and complete it themselves. A candidate for leader had to be a parliamentarian who was nominated by at least 12.5% of the party room.

The future Prime Minister Gordon Brown said at the time that in the past people interested in change have joined the Labour Party largely to elect agents of change, but today 'they want to be agents of change themselves.'¹⁰

The following year another future Labour Prime Minister Tony Blair said that mass membership was not just a glorified recruitment drive. It was about transforming the way the Labour party works and operates and thinks.¹¹

When the Labour Opposition Leader John Smith died in 1994, Tony Blair was elected leader on the first ballot under the new rules, winning 57% of the vote. He went on to win the next three general elections.

When Blair resigned as Prime Minister in 2007 there was no ballot as Gordon Brown was the only candidate. When Brown resigned the leadership after losing the 2010 general election there were four candidates. The leadership campaign was held over three weeks and included televised debates. Ed Miliband was elected Labour's parliamentary leader in an election involving 262 ballots from Labour MPs, 122,806 cast by party members and 199,671 by trade union members.

Miliband was elected leader despite a majority of his MPs and party members not voting for him. He won because an overwhelming number of trade union members voted for him. This left him open to attacks he was the puppet of the union movement. In response Miliband decided that he must be seen to disenfranchise the trade union vote.

In 2014 UK Labour, at Miliband's urging, commissioned Lord Collins of Highbury to propose further democratic reforms. In the introduction to his report, Lord Collins wrote that Miliband's central objective was to transform Labour so that it becomes 'a genuinely mass membership party' reaching out to all parts of the nation.¹²

The Collins Report was adopted. It eliminated the power exercised by the trade unions. To be eligible, a candidate would be henceforth required to have the support of 15% of the party room. Thereafter the votes of the members of the party room would be of equal value to the ordinary members of the party. A member of a trade union could register as a party 'supporter' and have a vote of equal value alongside ordinary party members. In addition, the rules were changed to provide that anybody who registered online as a supporter and paid £3 could vote.

When Miliband lost the 2015 general election he resigned as leader of the opposition. The National Executive Committee of the party agreed to a four-month process to elect a new leader of parliamentary Labour.

The first step was for the party room to ballot and whichever candidates received more than 15% support would be eligible to participate in the leadership ballot of all members. 15% of the party room meant a candidate needed 35 of their party room colleagues to support them. The awkward radical left-winger Jeremy Corbyn (a backbencher) squeaked into contention with 36 votes.

At first bookmakers quoted Corbyn's chances of victory at 200/1. When he explained to his local paper why he had

nominated it didn't sound like he really thought he could be elected leader ... he said he was nominating so he could have a platform to promote his left-wing policy agenda. Corbyn and others misread the membership ... very quickly he was the frontrunner. This prompted party grandees including Tony Blair and Gordon Brown to try deflating Corbyn's campaign with public criticism. Corbyn won 59% of the 422,871 votes.

The Labour Party establishment were quick to blame the recently adopted rule where any member of the public who was prepared to say they supported the Labour Party could pay just £3 and overnight get a vote. This is false.

There were three categories of voters in the election ... and all now cast one vote of equal value. Of the 245,520 votes cast by 'party members' 49.59% voted for Corbyn — easily more than double any of the other three candidates. Corbyn won 57.61% of the 30,329 union members who bothered voting. He did win 83.76% of the newly created party 'supporters' but it was still only 88,449 votes. Corbyn would have been easily elected without the inclusion of the 'supporters'.

In June 2016 Corbyn was challenged in his party room. 30 members of the Shadow Ministry resigned and Corbyn lost a vote of no confidence by 172 to 40. There would now be another leadership ballot and it was possible Corbyn would not be able to obtain the support of 15% of the party room. Fearing a membership backlash however the party decided that as the incumbent leader Corbyn would automatically be a candidate. Owen Smith MP was the challenger and after a three-month campaign (which saw a big jump in the number of voters) Corbyn increased his vote from 59.5% the year before to 61.8%.

In the 2017 general election Corbyn was given little chance. His polling was initially dismal but he began attracting large crowds of passionate supporters. May refused to debate Corbyn and her campaign derailed. Corbyn won an extra 40 seats for Labour and forced May into a hung parliament.

In mid-2018 it still seems unlikely Corbyn could ever be elected PM but membership elections for parliamentary leader cannot be dismissed because of the ‘Corbyn error’. The party room of the UK Labour Party in 1980 elected the more dangerous Michael Foot who was effectively pro the Soviet Union.

Whatever Conservatives and right-wing Labour voters think of Corbyn, he is a true reflection of the Labour Party’s heart and soul. The demonstration of Corbyn’s support within the Labour Party is actually a public service. Prior to Corbyn, UK Labour campaigned as a centrist party but we now know that was spin. In a televised debate during the leadership contest Corbyn urged Labour to ‘absolutely stand up for what we believe in.’ Labour has stood up ... it is far left on economics and everything else and its good the public know that truth.

Democratic reform tells the public the truth about a political party.

CHAPTER NINE

HOW TO BECOME PRIME MINISTER OF CANADA

The evolution of party leadership in Canada has mirrored the evolution of democracy in general. Both have become more inclusive over time, inviting more diverse groups to participate in, and interests to bear on, the selection process.¹³

There are no two nations with more similar constitutional arrangements as Australia and Canada. Both are constitutional monarchies (unlike the United States), both have bicameral parliaments (unlike New Zealand) and both have a prime minister modelled on the UK ... but Australia and Canada (unlike the UK) are federations of states or what Canadians call a ‘confederation of provinces’.

Despite these macro similarities a Canadian visiting Australia during one of our prime ministerial leadership crises could be forgiven for thinking they are in a 19th century time warp.

Only weeks before we lost the 2007 federal election there was fevered speculation Peter Costello would replace John Howard as prime minister — the wheels were coming off a good but tired government. At the height of the speculation the Canadian Prime Minister Stephen Harper was on a state visit and held a joint press conference with Howard. The press were peppering Howard with awkward questions about his leadership. Harper

looked on bemused. He was too diplomatic to say anything of course but having been a major player in bringing about fully democratic leadership elections in Canada plus being the first Canadian to become PM because of the reforms, Harper can only have questioned why such a great country like Australia had such a primitive leadership mechanism.

The dominant political party of Canada in the 20th century was the centre-left Liberal Party. From the 1870s to the First World War the Liberal Party in federal and provincial parliaments elected its leader through a party room ballot. In 1919 the Liberal Party did away with the party room ballot and began electing their parliamentary leaders via conventions. In 2019 the Liberal Party of Australia (and its direct ancestors) will be able to mark its centenary of being wilfully in the dark ages.

Delegates to the early Canadian Liberal leadership conventions were parliamentarians plus party officials who would congregate in a city for several days and among other matters elect a parliamentary leader. The first national convention in 1919 was attended by 947 delegates. Four candidates nominated and the winner was Mackenzie King who became the leader of the opposition on the final of four ballots. King was not a member of parliament at the time of the convention. King was elected prime minister at the next election and went on to serve in that role for over 21 years ... longer than any prime minister in Australia, New Zealand or Britain since Sir Robert Walpole.

The centre-right party of Canada today is the Conservative Party. The party's principal forebear was the Progressive-Conservative Party which in 1927 copied the Liberals when

they too began electing their parliamentary leader via a national convention of delegates.

The number of delegates at each party's convention steadily grew and by the 1990s around 5,000 delegates would typically vote.

The removal of a parliamentary leader is just as important as their election. For the first few decades after the adoption of national conventions neither party had rules around removal. In the 1960s the Progressive Conservatives adopted the 'leadership review' process. Prior to this, leadership would only be discussed at a national convention if there was a vacancy. The 'leadership review' declared the leadership vacant at every year's convention which was later modified to only the first convention after an election. This process has since been adopted by all major parties in Canada.

In 1985 the pro-French party in Quebec — Parti Québécois — embraced 'one member, one vote' for the election of its parliamentary leader in the provincial legislature. This simple ballot gave all party grassroots members one equal vote in the election of their parliamentary leader.

Soon after the Progressive Conservatives in the province Manitoba amended their rules to adopt 'one member, one vote' for their provincial parliamentary leader. After adopting the reform, the Manitoba Progressive Conservatives wrote to political parties across Canada (left and right) encouraging them to adopt 'one member, one vote'. Before this reform could be more widely debated the national hierarchy of the Progressive Conservative Party struck down the Manitoba reform and declared it void.

Nine years later in 1994 the Manitoba Progressive Conservative Party again voted in favour of ‘one member, one vote’ and again the hierarchy squashed it. But the 1990s were a tough decade for the Progressive Conservatives with a negligible number of MPs in Ottawa — after the 1993 they had just two federal MPs and in 1997 the party that gave the country its first PM in the 1860s, won just 20 seats out of 301 placing it a dismal fifth in parliamentary representation.

The Progressive Conservatives were losing their base and so in 1998 they ratified a reform that would give every party member a vote for the federal parliamentary leader. 30,100 members voted to return a former PM from the 1970s (Joe Clark) as the leader ... but it was too late for the tired party.

The Progressive Conservatives had little choice to reform as they had by now been eclipsed as the leading centre-right force by the Reform Party — a tectonic shift in Canadian politics. It was the equivalent of Cory Bernardi’s Australian Conservatives gobbling up Liberal seats and overtaking their tally in Canberra. When the Progressive Conservatives only won 20 seats in the 1997 federal election the Reform Party won three times as many.

The Reform Party was founded in 1987 by the Canadian champion of democratic reform Preston Manning. One of his chief lieutenants in the early days was Stephen Harper. The policy direction of Reform was Thatcherite and the party fiercely democratic. Reform adopted ‘one member, one vote’ model to elect its parliamentary leader at the outset. Manning was elected at Reform’s first national convention by acclamation and subsequently re-elected at several national conventions.

In 2000 the Reform Party morphed into the Canadian Alliance and conducted a parliamentary leadership ballot with all members having one equal vote. In that first ballot there were five candidates. 120,557 members voted but since none of the five had more than 50% support a second ballot was conducted with just the first and second place getter. The winner of the ballot was Stockwell Day who at the time of his election was not a member of the federal parliament. Day was a provincial MP in the province of Alberta but he now resigned and entered federal parliament representing a riding in a neighbouring state.

It is the custom in Canada that when someone who is not a sitting MP is elected a parliamentary leader that a MP from the same party (and in a safe seat) will resign and trigger a by-election. The new leader contests the by-election and other parties do not which paves the way for the new leader to enter parliament.

Day's leadership was soon in trouble so he called on a leadership contest in 2002 in which he was defeated by Stephen Harper in a ballot of 88,228 members. Harper had been out of parliament since 1997 but subsequently won a by-election and re-entered parliament where he walked in on his first day to the new job with a business card that read 'Leader of the Opposition'.

The old Progressive Conservative Party, which had been too slow to embrace democratic reform, 'merged' with the Canadian Alliance to form the Conservative Party in 2003 — or that is what the press release said anyway. The process couldn't even be described as a hostile takeover — it was a mopping

up exercise. The day before the ‘merger’ the Progressive Conservatives had just 12 seats in the House of Commons — out of 301. The Canadian Alliance had 66. The democratised Reform Party had conquered the right of centre establishment.

The Progressive Conservatives however did have one significant win in the merger negotiations. In 1998 when the Progressive Conservatives democratised their parliamentary leadership election all members were given a vote ... but not all votes were equal. The process is known as the ‘weighted-constituency model’ and is described here:

... the weighted-constituency model selects leaders through an open vote of all party members. Each constituency is assigned an equal number of points, which are distributed to leadership contenders based on the percentage of the vote they receive within the district. In the case of the Conservative Party of Canada, each federal riding is allocated 100 points, meaning that a contender who receives 60 percent of the popular vote in that district receives 60 of its 100 points. Each contestant’s points are tallied across all ridings, and a candidate must receive a majority of points to be declared the victor.¹⁴

Separatism has haunted Canada going all the way back to the British and French empires squabbling over the territory in the 1500s. The ‘weighted constituency model’ seeks to soothe that tension. It’s a good model for a federated nation with a large land mass. It’s the right model for the Liberal Party of Australia.

The first ballot for the federal parliamentary leader of the recently formed Conservative Party took place in 2004. There are 308 ridings (seats) in Canada’s House of Commons and

since every riding was allocated 100 points it meant 30,800 points were up for grabs. The winner needed 50% plus 1 of those points (i.e. 15,401) and Stephen Harper won 17,296 on the first ballot. Every ordinary member of the party was given one vote ... but a vote in a riding with 5,000 members has twice the value of a vote in a riding with 10,000. This model means leadership candidates need to criss-cross the whole country and not focus on only the cities with a big population. In Australia it would mean a safe Labor seat in Tasmania would be just as important to a leadership candidate as Curtin in WA.

The New Democratic Party (NDP) was a Canadian party formed in 1961 with formal links to the trade union movement. The NDP's goal was to displace the Liberal Party as the principal centre-left party. For its first few decades the NDP's parliamentary leader was elected in the same manner as the other Canadian parties — a national convention attended by delegates.

In 2003 the NDP opened up the election for their parliamentary leader to the membership ... but followed UK Labour and reserved 25% of the ballot to the trade unions. Over 58,000 ballots were cast in the 2003 contest. Since then the NDP has used a pure 'one vote, one value' method and removed the trade union privilege. In the 2012 contest there were eight candidates who participated in six televised debates and around 60,000 members voted.

In light of Canada's two other leading parties having embraced democratic leadership elections, the Liberal Party debated adopting a 'one member, one value' ballot at its 2006 national convention. The reform was rejected 318 to 299. After

the next federal election in 2008 the Liberal Party failed to make any gains and the parliamentary leader resigned. Two candidates nominated for the parliamentary leadership.

The Liberals again debated giving the membership a vote in the parliamentary leader. One of the candidates Bob Rae openly supported democratic reform but the other Michael Ignatieff was against it along with the party hierarchy. Ignatieff was the only candidate to proceed to the ballot where a paltry 2,023 delegates voted. At the next federal election in 2011 Ignatieff took the Liberals to their worst ever election result and failed to win his own riding. For the first time, the rival centre-left and fully democratic party, the NDP had won more ridings than the Liberal Party and became the official opposition

The Liberals were Canada's dominant political party of the 20th century holding the prime ministership for 62 years. The year 2011 was the nadir of the party. Resisting democratic reform is usually costly.

Facing extinction, the Liberal Party in 2013 conducted its first democratic leadership contest which copied the Conservative Party model of giving equal weight to each riding — 104,552 members had a choice of six candidates and elected Justin Trudeau. That democratic election was the turning point in public opinion polling for the Liberal Party which soon resumed its place as the dominant centre-left party. Trudeau was elected the Prime Minister of Canada in 2015.

CHAPTER TEN

HOW TO BECOME PRESIDENT OF THE UNITED STATES

Every four years many Australians follow the drama of presidential primaries in the United States. US primaries are the most open and transparent policy debates in the democratic world. It is bewildering that so many Liberal Party activists will avidly follow US presidential primaries but then work to prevent democratic reform in their own archaic party.

If American political parties followed the Australian model for electing their presidential candidates this is what they would do: the Republican or Democrat members of Congress would secretly convene and decide who their presidential candidate would be. Seems laughable ... but that is what happened in the early decades of the republic.

The first president of the United States, George Washington, was elected unopposed in 1789 and again in 1792. When Washington declined to nominate for a third term in 1796 the then informal political parties of the day chose their candidates for president via a 'congressional nominating caucus'.

Within a couple of decades, the congressional nominating caucus was being derided by the people as 'King Caucus'. The public scoffed at a small group of elites in Washington deciding who the people could vote for president. The prominent

newspaper editor, Thomas Richie, raised the idea in 1822 of setting up a national convention to select presidential candidates and having people from outside Congress determine the contest.

By 1824 the Democratic-Republican Party had won the past six presidential elections. For that year's presidential election most members of Congress who identified with this dominant party boycotted the congressional nominating caucus in response to the public's growing antipathy to the process. Those who did proceed with the caucus ballot nominated William Crawford as their presidential candidate.

A month later, supporters of the Democratic-Republican Party from inside and outside Congress met informally in Pennsylvania and nominated as their presidential candidate military hero and man of the people Andrew Jackson. This nascent convention declared that the congressional nominating caucus had 'ignored the will of the people'. They said it was a vain hope to believe the American people would be deceived into believing that William Crawford was the regular democratic candidate.¹⁵

There were four candidates in the presidential election of 1824. Andrew Jackson easily won the most votes nationally but fell short of a majority of the Electoral College. The result was put to a vote of the House of Representatives which denied Jackson the presidency. The public outrage unleashed an era of democratic zeal across America which sought to empower the 'common man'.

Two years after the election of 1824 was the 50th anniversary of the Declaration of Independence. George Bancroft was

America's first popular historian and to mark the jubilee he gave an address in Massachusetts which captured the democratic impulse of the time:

The sovereignty of the people is the basis of the system. With the people the power resides, both theoretically and practically. The government is a democracy, a determined, uncompromising democracy administered immediately by the people or by the people's responsible agents. In all the European treatises on Political Economy and even in the state-papers of the holy alliance, the welfare of the people is acknowledged to be the object of government. We believe so too but as each man's interests are safest in his own keeping, so in like manner the interests of the people can best be guarded by themselves.

Jackson and his supporters created a new political party which is today's Democratic Party. The Democrats didn't need a nominating convention in 1828 to select Jackson as their presidential candidate because his supporters were single-mindedly pro-Jackson who had been 'robbed' four years earlier. Jackson easily won the next presidential election and Democrats won three of the next four.

In the presidential elections between George Washington and Andrew Jackson very few people actually voted. Electoral college delegates were mostly appointed by state congresses and in those few states that did permit voting the franchise was restricted to male property owners. The word and indeed the concept of democracy does not appear in either the Declaration of Independence or in the US Constitution.

This 'Age of Jackson' is regarded as the era in American

history when political power was transferred from congressional elites to the people. 'Jacksonian Democracy' coincided with the romantic era and its impulse to weave 'democracy' into the American national myth.

Jackson's political rivals quickly learned their lesson. The first American presidential nominating convention was held in September 1831 by the oddly named Anti-Masonic Party. A few months later the National Republican Party held a presidential nominating convention. Not to be outdone Jackson and his Democratic Party held one too ... which re-nominated Jackson without opposition but they did elect his vice-presidential running mate.

Frederick Sumner chaired the first Democratic National Convention which was held in New Hampshire. In his opening remarks he said:

The proposition for calling a general convention of delegates, to act on the nomination of a candidate for president, and to select a suitable candidate for vice-president of the United States, originated in the state of New Hampshire by the friends of democracy in that state; and it appears that the proposition, although opposed by the enemies of the democratic party, has found favor in nearly and perhaps all the States of the Union. The object of the representatives of the people of New Hampshire who called this convention was not to impose on the people as candidate for either of the two offices in this government, any local favorite; but to concentrate the opinion of all the states.

They believed that the example of this convention would

operate favorably in future elections; that the people would be disposed after seeing the good effects of this convention in conciliating the different and distant sections of the country, to continue this mode of nomination.

Two-hundred-and-eighty-three delegates attended this first Democratic convention representing every state bar one. From that point until today political parties in the United States have elected their presidential candidates at national conventions. The story of reform has centred around who gets to vote at the conventions.

Until the early 1900s delegates to the Democratic and Republican presidential nomination conventions were chosen by the party's hierarchy in each state. Party insiders obedient to bosses were 'elected' as delegates at the district level. Those district delegates would then attend state conventions which elected delegates to the presidential nominating convention. Party bosses amassed power through control of delegate machines.

In the decades after the Civil War large cities grew rapidly across America. This concentration of people magnified the potential power of the delegate machines. The party bosses could exercise greater control over delegates as there was more political and commercial favours to dole out in a city. Their operations often overlapped with organised crime.

The most infamous party boss was William M. Tweed (aka Boss Tweed) who was the most powerful figure in New York State politics in the mid to late 19th century. Boss Tweed and his Tammany Hall machine dictated who would win elections

and who would be appointed to government boards and other public positions. In the process Boss Tweed became New York's third largest property owner. His biographer Kenneth Ackerman wrote:

It's hard not to admire the skill behind Tweed's system ... The Tweed ring at its height was an engineering marvel, strong and solid, strategically deployed to control key power points: the courts, the legislature, the treasury and the ballot box. Its frauds had a grandeur of scale and an elegance of structure: money-laundering, profit sharing and organization.¹⁶

In 1895 the British Ambassador to the United States James Bryce observed the following about party bosses:

An army led by a council seldom conquers: It must have a commander-in-chief, who settles disputes, decides in emergencies, inspires fear or attachment. The head of the Ring is such a commander. He dispenses places, rewards the loyal, punishes the mutinous, concocts schemes, and negotiates treaties. He generally avoids publicity, preferring the substance to the pomp of power, and is all the more dangerous because he sits, like a spider, hidden in the midst of his web. He is a Boss.¹⁷

The Progressive Era from 1890 to 1920 is mostly remembered as being pre-occupied with breaking up commercial monopolies and social reforms such as woman's suffrage and prohibition. Initially the Progressive Movement was middle class America wanting to do something about ending political corruption and toppling the party bosses.

The campaign to ban alcohol had been a fringe political

issue for decades but was now championed by the progressives because party bosses often ran their empires out of saloons. Progressives backed voting rights for women in the expectation of bringing more civility to politics. Women were considered less likely to fall beholden to a boss.

The progressives advocated primaries as a way of dismantling the delegate machines. With so many voting in a primary, the progressives correctly foresaw that political bosses wouldn't be able to manipulate the outcome.

Primaries were first held in western states for local and state elections in the late 19th century. Soon the concept of primaries for all elections (not just presidential candidates) was winning public support across America. By 1908 the debate about primary elections was front page news.

In 1909 the Republican Governor of New York State Charles Hughes publicly asked the legislature to pass a law he could sign that would use primaries for all elections other than president. Three times the legislation failed because party bosses from Hughes' own party rallied against the reform.

Undeterred leaders of the Progressive Movement upped the ante. They wrote to every Republican Party state chairman urging them to introduce primaries for the election of delegates to the party's next presidential nominating convention. In 1910 voters in Oregon were asked by referendum whether the state should introduce presidential primaries. The proposal was approved narrowly (51% v 49%) and the state legislature and governor gave their consent. Within months 11 other states legislated in favour of primaries.

Primary-elected delegates were 'pledged' to vote for the

presidential candidate who had won the primary in their state. These pledged delegates would follow the wishes of the people but all the other delegates were puppets of the bosses.

The next presidential election was 1912. A dozen states sent primary elected pledged delegates to the Republican Party's presidential nominating convention. The incumbent president William Taft (a Republican) had won only one primary. Former president Theodore Roosevelt (also a Republican) was attempting a comeback and won landslide victories in over half the primaries. Going into the presidential nominating convention Roosevelt had 278 primary-elected pledged delegates to Taft's 48. The party bosses however delivered for Taft and he won the party's nomination.

Roosevelt and his supporters were outraged. He founded a short-lived party which unsurprisingly nominated Roosevelt for president. The Democratic candidate Woodrow Wilson won the presidential election and the incumbent Taft finished an ignominious third. It was the only time since the Civil War when both the Republican and Democrat candidates didn't both finish in the top two.

The year 1920 was the early high-water mark of primaries — when over a third of all states used primaries for the presidential election. Political idealism however was fading after the Great War and several states reversed primaries.

The turning point was the Democratic Party's presidential nominating convention in 1968 which was the worst year of the Vietnam War. Democrat supporters were against the war despite the incumbent war president Lyndon Johnson being a Democrat.

A broken Johnson announced in early 1968 he would not recontest the presidency. His vice president Hubert Humphrey promptly nominated. In 14 of the 50 states the Democrats held primaries to elect their delegates to the convention but Humphrey didn't bother campaigning in them.

Senator Eugene McCarthy was an early and strident critic of the war and so had a high profile when he had entered the contest a few months before Johnson's withdrawal. McCarthy was the hippies' candidate. He contested all 14 primaries and won six in a field of almost a dozen candidates. McCarthy won 38.7% of all votes in the primary. Humphrey won 2.2%.

Despite McCarthy trouncing Humphrey among the party's supporters the result was always preordained that Humphrey would be given the nomination. McCarthy's young supporters were incensed. When the convention began in Chicago thousands angrily descended from across America to protest on the street outside. For three days there were wild scenes on television with police and protestors clashing violently both inside and outside the convention. Humphrey won the nomination on the first round but the chaos wounded him and he lost the presidency to Richard Nixon a few months later.

It was a bruising lesson — especially for a party named 'democratic'. The party hierarchy relented and formed the 'Commission on Party Structure and Delegate Selection' headed by Senator George McGovern. Their report recommended henceforth the party use primaries or caucuses in every state to elect its delegates to presidential nominating conventions. A caucus is still open to the public but voters need to attend a lengthy meeting before they cast a vote.

In 1972, 50 out of 50 states elected delegates to the Democratic convention via primaries and caucuses. Four years later the Republicans did the same thing which opened a path for the great Ronald Reagan to almost topple incumbent President Gerard Ford.

Since the universal adoption of primaries and caucuses by both major American parties the battle for party reform has largely ended. The Democratic Party is however still debating the power of super-delegates to their nominating conventions. Super-delegates are party grandees who get a vote without needing to be elected by the people. Unsurprisingly the super-delegates tend to support the establishment candidate. At the 2016 Democratic convention around 15% of delegates were super-delegates.

CHAPTER ELEVEN

WHY THE PARTY ROOM LEADERSHIP BALLOT IS BROKEN

The process that a political party uses to select their party leader and the outcome of that selection process will critically effect perceptions of the electoral appeal of the party.¹⁸

It could be that political parties in the US, UK and Canada (plus plenty of others around the world) have all made a terrible mistake and their nations would be governed better if a small self-interested club ballots for the nation's leader. But putting aside foreign case studies, the party room ballot doesn't stack up conceptually.

There is a glaring conflict of interest in the party room electing our parliamentary leader. More than just improper this conflict has consequences that harm the quality of our government.

If our prime minister were only the leader of the legislature, such as the US Speaker of the House of Representatives, it would be appropriate they were elected by the party room (as the US Speaker is). But our prime minister is constitutionally so much more than a US Speaker. The principal role of our prime minister is the leadership of the executive government.

Like a US president, an Australian prime minister gets to choose the members of their executive government. The US president gets to choose the ministers (or what the Americans

refer to as ‘secretaries’) from any of the 300 million or so US citizens. The Australian prime minister is elected secretly by a club of around 100 ... and he or she can only choose ministers from the same club!

It’s a wide-open invitation for too many in the party room to vote, not for the best leadership candidate ... but for the candidate who promises to elevate to the ministry his or her factional mates. Some members of the party room surely do vote on merit but it’s murky. Duds are promoted because of factional clout and stars are left sitting idle on the backbench.

The *Daily Telegraph* on 23 January 2017 reported the deals that were done to secure Gladys Berejiklian the NSW parliamentary leader of the Liberal Party without contest. In part it reported:

Ms Berejiklian’s first cabinet will be appointed on the basis of rewarding those MPs who backed her into the premier’s job, a move some believe does not augur well for the government’s way forward ...

The two moderate faction number men, Legislative Council president Don Harwin and Matt Kean are set to be rewarded with ministries and Prisons Minister David Elliott will be promoted for getting Centre Right votes across to Ms Berejiklian, having been a past backer of Rob Stokes for the leadership ...

Health Minister Jillian Skinner’s position is on the line but MPs say she has threatened Gladys Berejiklian that if she is dumped from cabinet she will retire and cause a by-election in her seat of North Shore.

Skinner did get dumped, did resign and the Liberals almost lost the by-election.

Around one in three members of the federal party room are in the ministry (or shadow ministry) leaving two in three on the backbench. A backbencher's only real power is to vote for or against legislation ... and 99% of the time vote as their party decides. A minister on the other hand has power. In addition to the executive responsibilities ministers have a higher staff count and salary plus a national profile.

Most backbenchers pine to be a frontbencher and privately grumble they deserved a promotion long ago. Some ambitious backbenchers (shocked at the lack of promotion) will engage in a campaign of destabilisation against the leader in the hope of bringing about a new leader ... confident the new leader will reward their efforts.

The other side of this coin is that leaders will not dump a dud minister if they fear the dud is good at numbers and likely to go on the warpath if returned to the backbench. Those most insulted to be on the backbench are the recently demoted from the ministry and typically comprise the nucleus of the destabilisation.

If the parliamentary leader had been elected by the party's mass membership there would be no ministry-for-votes payback schemes. There is nothing an ordinary party member can ask a leadership candidate in return for their one vote ... so they'll just vote on merit.

Leadership destabilisation is conducted in an appalling cloak and dagger manner which belittles our politics. Forget about merit, character and policy ... campaigns to seize the

leadership are ugly. In his memoirs Peter Costello writes about 1994, ‘I was sick of leadership contests and the bad blood they created.’ Some destabilisation campaigns are done by stealth (i.e. Peacock 1989 and Gillard 2010) but most are conducted via brutal leaks and reputational harm.

The public is fascinated by the melodrama of a leadership challenge as the stakes are high ... but the process earns widespread disdain. It sends a message politics is about scheming ... and so attracts personalities who get a kick out of intrigue. Occasionally the leader is challenged over policy (Morris Iemma in 2008 and Malcolm Turnbull in 2009) but typically leadership destabilisation campaigns are a grab for power for power’s sake with policy a non-factor beyond clichés.

A leader chosen by the party room is constantly nervous about their position knowing that it doesn’t take too much for a handful of disgruntled members to gnaw away. A leader is aware if a challenger does step forward they usually start with a third of the party room — the third with the least hope of ministerial promotion under the current leader. Getting from a third to half only requires a switch of one in six.

A party room ballot concentrates too much power in the individual members of the party room. Aspiring leaders will therefore work to prevent the party selecting candidates for parliament who would be unlikely to support them in a party room ballot. This is why so many parliamentarians and their staff are pre-occupied with the factional struggle in the party. It is appalling.

Bold policy initiatives are rare when the leader is elected by the party room. If a leader proposes a new policy that is good

for the nation it is often initially unpopular with the public and the press. If polls decline when the new policy is announced members of the party room will panic and consider throwing in their lot with the rebels.

Tony Abbott proposed a good budget in 2014 — it wasn't perfect but it was the only proposal on record since 2007 that mapped out a credible plan to get the budget back into surplus. It was immediately howled down by the usual suspects. Abbott soldiered on ... but his party room was jittery. A few months later on 3 December 2014 an opinion piece was published in *The Australian* which in part read:

Fear not, Liberal Party supporters. Early unpopularity is often an indicator of long-term success while initial jubilation is often a harbinger of a fall. Unpopularity is the trademark of reformist governments in the first phase of truth-telling after national self-indulgence. Far from a crisis, current polling is 'situation normal'.

Bad polling in the early stages of a government is an antidote to hubris. It toughens up the government for the long haul and the eventual recovery earns the respect of the nation. The key is to hold the line. As Margaret Thatcher said in the depths of her polling woes just over a year into her first term, 'we shall not be diverted from our course. To those waiting with bated breath for that favourite media catchphrase, the 'U-turn', I have only one thing to say: 'You turn if you want to. The lady's not for turning.'

And:

If a government sticks to its principles (despite a chorus

of demands to reverse), and those principles are in the national interest, sentiment will turn.

The federal government's budget is the medicine Australia needs. Medicine tastes bad but is beneficial in the long term. The biggest threat to the budget is not the polls, it's whether the party room is weak enough to listen to pundits or wise enough to be guided by history. When Thatcher delivered her U-turn speech to the Conservative Party conference in 1980, a large banner in the audience read, 'Keep Right On Maggie.' The Liberal Party membership's message to Prime Minister Abbott is the same.

But the party room were hoodwinked by the polls and two months later Abbott faced a leadership spill against an empty chair. Abbott won but the margin was dangerous — 54 to 44. He now only needed six MPs to change their mind.

Abbott was now in a bind. If he persisted with budget repair he was risking a mutiny but if he didn't government debt would continue to balloon. Abbott likely weighed his options and concluded the best hope was for him to remain as PM but he would need to walk back from sound policy for a period so he could consolidate his leadership.

Rightly or wrongly Abbott did precisely what Margaret Thatcher said she would not do in similar circumstances — a U-turn. His 2015 budget jettisoned all the tough stuff. When the Liberals won the 2013 election a major campaign theme was the ALP was racking up so much debt it was imperilling the nation ... but now we barely hear about government debt which incidentally has doubled since 2013.

Had Abbott been elected parliamentary leader by 200,000 party members on a platform of budget repair the silly party room would have had no choice but to rally behind the correct policy.

If a good policy has been debated among candidates for the party leadership in full public view at a national convention, the elected leader will have a mandate to champion that policy. The party room would then be focussed on one thing — persuading the public about the merits of the policy.

Our prime ministers too often have an awkward demeanour. It's because of the instability of their position. They know the process that elected them to such a high position is fickle.

Ross Fitzgerald on 2 October 2016 wrote in the *Sydney Morning Herald*:

For as long as the Turnbull government lasts, this is what we'll see: deals with Labor or the Greens to raise taxes, cut concessions or reduce so-called middle-class welfare; incessant discussion with the crossbench to produce watered down versions of the Abbott government's policies to get tough with militant unions; and look-both-ways, hedge-your-bets responses to any new circumstance that the government might face.

It's the Turnbull style: cut a deal, don't lead. In fact, he can't lead a centre-right party, at any rate because all his instincts are centre-left. Apart from being Prime Minister, the only things he actually believes in — same-sex marriage, a price on carbon, and an Australian republic — can't be pushed from the conservative side of politics. That, and the fear of bad polls, is why the Turnbull government is doomed to be a do-little one.

Besides the line about same-sex marriage (which is now law due to Tony Abbott's plebiscite proposal) Fitzgerald was sadly prescient.

Implicit in the view the 'party room knows best' is that the membership is ignorant of the qualities of leadership candidates. In the past that was possibly the case. Most politically interested Australians in the 1930s had a few newspapers and limited radio to assess political figures. Politicians were distant from ordinary party members.

Today politically interested Australians have a juggernaut of political news and form accurate opinions about our political leaders. There are millions of quieter Australians with a better-informed view of politics than most within the political bubble appreciate.

There is an impulse among politicians to dumb down their message during election campaigns. This is understandable because they are trying to persuade those who do not closely follow politics ... but these swinging votes are not the people who will be voting in the Liberal Party's parliamentary leadership conventions. Liberal Party members are well informed citizens who have been following politics most of their life. They have good judgement about who should lead. Collectively their view is superior to the party room's.

Parties in Britain, Canada and the United States which have introduced a more democratic method of electing their leader almost always outperform in general elections ... at least until the other party catches up on the reform.

It is probably too much to claim a causal link between internal democratic reform and electoral success. Democratic

reform is however a sign a party is engaging in sincere self-examination. When a party reaches this point they naturally take a step in the direction of democratic reform. Having a say in leaders and candidates gives members a stake in their party and those members then feel invested in helping the party to win elections.

A party room ballot for leader results in aspiring leaders privately hoping the incumbent fails — the political cost to the party is their private gain. It would be far preferable for ambitious future leaders to have a strategy to convince the membership (and by extension the public and the press) of a coherent and creative policy outlook. We would see more insightful and forward-looking arguments in the public square.

Membership-wide ballots to elect our parliamentary leaders would transform leadership contests from the realm of intrigue into contests that reward merit and electoral appeal.

The ideal leader is one who is both principled and popular. It's better to be principled rather than popular ... but of course it is better still to be both. The system that will most likely deliver that outcome is one where the party membership votes for the parliamentary leader.

Nothing will inspire Liberal Party supporters to become Liberal Party members more than the right to vote for our parliamentary leaders.

Just for starters this reform will overnight see tens of thousands of ex-members renew.

CHAPTER TWELVE

MEMBERSHIP ELECTION OF PARLIAMENTARY LEADERS

Since the graceful retirement of Sir Robert Menzies in 1966 there have been almost two dozen ballots for the leadership of the federal parliamentary Liberal Party. These are defining moments for our party and nation. We need a set of rules to elect our parliamentary leaders that is orderly, competitive and most likely to produce the leader the nation needs.

The process outlined here will free a successful leader from the fear of a frivolous spill and provide a worthy challenger a dignified path. I propose the following.

The Liberal Party will hold a federal convention every three years ... midway through the parliamentary term. Every member of the party across Australia will be invited to attend the federal convention at either the main venue or one of the many satellite venues. The media will be inside the convention so the public can see how and why our leaders are chosen.

Nominations for the federal parliamentary leadership will close one month prior to each convention. If there is more than one nomination the candidates will campaign to win the support of the membership across Australia through televised debates, town halls and party meetings. On the day of the convention the candidates will make their final pitch ... and then the membership will elect the parliamentary leader.

A federal government needs the public's vote of confidence to remain in office every three years. The party's confidence in its highest parliamentary leader should also be tested over the same period. If an aspirant to party leadership believes he or she can convince the party membership to elect them leader they will know when and how to make their move. The aspirant can put up or shut up. It would be a case of, 'it's now, or not for another three years'.

Those who consider themselves a future leader will have little incentive to destabilise the current leader through the leaks, deception and deal-making. Such behaviour by a challenger would only diminish their support among the mass membership. Aspiring leaders will seek to build a reputation of substance, character and judgement. If criticism of a leader is warranted, those criticisms can be made openly during the one-month contest.

Eighteen months after each federal election is a sufficient time for an incumbent to be assessed. If the convention elects a new parliamentary leader they will have around 18 months until the next federal election to win over the public. If one month every three years is set aside to resolve leadership tensions it means the party can govern (or perform its role in opposition) for the other 35 months without the most crippling of distractions hovering.

Most federal leadership conventions will likely have only one candidate for the leadership — the successful incumbent. The convention will then become an opportunity for the popular leader to be re-endorsed and give a headland speech before the mass membership.

Under the current party rules the Liberal Party convenes its federal council every year or two. Federal council may soon become consequential but in the past it has been dull, poorly attended and nearly pointless. The press barely takes any interest. It is as though federal council is designed to be as boring as possible.

Only 115 or so delegates to federal council can vote on motions that go nowhere and vote for a federal executive that keeps a conspicuously low profile. In the first decade or two of the Liberal Party the federal president was a better known public figure than many cabinet ministers but today the public aren't even aware we have a federal president.

A federal convention which has invited say, 200,000 party members will have atmosphere regardless of whether there is a contest for leader or not. Federal conventions will inspire party members, build networks across the nation and project a positive image to the public. A distinguished guest such as the New Zealand, Singaporean, Canadian or British parliamentary leader or a senior American statesman could address a lunch or dinner as could the parliamentary leader of the host state or territory.

Every three years, the Liberal Party of Australia will hold its biggest party.

SATELLITE VENUES

The location of the federal convention will be in a different city every three years. With every Liberal Party member across Australia invited the venue of the federal convention will have more demand than capacity. To accommodate all interested party members the federal convention will be live-streamed

to satellite venues across Australia. Attendees at the satellite venues would vote in ballots and (technology permitting) ask candidates questions.

The members of each federal electorate would convene at a satellite venue (except those who have chosen to attend the national convention in person).

NOMINATING FOR THE PARLIAMENTARY LEADERSHIP

In deciding how a candidate nominates we have two models to choose from. Either a certain number of party members will need to nominate a candidate or a certain number of MPs.

In the Canadian Conservative Party a leadership candidate needs:

- At least 300 party members to nominate them.
- The 300 need to be from across at least 30 ridings (electorates.)
- The 300 also need to be from at least seven different provinces or territories.

In UK Labour a leadership candidate needs 15% of the party room to nominate him or her. To be a candidate for leader of the Tories an MP only needs two of their colleagues to nominate them.

The Liberal Party of Australia should embrace the Canadian Conservative Party rules except that the 300 nominators will need to be from across at least four states or territories. While endorsements from MPs are not required to formally become a leadership candidate in Canada there is a fierce contest among the aspirants to win public endorsements from respected parliamentarians.

NON-PARLIAMENTARIANS AS LEADERSHIP CANDIDATES

While the major British parties accept nominations for leader only from sitting members of the House of Commons, Canadian political parties will accept nominations from individuals who are not serving members of parliament. We should do the same as our constitutional twin. This reform will add democratic dynamism to Australian politics.

While it is the norm in Canada for a sitting parliamentarian to be elected parliamentary leader, there have been notable exceptions. When the recent Canadian Prime Minister Stephen Harper was elected parliamentary leader of the Canadian Alliance in 2002 he had been out of parliament for over five years. High profile businessman Brian Mulroney had never been a member of parliament when he was elected leader of the Progressive Conservative Party in 1983 ... and went on to govern well for almost a decade. Canada's longest serving prime minister, McKenzie King, was elected parliamentary leader of the Liberal Party without being a sitting MP.

This reform would clear the way, for example, for a successful state premier to challenge for the leadership of the federal parliamentary Liberal Party. Seventeen of the 45 presidents of the United States had previously been a state governor. Successful Australian premiers should have a clearer pathway to the prime ministership.

A premier wanting to become prime minister under the current party rules would need to resign as premier and from state parliament ... and then contest and win a preselection for a federal seat. After winning the federal seat at a general election they would enter parliament but be viewed with

hostility and suspicion by the incumbent leader. The leader would need to weigh up whether to promote the former premier to the frontbench or keep him or her on the backbench — either option has peril. To become leader the former premier would need to lobby MPs and senators for support to overthrow the current leader. All along the press would be badgering the former premier if their intention is to become leader ... which they would awkwardly deny.

The path from premier to prime minister today is highly convoluted with way too many pitfalls. The price is high and the likelihood of success low so it is no surprise that few premiers bother. In fact, only two premiers have become prime minister and both were before World War II — George Reid and Joe Lyons.

When we embrace the Canadian leadership rules a successful state premier could openly challenge for the federal parliamentary leadership from a position of strength. The same process could go the other way — a senior federal Liberal could more easily enter the contest to be elected a state parliamentary leader.

Senators would be another category who could become leader via the Canadian system.

This practice would also open the way for respected former parliamentarians to make a political comeback or a distinguished party official. Perhaps they would make better leaders after being away from the frontline of battle for a period ... sabbaticals improve judgement.

Take the example of Victorian State President Michael Kroger or former senator Nick Minchin both of whom are

revered by the membership. Let's imagine one of them wakes up one morning with the burning conviction he was the best person to be prime minister. Under the current rules it would be too messy. It would however be feasible for Kroger or Minchin to challenge for the federal parliamentary leadership at a federal convention. They wouldn't need to worry about a preselection or dodging questions from the press about his ambitions — it would all be in the open.

They would easily secure the nomination of 300 members and high-profile Liberals would publicly endorse. Such a campaign would be strengthened by securing a public commitment from a sitting MP to retire if their preferred candidate were to win the convention ballot. If a new leader were elected in such a manner they would have immediate authority before the party and the nation ... far more so than if they had waged a preselection campaign and then a leadership destabilisation campaign and bloody challenge.

This reform would also open the possibility of a citizen politician becoming parliamentary leader. It's hard to see a businessperson, media identity or other significant public figure actually winning ... but perhaps once a century someone like Kerry Packer or Andrew Forrest will. Even if a plain citizen never becomes a parliamentary leader this rule is a good one to have on the books as a reminder that power in the Liberal Party is with the membership.

WHEN A FEDERAL ELECTION IS LOST

Under the current rules, the first thing that happens after an election loss is speculation of whether the party will find a new

leader ... but the party is deflated and not in the right mood for a leadership contest. It should be a time for the party to soberly reflect and not rush to make such a critical choice. Peter Costello declined to nominate after the Liberal Party lost the 2007 election but if he had had some time he may well have decided to throw his hat in the ring.

Again, it is the Canadian Conservative Party which has the best process for the Westminster system.

Prime Minister Stephen Harper lost the November 2015 federal election and resigned as parliamentary leader of the Conservative Party immediately. The Conservative MPs and senators then held a party room ballot for an ‘interim leader’ who became the opposition leader in parliament but barred from standing in the forthcoming leadership convention.

The party room elected Rosa Ambrose as ‘interim leader’ and shortly after she gave an interview during which she said she had no regrets over accepting the position of interim leader. ‘When the time comes, I hope to hand that key over to the next person and say, “Things are in great shape, get off and running, and win us the next election,”’ she added.

Around three months after the election loss the Conservative Party’s ‘Leadership Election Organizing Committee’ met. This is a seven-person committee that decides the date and logistics of the forthcoming leadership convention. Those serving on this committee pledged to remain neutral.

The committee chose 27 May 2017 as the date for the leadership convention, more than 18 months after the election loss. This substantial period gave candidates time to prepare their campaign and members time to assess the candidates.

Seventeen candidates registered. Each had campaign websites full of clear policy positions so the membership understood precisely what they would be voting for. This contrasts very much with the present Australian system. The party room ballot barely allows any discussion about the policy direction of leadership candidates. When Malcolm Turnbull overthrew Tony Abbott in 2015, his principal public criticisms of Tony Abbott were that he had lost 30 consecutive Newspolls and something about the 'economic narrative'.

Contrast this with the leadership election of the Conservative Party of Canada on 27 May 2017. Of the 259,010 party members around 141,000 members cast a vote. There were 13 rounds of voting with the candidate which came last eliminated in each round. The winner Andrew Scheer received 62,593 votes on the final ballot compared to 55,544 votes for his opponent Maxine Bernier. Under the points system (where each riding was allocated 100 points) Scheer received 17,222 points (50.95%) and Bernier 16,577 points (49.05%).

Scheer's campaigned under the slogan 'Real conservative. Real leader.' He was a tax cutter and fiscally prudent who wanted tough border security. Maxime Bernier, the runner-up campaigned as a libertarian with a big focus on tax cuts, deregulation and privatisation. He supported the decriminalisation of marijuana.

Another candidate was Michael Chong who proposed democratic reforms for the parliament and was a supporter of climate change policies. Tony Clement was particularly focused on global warming initiatives and ending taxpayer funds to the Canadian Broadcasting Corporation. Kellie Leitch was

opposed to global warming and corporate welfare.

Instead of politicians leaking and manipulating against a candidate, Canadians hear an adult debate concerning policy.

Nominations for the leadership should be declared a month prior to the triennial federal convention and that kicks off the one-month campaign ... except in the case of when we have moved from government to opposition. When that occurs, we should elect an interim leader and have an 18-month campaign.

LEADERSHIP ELECTION DAY

A leadership convention for the Liberal Party of Australia would likely take place over a weekend. In the first morning session each candidate for leader would give a speech and answer questions before the convention.

The convention would then break for lunch where members would confer. After lunch the candidates would participate in one final debate moderated by a panel of top commentators.

Members would then vote. An optional preferential ballot paper would produce a result quickly and, in most cases, fairly. A member would place a '1' next to their favourite candidate and then have the option of placing a '2' next their second favourite and so on.

The better alternative is exhaustive balloting which would take longer but add to the theatre. The first ballot would ask voters to complete a ballot paper and vote for one candidate only and not give preferences. If no candidate received more than 50% of the votes then the candidate with the least votes would be eliminated from the second ballot. The eliminated candidate could then give a concession speech and likely endorse one of

the remaining candidates. More rounds of balloting would take place until a candidate receives more than 50%.

At this point Australia would either have a new prime minister elect or a new leader of the opposition or, alternatively, the incumbent would have been given a vote of confidence to continue for at least another three years.

MEDIA

During the one-month leadership campaign candidates would meet party members at events around Australia and promote their campaign through traditional media and social media. Televised debates would be key moments. On the day of the federal convention the media would be invited inside to broadcast and analyse the proceedings.

When competitive, conventions make for good television, particularly on the day of the vote. The intrigue and suspense of conventions attract political and apolitical viewers alike, as observers can witness the energy and excitement of the candidates' supporters, peer into negotiations between eliminated candidates and those still in contention, and watch as competitors lead their supporters dramatically across the convention floor to crown the victor.

Television networks employ colourful analysts and commentators to deliver their 'insider' perspectives of the convention to viewers, and the comments of these professionals are used by leadership rivals to influence the delegates at the convention.¹⁹

This is a more dignified form of media engagement during a leadership tussle than the torrent of leaks that surround a party room ballot. John Howard has observed that the Canberra press has a natural obsession with the leadership issue.

Every answer I gave about a forthcoming event which might be more than a few months away was scoured for clues about my future. When I announced that Sydney would be the venue for the 2007 APEC meeting, I was promptly asked who would host the meeting. I replied that the host would naturally be the PM of Australia. So the game went on. I should not have been surprised at this; leadership tension within a political party are the stuff of wonderful yarns for the regular political correspondents.²⁰

Australia can do better than accept a prime minister will too easily be crippled by leadership speculation.

SPENDING LIMITS

Political parties in the UK and Canada set a spending limit on campaign expenditure in a leadership election. The 2004 decision of the Canadian Supreme Court in *Harper v Canada (AG)* ruled that campaign finance limits are not in breach of free speech conventions because a party is a voluntary association.

Candidates will need cash to hire offices and staff, operate phone banks and travel the nation. When Stephen Harper won the leadership of the Canadian Conservative Party in 2004 he and his principal opponent spent around \$2 million each. In 2016 the Conservative Party's 'Leadership Election Organizing Committee' agreed to a \$5 million spending cap.

Candidates will raise donations from party members and supporters. The speed at which they hit the spending limit would indicate the strength of their campaign. A restriction of no more than \$10,000 per donor should apply so the winner can't be accused of being 'indebted' to an individual.

VOTING RIGHTS

In a leadership election in the UK Conservative Party and in the Canadian Conservative party, every member who joined the party at least three months prior to the opening of a leadership campaign is mailed a ballot paper.

We want supporters however to become members but not just because they like a certain candidate who is campaigning on a single issue. We want new members with a longer-term view of what's good for the party. At the same time, we want an open party that rolls out the welcome mat to new members. The right balance is for new members to be entitled to vote after one year's membership.

Voters will need to attend the convention (or a satellite venue) in person. If someone wants to exercise the privilege of helping select a parliamentary leader well, we need them to invest a day or two of their life in the process.

Postal ballots are open to abuse. The ALP leadership election in 2013 was conducted via members being posted ballots. It was the subject of rumours around ballot rigging — i.e. activists driving around and collecting blank ballot papers from disinterested members. Nothing saps the morale of party members more than suspicion around ballot fraud. The ALP was wise to engage the Australian Electoral Commission for

future ballots. The returning officer should be independent such as a respected firm of accountants or auditors.

In the age of hacking, internet voting is too questionable. In any case, it will be desirable to have a big turnout to demonstrate the seriousness of the occasion rather than having people sitting at home on the computer for two minutes electing a prime minister or leader of the opposition.

Once all ballots have been cast at each venue the counting would commence. The smaller satellite venues would be the first to declare their result and the returning officer would publicly announce the count venue by venue.

When a member registers to attend the federal convention they would select what personal details they wished to disclose (if any) to the candidates. Some attendees may only want to share their email address while others may be happy to share their postal address and phone numbers. Some may not want to pass on any contact details and some may only permit their details be given to some candidates.

‘ONE MEMBER, ONE VOTE’ VERSUS ‘WEIGHTED-CONSTITUENCY VOTING’

The simplest option would be to give each member one equal vote. As mentioned in an earlier chapter the two leading parties in Canada use the ‘weighted-constituency’ model. If this were to be adopted in Australia each of the 150 House of Representative electorates across Australia would be allocated an equal 100 points, regardless of how many members of the party live in that electorate.

Let’s imagine in the year 2025 Peter Costello and Andrew

Forrest are contesting the leadership of the Liberal Party at a federal convention. After ballot papers are completed the count would commence.

Let's assume there are 700 attendees who live in the federal seat of Kooyong and 1,500 from the federal seat of Mayo.

In Kooyong 490 votes (70%) are cast for Costello and 210 (30%) for Forrest.

In Mayo 600 votes (40%) are cast for Costello and 900 (i.e. 60%) for Forrest.

In these two electorates Forrest won 1,110 votes which was more than Costello's 1,090. The raw number of votes however is only important within each electorate's silo which has a maximum of 100 points on offer.

Costello won 70% of one electorate and 40% of another ... so he gets $70 + 40 = 110$ points.

Forrest won 30% of one electorate and 60% of another ... so he gets $30 + 60 = 90$ points.

Under a 'one member, one vote' model Forrest is ahead.

Under a 'weighted-constituency' model Costello is ahead.

There are 150 seats in the federal house of representatives. That means there would be a total of 15,000 points available (100 points x 150 electorates) so the winner will need 7,501.

While the 'one member, one vote' formula is simple and would be attractive to those in capital cities, the "weighted constituency model" would motivate leadership candidates to gain support across the nation and in all federal electorates.

Before we can adopt the 'weighted-constituency' model we need to increase our membership in ALP seats. At present this model would give an electorate with over a 1,000 members the

same 100 points as an electorate with 10 members. Only when Liberal Party supporters in safe ALP seats have been sold on the benefits of membership can we use this system.

At the 2016 federal election, the electorate with the lowest Liberal-National Party primary vote was Batman in Victoria ... but 17,924 individuals still voted Liberal as a first preference which is about a fifth of the electorate. Often some of our party's most committed supporters live in safe ALP seats and a democratic party structure may inspire 2-3% of Liberal voters to become party members. In the case of Batman that is around 500 members which is plenty for the 'weighted-constituency' model to be viable.

REMOVING A LEADER OUTSIDE THE FEDERAL CONVENTION

After the removal of first term prime ministers Kevin Rudd and Tony Abbott the commentariat now commonly refer to the 'high transaction costs' of removing an incumbent. It's true the damage is too high under the party room model ... but if a PM actually were faltering they can't expect to be permanently immune from a challenge. We need an orderly leadership transition formula that minimises the associated carnage. If the mass membership had voted out an incumbent PM then that deposed PM would surely be unhappy but won't be able to claim it was unfair.

In 1995 Kerry Packer told the Nine Network's Ray Martin, 'I have never yet met a prime minister or a president who wanted to resign. They all want to keep the job.'

Resignation is rarely considered by a nation's political

leader. Prior to winning the top spot, the individual will have had plenty of ups and downs ... but on balance usually won. Instinctively a leader will interpret any new political challenge as something that will also be overcome.

In mid-2016 the British Labour Party party room clearly wanted to oust Jeremy Corbyn as its leader ... but no-one was quite sure what the mechanism was to remove and replace. Legal challenges ensued and tore the party apart. Again, we can learn from the error of British Labour and devise a sound mechanism to replace a leader.

We need a transparent process to remove a parliamentary leader at any time. Having the rules on the books will prevent complacency in the leader ... and occasionally there are times when a leader should go, and the party can't wait for the next federal leadership convention. It would be unusual since a leader will have been affirmed in the role by the membership less than three years earlier. If there was a career ending issue for the incumbent then it would need to be so serious the party simply could not wait for the next scheduled convention.

A successful spill would trigger an immediate federal leadership convention. We have a choice between giving (a) the membership the power to spill or (b) the party room or (c) both.

If the power to call a leadership spill could be exercised by some of the membership signing a petition it would be a wide open to abuse. A majority of the mass membership can be trusted to act wisely ... but a minority cannot.

The Australian Democrats allowed membership petitions for the removal of a parliamentary leader. In 1991 the South Australian and Queensland divisions circulated what was

the first-ever such petition to remove the leader, Janet Powell. The party's executive and party room cut short the process by installing a new leader. This was a bitter experience and the party collapsed a decade later.

The party room alone should have the power to spill an incumbent ... which is the rule of the UK Conservative Party. If 15% of that party room support the calling of spill then the party room conducts an election. If a simple majority of Tory MPs then vote in favour of the spill, nominations for leader are opened and the deposed leader is prohibited from contesting.

But deposed leaders should have the right to recontest at the convention. If not, it means the party room can defy the will of the membership. Had such a rule existed in the British Labour Party in 2016 Jeremy Corbyn would not have been able to retain the leadership. Whether or not we approve of Corbyn, stopping the membership from voting for him could well have seriously damaged or destroyed Labour.

Sixty per cent of the party room should be required to vote in favour of removal. Spills outside of the triennial federal conventions would then only occur in extraordinary circumstances and not because of some flash in the political pan. A minimum of 60% would mean there was a broad consensus in the party room that a new leader was needed.

If the party room does dismiss and then the membership does reinstate then it would be a little awkward in the parliament, but politics often is.

If there were only one candidate for the leadership after a successful spill then that candidate would still need 50% or more of the party's mass membership to endorse them. Failure

to do so would trigger a second leadership convention. We need this rule because if someone can convince 60% of the party room to spill the incumbent but they are disliked by the membership then that aspiring leader will not move against the leader ... until they have won over the membership.

IF THE LEADER IS CHALLENGED, WHO BECOMES THE INTERIM LEADER?

If a month before a federal leadership convention the incumbent leader has renominated and is being challenged then the incumbent would need to temporarily step down as parliamentary leader. Their focus will need to be on winning the convention ballot. The deputy leader would become the interim parliamentary leader. If the deputy is also being challenged then the party room would ballot for an interim leader who would be prohibited from being a leadership candidate.

Won't this be destabilising to have a sitting prime minister stepping aside for a month? Probably, but it's a small price to pay. Under the party room ballot rules a prime minister can spend a year or more (three in Julia Gillard's case) of being pre-occupied with leadership destabilisation.

WHAT IF A LEADER RESIGNS?

If a leader has decided to retire on his or her own accord, he or she would ideally plan the date to coincide with the federal convention. Occasionally for health reasons or otherwise an unexpected resignation will happen. This would trigger an automatic federal leadership convention.

If a leadership vacancy occurs and the federal executive deems it too close to a federal election to logistically convene a leadership convention the federal executive would waive the requirement to have a federal convention. The election of leader in these unusual circumstances would be decided by the federal council ... which in a latter chapter is an assembly of around 5,000 members.

WHAT IF LABOR CALLS A SNAP ELECTION DURING A FEDERAL CONVENTION?

In the UK and Canada the leading parties within each nation democratically reformed at different times and in different ways but ended up with near identical leadership-election models. Curiously, they learned much from their political rivals but little from their sister parties in comparable nations.

Ideally both the Liberal and Labor parties will hold federal leadership conventions around the same time. This would give neither party an incentive while in government to call a snap poll during the leadership season.

Even if Labor were to never adopt a federal convention model, it is still a remote possibility that a Labor PM would call a snap poll that coincides with a Liberal Party federal leadership convention. It's likely the governor-general would privately counsel the prime minister against it. It's close to certain the public and the press would regard it as a dirty trick and get the ALP election campaign off to a bad start.

A likely motive for an ALP prime minister to call such a snap election would be fear of a certain challenger winning the Liberal leadership and then winning the general election ...

similar to what happened in 1983 when Prime Minister Fraser called a snap poll hoping to avoid a contest with Bob Hawke.

If a failing Liberal Prime Minister, on the other hand, decided to call a snap general election as a way of avoiding a challenge at a forthcoming federal convention the desperate leader would likely lose a spill motion in the party room. The party room would understand the party membership will be demotivated to campaign for a leader who has brazenly disenfranchised them ... and the 60% needed for a spill would be met.

We do however need a system that functions under strain. Let's assume an ALP prime minister does call an election for the same Saturday as a federal convention which has more than one candidate for the leadership.

With an election weeks away, we need our opposition leader to be on the hustings. The federal convention is too large an event to reschedule at short notice so in these most unlikely circumstances the federal council of 5,000 would again elect the leader ... and that leader would face the full membership only 18 months later.

AND THE DEPUTY LEADER?

The election of a deputy leader would be a parallel process with the same rules bar one. Candidates for the position of deputy leader must be sitting parliamentarians. If the new leader is from outside parliament they will need a deputy who knows their way around.

There will be some federal conventions where the parliamentary leader is not challenged but the deputy is.

Sometimes only the leader will be challenged and sometimes neither will. If both positions are contested the convention would likely become a two-day event. It's quite possible candidates for leader and deputy will run a joint ticket.

COST OF A FEDERAL CONVENTION

The federal convention will be profitable. If a federal convention and all the satellite venues had 200,000 attendees each paying \$25.00 the revenue would be \$5,000,000.

In addition, candidates would pay a nomination fee. In 2004 the Canadian Conservatives charged candidates a fee of \$100,000, with \$50,000 rebated at the end of the process assuming no misbehaviour. The media will broadcast the convention ... which is free advertising of the benefits of membership and inspire many new members.

Exhibitors would be invited to pay a fee so they could have a promotional stand. Organisations such as the Sydney Institute, Institute of Public Affairs, the Centre for Independent Studies, the Menzies Research Centre, Quadrant, Spectator, Australians for Constitutional Monarchy, the Australian Republican Movement, Australian Christian Lobby, Australian Conservation Foundation plus publishers, T-shirt vendors and others who will be keen to engage with large numbers of party members.

POLICY DEBATE AT THE FEDERAL CONVENTION

In many cases there will be no challenge to the incumbent leader. In that case the party will still have a federal convention every three years and it would be focussed on policy debates.

When members register for the federal convention they will have the option of marking a box to indicate which policy questions they are in favour of the convention debating. Liberal Party policy debates are mind-numbingly dull (at least in NSW) because we only debate trifling issues. Our debates should be about big ideas ... the company tax rate, the west's response to the Syrian war, negative gearing, ABC privatisation, state income tax, global warming, Indonesia, foreign investment, etc.

These debates will be robust. An aspiring parliamentarian or a future leadership candidate could use the debates to introduce themselves to the membership and persuade them on policy. Debates will be an opportunity for the party membership to communicate clearly to our parliamentarians what the views of members are.

Parliamentarians however must not be bound to vote in parliament by the policy positions of the party. We cannot have parliamentarians treated as if they were mere robots. Edmund Burke captured this principle well, *'your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion.'*²¹

If a parliamentarian promotes political views the membership within his or her electorate does not agree with then the membership will have the power to replace them yes ... but not the power to control them.

STATE AND TERRITORY PARLIAMENTARY LEADERS

The election of our state and territory parliamentary leaders should be elected in same manner as the federal leader at 'state

conventions' and 'territory conventions' held midway through their parliamentary terms. The option of non-parliamentarians being elected leader is likely to be of more value at the state and territory level.

CHAPTER THIRTEEN

SENATE AND UPPER HOUSE CONVENTIONS

In addition to each state (and territory) division conducting its own state parliamentary leadership convention they will also conduct a senate convention prior to each federal election. We have plenty of case studies regarding other aspects of party reform but the election of Australian senators is atypical.

Members of the British House of Lords are unelected. They either inherit the role, represent the Church of England or receive appointment by the Crown on the advice of the prime minister. The House of Lords enjoyed almost equal power with the Commons until 1911. The constitutional battle between the two houses from 1907-1911 is largely forgotten, being overshadowed by The Great War, but it was a dramatic and consequential period in British politics.

The House of Commons and the House of Lords had a national stand-off about their respective powers. The role of a constitutional monarchy is to gently intervene in a once in a century political impasse and at the height of the crisis King George V signalled he was with the Commons. The 1911 Parliament Act passed both Houses which confirmed the Commons was supreme.

The House of Lords is both unelected and largely powerless so has nothing to teach the Liberal Party in how it should elect its senate candidates.

The Canadian Senate is also appointed by the Crown on the advice of the prime minister. Appointees to the Canadian senate are often distinguished former federal and provincial politicians. It is not unknown for a Canadian prime minister to recommend a political leader from an opposing party for elevation to the senate. The Canadian senate exercises a little more legislative power than the British House of Lords but has only rejected 133 government bills since Confederation. The first Canadian Prime Minister Sir John McDonald described his nation's senate as the place for 'sober second thought'.

Bicameral legislative arrangements are the norm around the world but few are directly elected.

The senate most like Australia's is in the United States. Both these senates have:

- democratically elected senators
- multiple senators
- equal representation of senators by state regardless of population.

The big difference is that each Australian state elects six senators at a federal election and sometimes 12 (our territories elect two). An American state elects only one senator every two years except in every third cycle they elect none. Party rules to determine a US senate candidate are therefore simple — a state-wide primary is conducted for one position.

The Liberal Party of Australia needs rules to elect our senate candidates that attract high calibre individuals and that also reflects the philosophical spectrum of the party.

The senate convention formula outlined here would broadcast

to the public that the Liberal Party is no longer a closed shop that doles out senate seats as a reward for loyalty to a faction. Nowhere in the Liberal Party is factional power so dominant as in the selection of our senate candidates. At present our state divisions allow at most only a few hundred delegates to elect our senate candidates. The ACT division does invite all party members to a meeting to elect its one senate candidate.

In 2016 Retired Major General Jim Molan AO DSC nominated as a Liberal candidate on the NSW senate ticket. Molan had served Australia with distinction at the highest levels of our military. He was the Chief of Operations of the coalition forces in Iraq during 2004-2005. The United States honoured him an award rarely bestowed upon foreigners — the Legion of Merit. In addition to his senior military service, Molan has served as the Commander of the Australian Defence College and has written books and papers on high level defence matters.

When Tony Abbott announced a policy of stopping and returning the people smugglers boats he was greeted with the argument from the commentariat that he would not be able to do so without risking conflict with Indonesia. But when Abbott came to government in 2013 he appointed Molan as the Prime Minister's Special Envoy to Operation Sovereign Borders. Molan put together the plan and then stopped the boats with little fuss. What looked to be an intractable problem under the ALP was solved under Tony Abbott's leadership and with Molan's guidance.

If ever there were a senate candidate the NSW Liberal Party should have rolled out the literal red carpet for it was Molan. He

had battled the most ferocious warriors of the 21st century and had defeated the people smugglers but stepping into the NSW Liberal Party's senate contest must have been a shock. Any reasonable person looking at the field would have concluded that he could in no way fail to be at the top of our ticket.

But such is the supreme self-interest of the factions Molan was placed in an unwinnable position. Due to his public profile and no doubt because of the high regard many members of the defence forces had for Molan, he did receive an extraordinarily high number of 'below the line' first preference votes but given his position on our ticket he had no chance of election.

Molan has said that as someone who has assisted five countries down the road to democracy, and seen people die for the right to vote, he finds it 'astonishing' the Liberal Party doesn't give its members the same right.²⁰

Molan is now a senator courtesy of the dual citizenship/section 44 crisis which knocked out two people above him on the coalition ticket ... but that was a fluke. His inability to get elected to the senate under the Liberal Party rules shows that those rules are wrong. As a senator he is an excellent communicator of our party's message in the parliament and press.

The senate conventions proposed here would be similar to the federal leadership election conventions. There would be televised debates prior to the convention which would have satellite venues and be open to the press. Each state and territory would hold their own senate convention and all members of the party for more than six months would be invited to vote.

A senate convention should be held close to the calling of a federal election. In addition to electing senate candidates it will bring party members together on the eve of an election and motivate them for the coming campaign. Senate conventions would double as the campaign launch for each state and territory and provide the prime minister or leader of the opposition an opportunity to motivate the membership to campaign their hearts out.

Compared with the federal leadership convention, fewer party members would probably attend ... but still many would be prepared to dedicate a day for such an important ballot. It would certainly make party membership more valuable.

With thousands of members voting it's hard to imagine the membership dividing into two rigid factional voting blocs ... but we need rules that assumes they will. We need to prevent a faction with a slim majority winning all positions.

Having an ideological diversity of candidates is not only fair but it adds to our electoral appeal and keeps the party united. When our party is top heavy with either 'conservative' or 'moderate' senate candidates it diminishes our standing with the public and opens the door to micro parties. A balanced ticket means all members can depart the senate convention satisfied at least one candidate they like is in a winnable position.

Let us assume that 30 candidates nominate for the six senate positions. On the day of the convention, each of the 30 candidates would address the, say, 25,000 attendees for two minutes and then answer questions for a further two minutes. 30 candidates would take around three hours.

To deter frivolous candidates nominating and wasting time each nomination will need the support of 50 party members and a reasonably substantial nomination fee (around \$10,000) half of which would be refundable if the candidate receives more than 100 votes. If someone with no chance of winning even 100 votes nominates they are effectively donating \$10,000 to the party. But what if someone gets up and starts talking fringe nonsense on our stage before the press? So what? They'll get no votes and so the party will be telling the public that it doesn't support loony policies ... and we made \$10,000.

Each candidate will believe they should be a senator ... and they'll get four minutes to make their pitch before a merit-voting mass forum. Some candidate presentations will be dull ... but four minutes from anyone is bearable. But most speeches will be interesting and there will be some which are inspiring. The televised convention will introduce future senators to the public ... unlike the current system which produces senators that the public has never heard of.

Once the initial presentations are concluded all members in attendance would be given a ballot paper with each candidate's name. Members will complete the ballot paper by placing an equal value tick next to the name of the four candidates they most want to see progress to the second (and final) round of the 12 most popular candidates. The lunch between the two rounds of candidate presentations would be one almighty lobbying fest with friends persuading friends to support their favourite candidates ... democracy 101.

After lunch the 12 candidates with the highest tally of points would give a second speech for five minutes and five minutes of

questions. This will take around 2.5 hours.

The membership would again ballot and this time they will place an equal value tick next to the two candidates they most prefer. Voters would be given two votes each because if they were only given one it's quite possible a superstar candidate could get 80% of those votes and then the other five positions would be chosen by only 20% of the votes. If all get two votes then the superstar will still easily come first but won't have vacuumed up all available votes.

The ticks would then be added up and the six highest vote getters would comprise the ticket and be ranked from the most popular to the least. At the top of the ticket would be someone the convention judges to be outstanding and therefore be guaranteed election to the senate. If the winner had a particularly high vote he or she would enter the senate as a heavyweight.

When only a couple of hundred of delegates are voting it's possible for a majority bloc to manipulate this process by carefully sharing their votes among their top three or four candidates. This just will not be possible with many thousands of individuals voting. Members will not take instructions on how to vote from the factional brokers because they can't dole out rewards to so many.

Under the delegate system of electing senators it is inconsequential who the party decides will contest the unwinnable 5th and 6th positions on our senate ticket. Under this democratic model it would be an honour to have won at least several hundred votes before the party membership and while they will very unlikely be elected a senator this time they may be on track to future success.

If an election is a double-dissolution each step in the formula above would be doubled. In the final round the election would be for 12 places and the members would tick the names of four candidates.

There will be no 'Coalition' senate ticket ... Nationals can run their own ticket and stand on their own rather than glide into parliament on our coattails.

If a senator retires midterm the party would hold a convention to elect a single senator.

The outline above for senate conventions will be a similar process for the election of our candidates for state upper houses. These conventions however will vary from state to state reflecting the different electorates upper house members represent.

In South Australia and NSW members of the upper houses are elected to represent the entire state so these upper house conventions would be the same as a senate convention (except more candidates would be elected). In Tasmania, Victoria and Western Australia members of the upper house are elected to represent large regions that divide the state roughly equally according to population. Victoria, for example, is divided into eight 'electoral regions' five of which are in Melbourne and three are non-metropolitan with each electing five members. To elect our candidates in these regions the party should conduct a convention within each region inviting all local party members.

The parliaments of Queensland, the Australian Capital Territory and the Northern Territory do not have an upper house.

CHAPTER FOURTEEN

PRESELECTIONS? PLEBISCITES? NO — PRIMARIES!

Senate and upper house elections are important but by around 2-1 we have more members in the lower houses of parliament.

There are three methods of selecting candidates for lower house seats:

- **Preselections** — party members who live in a particular seat are not allowed to vote for our candidate but do vote for delegates who get a vote for the candidate.
- **Plebiscites** — where all party members who live in a particular seat can vote for our candidate, thus eliminating the need for delegates. The Oxford Dictionary definition of plebiscite is: ‘the direct vote of all the members of an electorate on an important public question ... from Latin *pleb* (the common people) and *scitum* (decree).’
- **Primaries** — which invite the many thousands of Liberal Party supporters in an electorate (not just party members) to get a vote for who their Liberal candidate should be.

Every division of the Liberal Party of Australia has now replaced preselections with plebiscites bar Western Australian and in that division the debate is now on which means it’s not a question of if but when. But plebiscites only moved us from the 19th to the 20th century. It’s now time to move to primaries.

Primaries would transform our parliaments. Increasingly our state and federal parliaments are getting filled by a narrow careerist political elite — former staffers, party officials and the like. Primaries will increase the number of parliamentarians who have achieved something of note in the non-political world. Menzies' cabinet was full of such people.

US-style primaries are 'world's best practice' but these elections are decided by a first past the post system. This means if there are say eight candidates and the highest individual vote tally is 38% then that candidate wins the endorsement ... even though someone else may have received 37% and most of the supporters of the other candidates would have much preferred the runner-up. The Australian voting public is familiar with the more democratic preferential voting system so Liberal Party primaries should embrace optional preferential voting in primaries.

Let's review the historical development of lower house candidate endorsement in the Liberal Party.

The first organised non-Labor political party in NSW was the Liberal and Reform Association founded in 1902. Similar parties appeared in the other states around the same time. Until 1914 in NSW its candidates for both state and federal seats were chosen by a simple democratic vote of all the local party members, a procedure now known as a plebiscite.

It was not uncommon for around 2,000 party members to participate in a vote for our lower house candidates in the first decade or two after Federation. A frequent criticism at the time was that outcomes were manipulated by candidates signing up masses of new members who were disinterested in

politics but who could be relied on to vote for a preordained candidate regardless of merit. Today we use the term ‘stacking’ to describe that rort. A century ago it was ‘packing’.

Centralising this process began in 1914 when the NSW state executive gave itself the power to overturn candidate selections. Over the following decades the process became less democratic as branches elected delegates who could vote in a preselection.

In 1944 Robert Menzies founded the Liberal Party of Australia which was more of a rebadging exercise than a new beginning. In every state (bar South Australia for a period) preselections of lower house candidates were decided by the delegate system.

To spell out how delegate/preselections work let’s consider the Tale of Mr Schemer and Mrs Virtue. This assumes the following:

- There is a federal seat named ‘Howard’.
- Howard is blue ribbon Liberal.
- The Liberal Party will soon conduct a preselection in Howard.
- Two candidates have nominated — Mr Schemer and Mrs Virtue.
- One of the 120 delegates to the preselection is Mr Cowardice.
- Another preselector is Miss Creepy, who is a factional identity.
- Mr Stand-Over is a powerbroker, a ‘factional warlord’.

Twenty-eight-year-old Mr Schemer has been very busy this past decade. Student politics and the Young Liberals have been his life. He did work briefly as an assistant manager at Coles

but for several years now has had a taxpayer funded job as a staffer where he spends much of his time on the phone talking to others about upcoming branch meetings, who will be attending and so forth.

Ironically Mr Schemer isn't really that interested in politics. He thinks he is, but he only has a few rehearsed lines about national politics, world affairs, history and philosophy. He loves Graham Richardson's *Whatever It Takes* but couldn't tell you who the Canadian Prime Minister is.

One thing Mr Schemer does know, however, is how many preselectors are certain to vote for him in the Howard preselection. Mr Schemer's hyper-motivation in the party is driven by a desire for social status, a penchant for intrigue and the need for a taxpayer funded salary because, frankly, he is unemployable outside politics.

The other candidate for preselection is Mrs Virtue. She is in her late 40s and for two decades has run a growing a business. She has a dozen happy employees who think the world of her. She and her husband, a Naval Officer, read widely, follow politics closely and have always been keen and at times vocal supporters of the Liberal Party.

The editor of the largest newspaper in Howard wrote this about the coming preselection:

Mrs Virtue is one of the most impressive members of the Liberal Party I know. She is a charismatic woman with an acute political mind and is genuinely altruistic. Mrs Virtue joined the party because she believes party politics is the most effective route to policy change. She is now considering seeking preselection for the seat of Howard

but has been warned it's been locked up by a 28-year-old factional operator named Mr Schemer. Party insiders say the preselection will be no more than a beauty parade with a pre-ordained outcome. (This is loosely based on a Paul Sheehan column.)²²

Despite this warning and others, Mrs Virtue simply can't accept the Liberal Party would prefer Mr Schemer and so she proceeds with her nomination. Mr Cowardice is one of the 120 preselection delegates. The seat of Howard has around 1,000 party members but only about 70 of them are granted a vote with the other 50 being factional bigwigs from elsewhere. Both Mr Schemer and Mrs Virtue introduce themselves to Mr Cowardice. Afterwards Mr Cowardice is sure he will support Mrs Virtue. He was not only impressed by her character and accomplishments, he's confident she would make a significant contribution in Canberra. On the other hand, Mr Cowardice found Mr Schemer brash and immature.

A week before the preselection Mr Cowardice receives a phone call from Mr Stand-Over. Mr Cowardice hasn't met Mr Stand-Over but has frequently heard his name around the party. In response to a question Mr Cowardice informs Mr Stand-Over he will vote for Mrs Virtue. Mr Stand-Over then politely explains he prefers Mr Schemer and adds, 'I've heard you are considering running for your State Electorate Conference president next year', which Mr Cowardice confirms. Mr Stand-Over then says, 'I can deliver votes in that ballot. You know most local party members are excluded from that ballot. It's just a few delegates who can vote and enough of them will do as I say.' Mr Cowardice is surprised and asks,

‘Are you sure about that?’ to which Mr Stand-Over says, ‘Ooh absolutely ... but it all depends on you voting correctly in the Howard preselection.’

Mr Stand-Over senses Mr Cowardice’s hesitation and adds, ‘Don’t be fooled by Mrs Virtue’s charm. Did you know all of Mrs Virtue’s supporters are [Option A: “*atheist, bi-sexual, socialists*” or Option B: “*gun-toting Christian fascists*”] who don’t belong in our party. If you vote for Mrs Virtue you will be deemed to be part of “them” and with that a reputation you’ll have no hope in being elected conference president.’

Mr Cowardice replies, ‘Well I suppose I can see some potential in Mr Schemer ... I suppose I’ll vote for him then.’ At that point Mr Stand-Over raises his voice, ‘You are not going to get my votes for conference president by “supposing” you’ll vote for Mr Schemer. Do you want those votes or not?’ Mr Cowardice says meekly, ‘Yes I want those votes.’

So, Mr Stand-Over gets to the point of his phone call: ‘On the day of the Howard preselection Miss Creepy will sit next to you. You will show Miss Creepy your ballot paper so there isn’t any doubt you are someone who has learnt to obey. Will you sit next to Miss Creepy and will you show her your ballot paper?’ ‘I will’ replies Mr Cowardice as he bows his head in shame.

Unfortunately for Mrs Virtue, Mr Schemer has sufficient ‘controlled votes’ on the preselection and wins despite a bumbling speech of platitudes. There is considerable disquiet in the local community that someone with such a thin resumé could be their MP. Most local Liberal Party members themselves are appalled, but that’s irrelevant because barely any got a vote. Some of the Liberal Party’s keenest supporters

in the local media are aghast and rail against Mr Schemer. But on election day there is no alternative and so the good Liberal Party voting people of Howard vote for Mr Schemer.

Mr Schemer will go on to give a meaningless first speech to parliament, employ factional nitwits as his staff and make zero contribution to national debate. Mrs Virtue on the other hand is confused and while she will always vote Liberal she doesn't want anything to do with the party organisation again. Mr Stand-Over was true to his word and Mr Cowardice becomes the conference president, but since he was delivered the position by the faction he resolutely obeys the faction in all things because he knows they could just as easily take it away.

Factionalism is simply hundreds of Mr Cowardice type deals piled one atop the other. Ninety per cent of Liberal Party members are inherently against factions and consider it offensive to take orders on how to vote, but the factions attract and reward people who obey orders and plot to become delegates.

After the Liberal Party lost the 1983 federal election the new Opposition Leader Andrew Peacock instructed the Federal Executive to appoint a Committee of Review. The Committee was chaired by the then president of the NSW Division John Valder. The then Deputy Federal Director Nick Minchin acted as committee secretary. The Committee produced a report entitled 'Facing the Facts' which was billed as the most comprehensive review of the party structures since 1944.

The Liberal Party was founded as a genuine mass-based Party in the belief that having the largest possible number of members would allow the Party to be truly

representative of the whole Australian community. By its very nature liberalism rejects the concept that a small organisation can be the embodiment of the aims and aspirations of all Australians people, or indeed even of Liberal supports throughout the country.

The larger the base of the Party membership then clearly the less the chances of the party being controlled either by outside interests or indeed by internal cliques of factions. Similarly a Party needs a large membership to provide the sinews of both manpower and money with are crucial to its success.

The Committee is concerned that membership will remain listless until such time as a greater incentive is offered to supporters to become members ... the key to party membership is of course motivation. There must be a clear, positive reason why people want to become and remain members of the Party and why they should become active members of the Party. Motivation is effected by a feeling of both relevance and influence.²³

The party historian Ian Hancock wrote of this report:

The Committee found that too many Liberal Party branches across Australia operated as 'closed shops,' that many branch meetings were simply 'boring' and that branches lacked any 'real political power'.²⁴

A decade later the Queensland, Tasmania and the ACT Divisions had adopted plebiscites. When the party lost the 1993 federal election the Federal Executive established a Taskforce on Party Restructuring which again recommended that all

divisions replace preselections with plebiscites to attract candidates of the kind we will need to win government.

Nearly a quarter of a century after ‘Facing the Facts’ Senator Nick Minchin lamented that with some exceptions, ‘the Party around Australia failed effectively to understand, accept and adopt the change in approach so wisely advocated by the 1983 committee of review, despite almost everybody applauding the report at the time’.²⁵

Minchin’s intervention however triggered action. After extended battles and multiple failed attempts by 2010 the South Australian and Victorian divisions had voted in favour of plebiscites leaving only NSW and Western Australia undemocratic.

The introduction of plebiscites had an immediate positive impact on each division. Factional power was curtailed. Prior to plebiscites there was usually an ugly branch stack taking place somewhere in Australia and generating ongoing negative media.

On 11 April 2014, the newly elected member for Corangamite Sarah Henderson wrote on the *Mamma Mia* blog:

My election was aided, in no small part, by the Liberal Party’s reforms in Victoria which gives each local member of the Party an equal say in who is chosen to run for parliament — in both the House of Representatives and Victoria’s Legislative Assembly. That each person has an equal vote makes it extremely difficult for the more influential Party members to lock up the numbers, so to speak. This has empowered Party members at the grassroots and reinvigorated the Party

organisation. And, might I humbly say, the reforms which were introduced in 2009 have produced some very good members of parliament.

Political parties in Britain and Canada use plebiscites to elect their candidates for parliament, although the UK Conservative Party began trialling primaries in 2005. These trials have generated big turnouts from the Conservative Party supporting public ... often over 20%.

A primary will invite Liberal Party supporters (not just paid up party members) to have a vote in the election of the state and federal candidate for the seat in which they are enrolled with the Australian Electoral Commission. Supporters would arrive at a polling booth similar to a general election and sign a statement confirming they typically vote Liberal. They would not pay any fee.

Candidates would need to be campaigning not by trying to win the blessing of a factional boss or a couple of hundred party members. They would need to be out and about trying to convince thousands of local party supporters to back them. Incumbent dud MPs will be horrified but its democracy 101. The primary campaign will also serve to introduce the successful candidate to the electorate.

There are many sincere Liberal supporters who for many reasons do not want to become a party member, but whose judgement will be sound. A primary will tap this collective wisdom. Primaries will be a battle over policy plus popularity.

Politically interested Australians are familiar with primaries in the United States for presidential elections, but it's less well known that primaries are used to elect candidates in almost all

American elections. A primary for a seat in the US House of Representatives takes place a few months prior to the general election. It varies but typically around 10% of an electorate (or what Americans refer to as ‘districts’) will voluntarily choose to participate in a primary for either of their major parties.

Despite Australians having no primary tradition it is encouraging that on the few recent occasions when an Australian political party has held a primary that a similar proportion of supporters show up. Aussie voters want primaries — we just need democratic champions within the Liberal Party to fight to give them a vote.

A primary election was held in the NSW state seat of Tamworth in 2010. Tamworth had been held by Independent Tony Windsor and then his handpicked ‘independent’ successor for two decades. The Nationals were desperate to win it back and so rather than having only paid up National Party members vote they opened the contest and invited all self-identified National Party supporters to have a say. Four thousand, two hundred and thirty nine people did, which is around 10% of the electorate. The primary elected candidate comfortably won the next state election.

The NSW National Party held a couple more primaries which were also successful but strangely has not rolled out this reform to be standard operating procedure. The swing of 36% against the Nationals and the loss of its state seat of Orange to the Shooters, Fishers and Farmers will hopefully be a wake-up call. To its credit, the NSW ALP has held primaries to elect their candidate for Mayor of Sydney and for a couple of state seats including Balmain. On each occasion the primary election attracted close to 10% of the electorate.

From conservative rural Tamworth to lefty inner-city Sydney a significant number of Australians want to participate in a primary.

On 7 September 2016 John Howard spoke at the National Press Club. In response to a question he said that there is a 'mounting view' amongst Liberals and Liberal supporters in Sydney that when it comes to preselections in safe Liberal seats that the Liberal Party is close to a closed shop. He added that '... for a party that has rightly in my view campaigned hard against closed shops in the industrial relations arena that we should not allow it to continue.' A plebiscite opens the door a little but it is a primary which most thoroughly sidelines self-interested factions.

After the 2010 federal election near-win the Hon Peter Reith was commissioned to prepare yet another report about party reform. The *Review of the 2010 Federal Election* was released on 25 May 2011 and gave 34 recommendations.

The 19th recommendation was:

That the Party positively consider, subject to practicality, conducting two trial primaries for the forthcoming Federal election.

The 20th recommendation was:

That the Staff Planning Committee develop a recommendation to Federal Executive for the implementation for the two primaries and in doing so consult widely including with the Menzies Research Centre.

The Review went on to state under the heading 'Primaries':

The adoption of primaries for preselections would be a useful addition to the use of plebiscites.

In recent years there has been local and international interest in the concept of holding preselections using a primary.

The Conservative Party in the UK commenced using primaries in the 2005 general election where it held primaries in two Labour-held seats. These were caucus-style community meetings in which candidates fronted assembled groups of voters. The endorsed Conservative candidate achieved swings of 9% and 10.5%, with the seat of Reading East falling to the Conservatives. An additional benefit was the signing-up of 200 new Conservative members in one of the seats following the primary.

Boris Johnson the successful Conservative candidate for Lord Mayor of London was selected after the Conservative nomination process was opened to the general public.

The National Party candidate for the seat of Tamworth in New South Wales was preselected by 4,392 local people for the March 2011 State election. By winning the primary, the candidate gained a strong local mandate that allowed a strong, and ultimately successful, challenge to the sitting independent. The seat was won with 57.8% of the 2PP — a 12.5% swing.

There were four nominations for Nationals preselection in Tamworth. The Nationals Management Committee accepted all nominations. The seat was held by an Independent. Candidates were able to campaign through the media and also took out paid television and newspaper advertisements. The Party also heavily

promoted the primary (through the use of television and radio) and provided background on the candidates in mail outs to the entire electorate. They also hosted five community forums.

The heavy promotion of the Nationals' primary and the campaign work by the candidates themselves was critical in creating interest in the eventual candidate and giving that candidate real momentum and a far stronger community base from which to campaign.

All people on the electoral roll in Tamworth were eligible to cast a vote in person. (Nationals members were also eligible for a postal vote.) There were eight polling booths open between 8am and 6pm.

A primary can mitigate the operation of factions, discourage branch stacking and, most importantly, promote active participation in the political process. Whilst the ALP is at least talking about the concept, to be effective the process has to be more than tokenism. The two trial seats that I recommend should be seats where there is a good chance to win ...

This initiative can once again demonstrate that the Liberal Party is serious about citizens' participation and improve the quality of our democratic processes. The proposal is for two trials with a review after the next election.

Just as with *Facing the Facts* in 1983 the media applauded and no-one publicly dissented but nothing happened. There was no post-primary review because there were no trial primaries. Party members across Australia paid no attention

to the 'Reith Review'; they had come to expect little from such reports.

In the United States when an individual enrolls to vote with the equivalent of the Australian Electoral Commission they can register as 'republican' 'democrat' and for other parties. If the individual declines to do so they are registered 'independent'. It varies from state to state but in most cases only registered republicans can vote in a republican primary and only democrats in a democratic primary.

Once the Liberal Party has fully embraced primaries we can expect Labor will too. Ideally political parties would conduct their primary on the same day which is standard practice in the United States. Same-day primaries will largely eliminate the fear of hard-core Labor supporters voting in a Liberal Party primary for the least electable candidate. To do this would require Labor supporters to walk into a Liberal voting booth while surrounded by activists and posters from the party they dislike so much. Very few would ... particularly as they could be easily identified by their neighbours. This is however the principle argument used by the powerbrokers and factional bosses against primaries. What they are doing is projecting their own corrupt mindset onto the general public. Same day voting for the Liberal and Labor primary plus proper identification requirements will remove doubt.

CHAPTER FIFTEEN

ANNUAL ELECTORATE CONVENTIONS

We need an active party machine in every state and federal electorate across the country. If we use primaries to elect lower house candidates, what will be the local structure of the party for paid-up members? At present each seat has multiple branches within it (many of which are dormant). Most members are largely cut off from each other as they attend their own poorly attended and usually infrequent branch meetings.

Under a democratic party the local structure will look like this. An individual who is a paid-up member of the party will automatically be a member of both their State Electorate Conference (SEC) and Federal Electorate Conference (FEC). Both the SEC and the FEC will have an annual convention which would be referred to as, for example, the North Sydney Annual Convention. Every member of the SEC and the FEC for more than six months would be entitled to vote at the Annual Convention to elect the Conference Executive for the coming year. Across NSW there are 47 federal and 93 state electorates. Accordingly, there would be 140 Annual Electorate Conventions (close to three a week).

The FEC executive would be a board of nine individuals and the SEC executive would have seven. A voting method will need to ensure minority views are equitably represented. The executive will largely have autonomy from head office about

the day to day management of the party in each electorate. The affairs at the grassroots of the party consume way too much time of the party secretariat's time presently because of disputes over delegates. Since the FEC and SEC executives would not be smothered by dictates from on high they will be more innovative. Conferences will learn from the experience of others and compete for excellence.

The SEC and FEC executives would coordinate fundraising, campaigns, membership outreach and social events across the electorate. At the end of each 12 months the Annual Electorate Convention would re-elect those executives who have performed or replace them with others with better ideas. As with leadership and senate conventions the local media would be invited inside the Annual Electorate Conventions.

The Annual Electorate Convention would showcase the strength of the local party. It would be a decision for each Executive, but the Annual Convention would likely be a one-day event with annual reports, speeches by candidates for the executive and an evening event with a guest speaker. All party members from across the state would be welcome to attend any Annual Electorate Convention but only local members could vote. A prospective senate candidate, for example, might want to attend every Annual Convention he or she can across the state to meet future voters at a coming Senate Convention.

CHAPTER SIXTEEN

STATE COUNCIL AND FEDERAL COUNCIL

Each state division of the Liberal Party will still have a State Council. Membership of State Council would be all the executives of every FEC and SEC plus all state and federal parliamentarians from that state. In some states this could be quite large with over 1,000 members.

The responsibilities of State Council will be as follows:

- Election of the State President and State Executive of the party.
- Adoption of future party reform. The first decade of conventions and primaries will see an ironing out of the processes for the newly structured party.
- Overriding a decision of the State Executive with a simple majority.
- Electing life members to State Council such as retired parliamentarians and party stalwarts who are held in high regard.
- Elect senators and upper house candidates when there is a single vacancy and a state-wide convention is impractical.

The state-wide party organisation will need a ‘board of directors’ i.e. a state executive plus a chairman of the board i.e. the party president. Under a democratised party structure, the state executive will have far less power and so will attract quality individuals who want to serve in these positions more

for the good of the party than to advance the interests of a faction. The party president will be expected to be someone who makes the case for the Liberal Party in the media. Apart from Michael Kroger in Victoria this is barely the case at present.

We don't want party reform to be debated by all party members at State Conventions as it will be too dull for most attendees. It is important however to put in place a mechanism to keep State Council from adopting party reform that is against the interests of the members. Just as section 128 of the Australian Constitution is a check on a fundamental change by referring it to the people in a referendum, it is important to have in place a mechanism to keep State Council from adopting party 'reform' that is against the interests of the members.

If 10% of all FECs and SECs in a state division approve a motion to overturn a rule change made by State Council, a special State Convention with all ordinary members entitled to vote will need to be called to decide the matter. Far fewer members will be interested in attending a State Convention to debate party rules but if it is important, enough will for a democratic outcome. Just having this mechanism in place will deter State Council from attempting to disempower the members.

Under the current party structure, a State Council delegateship is highly prized by the factions. State Council delegates not only frequently get to vote in preselections, they elect what in NSW is a politburo, an all-powerful State Executive. Many of these delegates are some of the least active members of the party but are given the prize of a State Council delegate because of their docility.

The composition of this new State Council will be vastly superior. They will be men and woman from across the state who have demonstrated to their local members that they can be entrusted with responsibility. They will have been elected by hundreds of local members.

Federal Council would be a largely similar body as the various State Councils. All executive members of every SEC and FEC across the nation plus every state and federal Liberal parliamentarian in the nation which would total over 5,000 members. The federal council would elect the federal executive and federal president.

Peter Reith has previously argued in favour of the entire party membership voting for the federal party president. His democratic instinct is good but if both the parliamentary leader and the federal president were to be elected by the same constituency this would be a recipe for instability if they were to disagree publicly. Reith was in fact arguing for the entire national membership to elect the federal president but still retain the party room to elect the parliamentary leader. This would give the federal president too much political authority for a non-parliamentarian and the parliamentary leader too little ... which is a fraught imbalance.

CHAPTER SEVENTEEN

HOW MANY CONVENTIONS CAN A MEMBER ATTEND?

Rather than being serfs, the members of a democratised Liberal party will value their membership. They will have a direct say in our parliamentary leaders, MPs, senators, upper house members and the executives of their electorate conventions. Over a four-year period, an ordinary party member can participate in the following:

- A Federal Convention to elect or re-endorse the federal parliamentary leader.
- State Convention to elect or re-endorse the state parliamentary leader.
- A Senate Convention.
- An Upper House Convention.
- Four Federal Electorate Annual Conventions.
- Four State Electorate Conventions.
- A federal primary.
- A state primary.

This will incentivise party supporters to become party members and to continue renewing their membership.

Some members will be interested in attending very few conventions, but an enthusiastic party member who wants to build a reputation across the party can attend as many as they want.

As presently structured the Liberal Party of Australia can be captured by a few dedicated powerbrokers and activists. When the party moves into modern times and transforms from being a delegate-based party to a convention and primary-based party it will be a big and busy machine.

The ALP has a great advantage over the Liberal Party because of the campaign manpower it borrows from the trade unions. In the 2016 federal election the marginal seats across Sydney were severely outmanned by the ALP. The party was so destitute the prime minister had to write out a \$1,750,000 personal cheque to keep the NSW campaign afloat. As he signed that cheque he hopefully paused to reflect on the multiple occasions he had voted against the membership having a say in the NSW division. How can party members who have been robbed of a say be expected to care enough about the party to help it get elected?

CHAPTER EIGHTEEN

FUNDRAISING

In 1945 Robert Menzies said at the birth of our party:

The essence of the organisation is its democracy. Every person, new or old, will join it on the same terms. There will be no vested interests. There will, I hope, be a widespread contribution of relatively small sums by rank and file members so that the foundation of our finance will be rank and file subscription.²⁶

A key selling point of the 'new' party was that its funding would come from a high volume of small donations from individuals. This was important because the Liberal Party's parent (the UAP) and its grandparent (the Nationalists) were attacked by Labor as being funded and controlled by big business interests.

At the federal council of the Liberal Party in Sydney on 15 June 2018 the federal president Nick Greiner said:

We are behind in terms of financial support as we don't have the third-party support and we don't have the unions support. I think I can report there are some green shoots of business interests in contributing the return of the Coalition Government but they are green shoots and we need more like green trees to get to a position of equality of our opponents. That's a continuing situation. Everyone acknowledges it.

What actually needs to be acknowledged is that the Liberal Party fundraising mindset has returned full circle to the UAP and the Nationalists — i.e. a dependency on donations from big business. This is a sad inevitability of a party which has denied members a say and therefore has too few members to provide a secure funding basis. The answer is not to beg big business for money (with strings potentially attached) but to have a mass membership.

It is untrue that Liberal Party supporters don't want to join the Liberal Party. Many tens of thousands of keen Liberal voters have enthusiastically joined over the past decades but soon found membership worthless.

A party based on conventions and primaries needs individuals who pay an annual fee to become a party member. The average annual Liberal Party membership fee across Australian state and territories is around \$80. The annual membership fee of the three major Canadian political parties is \$10.00 to \$15.00. In January 2016 the executive of the Conservative Party of Canada increased their membership fee to \$25.00 but within a few months of criticism over this 'elitist' fee the party reverted to the \$15.00 fee.

The key factor when setting the price of membership is how to attract the most number of sincere members. We need to find the balance between encouraging lots of new members by not erecting too high a barrier but we don't want people who don't care about the party being signed up for a few bucks either.

The price of membership should be a decision for each state and territory division and that fee should be affordable

— probably around \$30. A large membership means a large database to invite members to events.

The Liberal Party must wean itself off the public purse. Taxpayer funds provide close to half the revenue of some state divisions. Public funding of political parties was introduced by Labor and flies in the face of all the Liberal Party is meant to stand for. It makes political parties lazy and remote from ordinary people. It reduces the need for new members. A democratic Liberal Party will reject public funding and eventually shame Labor into doing so as well.

CHAPTER NINETEEN

MEDIA POLICY

The media policy of a Liberal Party which is open, transparent and democratic should be a ringing declaration: ‘There shall be no media policy.’ Party members and supporters should be uninhibited as to what they can say to the media about the party, the candidates, the leaders and the policies of the party.

A reformed Liberal Party has nothing to fear and much to gain from robust free speech within and without our party. While every state division has rules against speaking publicly about ‘internal party affairs’ it’s only the NSW Liberal Party which routinely suspends members for speaking to the media. Suspension for speaking to the media is the tool that keeps the factional stranglehold in place because whistle-blowers are too scared to expose rorts.

If someone says something negative about the party and the media deem it worthy of reporting its most unlikely to cost the party any votes at election time, indeed it is more likely to be constructive. When members are not permitted to speak to the media they just do so anonymously. This does more harm to the party.

As Tony Abbott told the NSW State Council in December 2013, it is ‘not for nothing are we called the Liberal Party because we think that freedom of speech not just in the community but inside our Party is just about the highest possible value.’

CHAPTER TWENTY

A UNILATERAL DECLARATION TO THE NATIONAL PARTY

The National Party is our nation's second oldest political party. Various state-based farmers' parties sprang up spontaneously just before and just after World War One. When 11 individuals associated with these parties were elected to the House of Representatives in the federal election of 1919 they unanimously agreed to create a nationally organised party — the Australian Country Party. This was a party formed from the top down. It was and remains a party created by parliamentarians for parliamentarians.

Why did rural Australians need a rural party? Rural voters in comparable nations did not in 1919 or at any other time. Travel to metropolitan areas for important political meetings wouldn't have been more difficult in Canada at the time than Australia ... yet Canada has never had a 'farmers party'.

Perhaps it was because the dominant right-of-centre party in Australia at the time was the Nationalist Party which was a metropolitan-centric delegate-based party for the upper class and big business. Perhaps rural Australians who wanted political representation would have found Nationalist party meetings unwelcoming.

In the same decade that the Country Party appeared, Americans were experimenting with primaries and Canadians were holding their first national convention to elect a parliamentary leader. A democratic party is inclusive and

welcoming and in comparable nations rural interests have had a strong voice within a major party. A far greater proportion of Australians lived in cities than they did in the UK, the US and Canada at the time. Maybe rural interests were simply too small a voice in the Nationalists and this irritation resulted in a uniquely Australian political phenomenon.

Of course, the most likely explanation for the existence of our junior coalition partner is that the Country/National Party is a random quirk of Australian history.

Billy Hughes had been prime minister since 1915 and led the new Nationalist Party to a big federal election win in 1917. Hughes won again in 1919 but more narrowly. Hughes' Nationalists were just shy of a majority in the House but could govern with the support of an independent or two. The rising County Party was not a coalition partner in 1919.

At the election of 1922 Hughes again failed to win a majority in the House ... and this time he did need the Country Party's now 14 seats (of 75) to govern. The Country Party's parliamentary leader Earle Page negotiated with both the Nationalists and Labor but made his serious offer to the former. Before negotiations could begin Page demanded the Nationalists sack Hughes and find a new leader. To placate the Country Party the Nationalists bumped Hughes and chose Stanley Bruce as its leader ... but the Country Party's demands increased.

Now Page wanted to be treasurer and to effectively position himself as the deputy prime minister by having the proposed government referred to as the Bruce-Page Government. The Nationalist Party had 26 seats in the House and the Country Party had 14 ... but the latter insisted on having five of the 11

cabinet spots. Nowhere in the history of Westminster style governments had a junior coalition party asked for so much ... but the Nationalists agreed. It wasn't the last time we backed down and rewarded political extortion.

Joe Lyons was elected prime minister in 1931. He had rebadged the old Nationalist Party as the United Australia Party (UAP) and the party won so big in 1931 they didn't need a coalition with the Country Party. At the subsequent election in 1934 however the UAP did need those votes.

Prime Minister Joe Lyons died suddenly in office in April 1939. Page became an interim prime minister for three weeks until the UAP party room elected its new leader ... Robert Menzies. Menzies had had public stoushes with the Country Party throughout his career to this time. In the first days of the new prime ministership the leader of the junior coalition partner (still Page) told the House of Representatives that he was resigning as he couldn't work with Menzies. He then went on to tell the House that Menzies was a coward for not fighting in the war. Page had crippled Menzies authority at the outset. The Coalition was terminated and the wounded Menzies Government limped on before the government fell on the floor of parliament in late 1941.

This painful episode explains why Menzies was for the remainder of his career a strict coalitionist. Menzies had nothing but cordial relations with his Country Party leaders during his second period as prime minister. From Menzies time to today when Liberals have had sufficient numbers to govern without the Country (or National Party) we have chosen to do so anyway just to be safe.

Post Menzies in the late 1960s there was a public discussion about merging the two parties. Prime Minister John Gorton had been campaigning for it since the 1940s and continued doing so while in the top job. Liberals were keen. The Country Party was not.

During his first period as parliamentary leader John Howard had a similarly painful experience as Menzies. The Country Party renamed itself the National Party to reflect its now bigger ambitions. The one state where the Nationals dominated the Liberals was Queensland and their premier launched 'Joh for PM' which may have cost Howard the 1987 federal election. Like Menzies, Howard thereafter was a rigid coalitionist.

In 1993 the Federal Council of the Liberal Party voted in favour of a party merger ... but the Nationals again lacked interest. Fifteen years later then Senator Nick Minchin said:

We can no longer afford the luxury of two separate organisations on the right-hand side of Australian politics. The competition from Labor is so powerful and so intense that we must unite in order to compete with our great political enemy. I cannot for the life of me see how we can go on trying to sustain two party organisation on our side of politics. We all know the business community is sick of funding two centre-right parties and is desperate to see us merge.²⁷

The National Party website today states:

The Nationals, Australia's second oldest political party, celebrated 90 unbroken years of representation in the Federal Parliament on 22 January 2010. On that day in 1920, 11 members of parliament who had been elected

in December 1919 supporting the objectives of the Australian Farmers' Federal Organisation, unanimously agreed to form an independent political party.

Today, the party stands for all regional Australians — families, the retired, small business operators, sea changers and tree changers, students and anyone who wants to see a fair go for all, no matter where they live.

Okay ... so the Nationals are proud to no longer be a 'farmers party' but a party for 'all regional Australians'. Sounds like the Liberal Party objectives except we don't divide Australians by geography. The onus is on the National Party to explain the benefit of having the non-Labor side of politics in this country organisationally fractured.

The National Party today is a scam. Most people in rural Australia would prefer to vote Liberal than National. Voters prefer being represented by the A Team. We know this because the Nationals are so hostile to three corner contests. The thing that most animates a National activist is any talk about ending their political protectionism ... which knobbls our side of politics.

Twice as many non-metropolitan federal seats are today held by Liberals compared to Nationals ... and that is just at a federal level. Non-metropolitan voters around the world and around Australia do not seem to be crying out for a rural based party. Rural parliamentarians will have greater impact within the party that is at the centre of the action.

In the wake of the 2008 Western Australian state election the WA Nationals held the balance of power. They set out to milk it for all it was worth. Over the course of a fortnight they

went back and forth between Liberal and Labor ... before siding with the Liberals who caved in to a long list of demands.

We now know however thanks to Tony Windsor and Robert Oakeshott that if the National Party ever did side with the ALP in parliament they would be fatally punished by their electorate. After defying their electorates in the 2010 federal election and supporting Labor these two characters both announced their retirement from politics just prior to the next election to 'spend more time with their families'. They knew their electorates would punish them for backing a Labor Government. Three years later in 2016 they couldn't resist the allure of public life and attempted a political comeback but their voters feared these independents would back Labor in a hung parliament ... and voted for the Coalition.

It was similar to the experience of WA National Tony Crook who won the seat of O'Connor in the 2010 federal election. Crook publicly dragged out whether he was going to support Julia Gillard or Tony Abbott. He finally did the right thing ... but at the next election the good people of O'Connor were not going to risk a Labor Government and the rural seat returned to its natural party — the Liberal Party.

Nationals claim if they do not exist another more right-wing rural based party will spontaneously appear. Hasn't happened when seats go from National to Liberal. In fact, Nationals have been far more prone to Independents because their constituents know they are the B Team and have less respect. Bob Katter has tried to kick-start a new rural focussed party ...but despite significant media coverage the Katter Australia Party has failed to ignite. When Bob retires the party will too.

In the US, UK, Canada and New Zealand there is one mainstream centre-right party and there is no talk about changing that. Today there are no Nationals in Canberra from South Australia, Western Australia or the territories and there hasn't been a Country/National Party candidate elected from Tasmania since 1927 though Jacqui Lambie's replacement has now declared himself a National and will get few votes at the next federal election.

Victoria has 37 seats in the House of Representatives and the Nationals have three of them. Queensland's Liberal National Party is a special case. Its federal parliamentarians have the choice of sitting in the Liberal or the National Party room in Canberra. The fine print of the LNP's constitution however is clear ... the party is a division of the Liberal Party and an affiliate of the National Party. The LNP is the Liberal Party ... just with a special badge. In the Queensland state parliament there is only one party room for the LNP.

It's overlooked but the last holdout of the National Party is NSW. Of the 47 NSW seats in the federal House of Representatives the Nationals have six. The ruling faction in the NSW Liberal Party has been happy to not have a Liberal Party branch in every town across NSW ... those branches will have delegates and country people are less prone to obey factions so the ruling faction has calculated it's better not to have them in the tent. We are left with this National rump in NSW largely because it suits the factional bosses of the NSW Liberal Party. This contrasts with Victoria where the Liberal Party has vigorously contested seats against Nationals and generally won.

With their small parliamentary numbers the Nationals get the deputy prime ministership and five cabinet spots.

Non-metropolitan people are generally more interested in politics than city people. Walk down the main street of Toowoomba or Mount Gambier and ask a dozen people to name their local MP and most will probably know. The number is probably half that in city electorates. We want all the fine men and woman of the National Party and their parliamentarians to enrich the democratised Liberal Party. We want Nationals inside to make the non-Labor tent bigger and better.

One of the first acts of the democratised Liberal Party will be a unilateral declaration to the National Party:

- We will contest every seat held by the National Party at every election.
- We will not contest senate and upper house elections on a joint ticket.
- We will enter a parliamentary coalition but only for as long as it is necessary to form government. In opposition the Nationals can have their own shadow ministry and come up with their own policies.

It should only take an election cycle or two for Nationals to become Liberals.

CHAPTER TWENTY-ONE

AUSTRALIAN LABOR PARTY REFORM

Today the three major parties of Canada have a near identical formula for electing their parliamentary leaders. Canadian political parties have largely tracked each other ... one party would innovate and its rivals would emulate and improve the reform. It's also true in the United States that Republicans and Democrats have reformed around the same time and in a similar manner.

In Britain, the Conservatives and Labour have historically had more distance from each other in how they elect their parliamentary leaders but in recent decades they have adopted similar reforms.

Political parties know that elections results are almost always narrow and they need every advantage to get that extra 1-2% of the vote. If one party can campaign and say its leader was elected democratically it can only be a positive in the eyes of the voters ... and so the rival party will soon sign up for the same reform.

We need therefore to consider where our great political rival, the Australian Labor Party, is up to.

When Kevin Rudd returned to the leadership of the federal parliamentary ALP in mid-2013 one of his first acts was to announce his support for the membership electing their

parliamentary leader. Rudd showed us the easy way to bring about democratic reform in a party. Reform usually moves at a glacial pace with the grassroots crying out for a say and the parliamentary leaders shunting the matter off to a committee of disinterested party grandees until the reform push peters out. Rudd didn't just announce his support for the democratic election of parliamentary leaders he used his political authority to bring it about within days. Abbott should have done the same after the spill against the 'empty chair'.

Rudd proposed the UK Labour Party model that was being used at the time ... except he excluded giving special weighting to trade unions. Under the Rudd rules the party room votes would contribute 50% of the tally and the votes of ordinary party members across Australia would contribute the second 50%. Rudd's party room, still shell-shocked by party room wars agreed without dissent.

After Rudd's federal election loss and his resignation as leader, two candidates nominated — Bill Shorten and Anthony Albanese. The votes of the 86 parliamentarians had equal weight to the 30,000 or so ordinary party members who voted. Albanese received the votes of 60% of the membership but only 36% of the caucus which meant Bill Shorten was elected the parliamentary leader.

It was a significant step in the right direction ... but far from ideal. Ordinary members must have at first felt empowered to have a vote ... but then deflated to have a leader most of the party did not prefer.

What is meant to make a democratic leadership ballot interesting is a spirited policy debate. The Shorten v Albanese

campaign was dull. Although the two are not in agreement on a whole range of issues there was nil policy debate in this leadership campaign. Maybe it was because Labor was still so bruised from its recent strife or everyone just knew Shorten had the votes sown up in the party room and the outcome was preordained. The ALP would have been served better by copying the Canadian Conservatives and electing an interim leader in the party room and having the membership decide a year or so after the election loss.

On 14 April 2014 James Massola wrote a story in Fairfax papers entitled, 'Bill Shorten's Plan to Democratise Labor':

Bill Shorten will announce sweeping Labor Party reforms that empower rank and file members, rein in powerbrokers' say over candidates and call for fewer factional bosses to be pre-selected for the Senate.

Mr Shorten was preparing to deliver what was shaping up to be one of the defining speeches of his leadership last week before the sudden death of his mother, Ann.

In excerpts of the speech published before he had to withdraw, Mr Shorten flagged changes to make it easier and cheaper to join the party and dropping a requirement that party members also belong to a union.

But the ALP boss was preparing to go much further in the speech and call for changes that would please advocates of Labor reform but which would put him offside with at least some of the factional warlords and union powerbrokers who supported him during last year's leadership contest with Anthony Albanese.

State-based head office selection committees would have their influence reduced to a 30 per cent weighting.

Mr Shorten will also call for all pre-selections to move to a 100 per cent rank and file model in the longer term, in line with the NSW branch.

Most significantly, Mr Shorten planned to call for the party to broaden the talent pool from which it pre-selects senators. At present, Labor's ranks in the upper house are dominated by former union leaders, factional bosses and, particularly in NSW, former party officials.

Queensland Labor has recently adopted rule changes that have given party members a direct say in the pre-selection of Senate candidates and some in the party are arguing for a similar rule to be implemented nationally.

The Labor leader has also called in recent weeks for the states to adopt, over time, a 50-50 leadership election model that the federal party adopted under reforms implemented by former prime minister Kevin Rudd.

A spokesman for Mr Shorten said the leader had set a target of 100,000 party members — up from about 40,000 at present — and party modernisation was needed to reach that target.

And:

Labor elder Senator John Faulkner, national president Jenny McAllister and Queensland Senator Joe Ludwig have all joined the push for the party to reform itself in recent days, but the SDA's Joe de Bruyn and the Transport

Workers Union's Tony Sheldon have spoken out against some of the reform proposals.

But just over a year later on 25 June 2015 Massola had a follow up story entitled, 'Whatever Happened to Labor Party reform? Bill Shorten's Vision on the Backburner' in which he reported:

Labor Party reforms that would empower rank-and-file members, reduce the influence of factional powerbrokers and democratise pre-selections appear to have been put on the backburner ahead of its national conference.

And:

But draft changes to the ALP's national constitution obtained by Fairfax Media — and subsequently published by the party online — avoid many of the changes proposed by Mr Shorten.

And:

Leichhardt councillor and former mayor Darcy Byrne, a prominent advocate for ALP democratisation, said the rule changes put forward were 'purely cosmetic, but at this conference rank-and-file members are demanding a complete overhaul of Labor's undemocratic structure'.

'The party's archaic process for selecting Senate candidates and national conference delegates must be modernised and these overdue reforms cannot wait any longer,' he said.

'Opponents of democratic reform in the Labor Party are losing their grip on the conference. For far too long, the voices of members have not been heard but at this conference they won't be silenced.'

On 17 April 2018 Troy Bramston wrote in *The Australian* under the heading, ‘Members Flee Labor Despite Shorten Target’:

Bill Shorten’s plan to lift Labor Party membership to 100,000 has failed, with those leaving the party outpacing those who are joining, and the party registering only 53,550 members at the end of last year. Labor is officially losing members.

Three years ago, Labor declared that as at December 2014 it had 53,930 members who were eligible to vote in a ballot to elect a national president and two vice-presidents. The latest tally of membership, at last December, shows a fall of about 400 members in net terms.

The Opposition Leader outlined an ambitious plan in March 2014 to boost Labor’s rank-and-file members from about 44,000 to 100,000 members nationally.

On 4 May 2018 Bramston quoted the then federal president of the ALP Mark Butler:

Three years on, most of the meaningful changes discussed by party members back then have been blocked by factional leaders who refuse to relinquish their stranglehold on the last bastions of machine politics.

On 18 June 2018 Butler lost a vote for the federal presidency of the ALP to Wayne Swan. In his statement to the press after winning Swan said:

My campaign was driven by the belief that Labor’s future lies first and foremost in being clear about what we stand for. Our success won’t be determined by tinkering with

internal processes or by the outcome of votes over single issues at national conferences.

Labor has closed the door on democratic reform and lifelong political careerist Wayne Swan won't be opening it for as long as he is that party's president. This is a setback for the nation ... but politically advantageous for the Liberal Party.

Once the Liberal Party has embraced democratic reform, the ALP will have little choice to follow. When they do, control of their party by the trade unions will cease. This will be a triumph for unions. The ALP was founded for the purpose of being just a voice for the trade union movement but it's had far greater success than that. The ALP has been one of the two great parties of government in Australia. In the age of collapsed union membership, the entanglement between political and industrial power is a hindrance to both. The ALP should be like the US Democratic Party, which is backed heavily by the American trade union movement ... at arm's length.

CHAPTER TWENTY-TWO

LOCAL COUNCIL ELECTIONS

Local government decision making is more about common sense than political philosophy. In most local council elections across Australia the Liberal Party does not endorse candidates. We should cease the practice everywhere, except the particularly large councils such as Brisbane and the Gold Coast.

Residents need good local government. We need councillors who have earned a positive reputation in their community as a fair-minded servant of the people. If someone can't get elected without wearing the Liberal Party badge it means they are simply not well known or liked by their community. Some with ambition for local council (but little interest in the Liberal Party) will join our party and become an activist just so they can win the support of delegates in a preselection and end up a local councillor.

In NSW there is too much internal acrimony caused by disputes about local government matters. There is too much potential for corruption when individuals immersed in the factional war are given the power to enrich property developers. It is a recipe for reputational damage to the party when factional bosses who are also commercial lobbyists decide our candidates for local council.

Nominating candidates for local council adds a heavy layer of complexity to our party. The processing of several hundred nominations for local government is time consuming for the

party secretariat and disputes about what delegates can and can't vote to elect our candidates consume endless time and resources.

If someone is ambitious for a parliamentary career there is no harm in being a successful mayor first ... but we will have better mayors and better parliamentarians if they first demonstrated they could get elected to local council because they are well regarded by their community.

The Liberal Party will be better off focussed on the two main games — state and federal politics. Candidates for local council who are members of the Liberal Party will be welcome to mention their membership in their campaign material but they will not be endorsed.

A brawl broke out on the evening of 18 June 2018 in a branch of the NSW Liberal Party. The violence was a product of a dispute about local council preselection. Below is from an ABC Report the following morning by Paige Cockburn and Jean Kennedy:

A New South Wales Liberal Party meeting has seen one man hospitalised after a brawl broke out at a cafe in Sydney's south.

A senior Liberal Party source said the clash was 'unprecedented' and a 'tragic internal shit fight brought about by the pettiness of politics'.

Numerous people were seen running from Naji's Cafe on Firth Street in Arncliffe after police were called just before 7:00pm.

It is alleged an older woman was pushed to the ground during the incident, while a man in his 40s has been taken to St George Hospital for treatment to minor injuries.

The NSW Liberal Party issued a statement condemning the behaviour.

‘The party will fully cooperate with the police in relation to their enquiries. An internal investigation will also be undertaken and disciplinary action taken against those responsible,’ the statement said.

A senior Liberal Party source who did not want to be named said the fight was the result of an ‘internal power play’.

The source said the factional fight was for control of the Liberal Party body that selects local government councillors in the area.

One witness, who did not want to be identified, described the situation as an attempted ‘hostile takeover’ of the branch.

‘Just before the meeting started, there was an altercation where some people were intimidating and swearing and pushing and shoving of the others who belonged to the meeting,’ he said.

‘Others outside were blocked from entering the meeting.’

The man said an elderly lady inside the cafe was ‘trampled on’, and a man who tried to intervene was ‘ganged up on’.

‘They started bashing him ... they took him outside and started kicking him.’

The man also said some people tried to film the incident, but their phones were taken and smashed.

CHAPTER TWENTY-THREE

YOUNG LIBERALS

All around the world political parties have youth divisions. A vibrant Young Liberal (YL) movement is an investment in the long-term success of the party.

The structure of the Young Liberals across Australia should mirror the general party and be based on conventions.

Each state and federal electorate should convene an annual Young Liberal Electorate Convention to elect a president and executive who will steer the local YLs as they see fit.

Each state and territory should convene a Young Liberal Annual State Convention which is open to all party members under the age of 30. The State Convention will elect a state president and executive each year. Similarly, a Young Liberal Federal Convention would elect a federal president and executive. To be elected the federal YL president, with the votes of several thousand young people will be a great honour.

Under the delegate-based structure of the party the YLs dominate the frontline of the factional war. Good parents would not let their children join the YLs if they knew what went on inside. On 3 August 2015 James Robertson in Fairfax's *Sun Herald* had a report entitled: 'The Young Liberal Spy Network' which read in part (I have edited out their names):

Young Liberal political operatives have been keeping

secret records of ostensibly casual conversations with party members at social functions and reporting back to senior political staff in a bid to snare factional recruits.

E-mails obtained by *The Sun-Herald* reveal the operatives took notes over the past three years at events such as the annual Young Liberal ball which were used to identify ‹high potential› recruits for the party’s centre right faction and its political enemies.

‘Tonight is the most important night of year,’ Young Liberal vice-president X wrote in an email to 20 factional operatives in March 2013, equal parts pep talk and spy manual, before a new members’ night.

‘It’s critical to identify and start to factionalise them ASAP,’ he wrote.

Instructions ranged from a dozen suggested conversation topics for teasing out political leanings to a reminder to observe body language:

‘Please don’t everyone ask the same questions to every person use a mix of them, as the different report will create the complete picture. Make it a conversation! Not an interview.’

One request for intelligence at a post-federal budget function in 2012 was said to have generated 90 replies and a ‘great deal of information’.

‘Its best practice to write your report as you go during the evening, this way everything is fresh in your mind and you don’t have to write it while hungover,’ Mr X wrote.

‘After you finish chatting to someone write up the notes then and there and then move onto the next person.

‘Everyone is expected to provide a report and, Z and I need them within 48 hours.’

Then Young Liberal president Z is currently the chief of staff to [a NSW Minister]. Until stepping down this year, he was a member of the NSW Liberals’ all-powerful state executive committee along with the Premier. Mr X now works as an adviser to upper house [member].

Neither Mr Z nor Mr X responded to detailed questions.

Operatives were told to go so far as to shut down any conversations between new members and their factional opponents on the party’s left and right: ‘What starts as a chat with a Grouper [member of the left], turns into an internship in Joe Hockey’s office, and then that member is as good as lost.’

At the Young Liberal ball in 2012 intelligence was emailed to the group as the night went on.

‘Just met Matt and Marie,’ one said. ‘He just started up a business to try on clothes before you buy them online. She is a nanny and a dress maker. He is more keen than her because he likes to talk about business policy.’

Young Liberal branches have the same input into state and federal preselection conferences as any normal branch. They make up about 15 per cent of the all 370 NSW Liberal branches and a significant political power base.

One ex-Young Liberal branch president said he and others were asked to share information on members' political leanings with a NSW parliamentarian preparing for a preselection battle.

Mr Z was installed as Young Liberal president after federal MP and NSW centre right factional boss Alex Hawke swung support behind him.

This is a culture more attuned with the Young Pioneers, the youth wing of the Communist Party of the Soviet Union, not the youth wing of a party established by Robert Menzies.

CHAPTER TWENTY-FOUR

CAMPUS LIBERALS

Every campus in Australia needs a vibrant Liberal Party club that engages in political debate with the intellectual left. Universities are a battleground of ideas and our party needs to be in that battle. To help win the intellectual war we need strong Liberals clubs and to be strong they need to be democratic.

It's difficult to describe to outsiders the dysfunction and internal acrimony of too many Liberal Clubs on campus today. The clubs have so much potential but are exploited by factions to recruit new members to stack party branches. Once a faction has control of a club they couldn't care less about the intellectual life of the wider campus ... they make the club as unwelcoming as possible except to those pre-approved as obedient to the ruling faction. New members are heavily vetted and if the faction in control has any hint the potential member won't be loyal their membership application will be rejected. Thousands of new students with great potential to enrich our party have turned up to a campus Liberal meeting to find it somewhere between weird and disturbing ... and not returned.

This report was published on 30 May 2012 by Julie Hare, the Higher Education Editor of *The Australian*.

No longer a battle ground between the Trotskyites and Stalinists, university campuses are now the scene of bitter factional battles between the hard Right and the rest of the Liberal Party.

The annual general meeting of the University of NSW Liberal Club last Tuesday turned into farce as about 300 people from opposing sides crammed into a room hoping to influence the outcome. But to no avail.

In the end, the club declared the results of the vote on its website. Ten nominations were received for nine positions and each received 10 votes.

Video footage reveals the meeting descending into a chaotic scene with a fight only narrowly averted. Racial slurs can be heard in the background. Liberal staffers look on aghast before getting caught up themselves in the throng. The meeting was eventually shut down by university security staff.

Tim Kaliyanda, 22, president of the University of NSW Student Representative Council, said he'd never seen anything like it.

'I was there from the beginning and I didn't see a vote being held. But the results have been released and all the positions were uncontested,' he said. 'We saw people lining up to get credentialed to get on the voting list.'

Last week's meeting was the second attempt to hold an AGM. The first, on April 16, had to be shut down after 150 people from opposing factions tried to fit in a room designed for 30.

Just the day before, the club signed up 56 new members unaware of a constitutional change that said only members who had attended at least three meetings in the

previous calendar year — or all the meetings that were held — had the right to vote.

The Australian understands only one meeting has been held this year, which 15 people attended, including the 10 who voted at last week's meeting.

Mr Kaliyanda said friends who had been at the university bar were offered free beers to attend the second AGM. He said there were also reports of an open tab at the nearby Doncaster Hotel before and after the meeting.

When security guards are required to close a political meeting, the greatest tragedy is that it repels good people from the party ... and attracts baddies.

Don't think this is just kid's politics. State and federal parliamentarians are often involved in these factional brawls on campus. On 13 July 2016 Michael Koziol in *Fairfax* publications wrote:

About 100 delegates met in Hobart last week for a conference of the Australian Liberal Students' Federation, a peak body for dozens of campus Liberal clubs from around the country.

But the love-in turned sour on the final day when some attendees attempted to enter the meeting, only to be told they had not registered in time and would be ineligible to vote for the new executive.

Security guards, whom organisers claimed belonged to the University of Tasmania but were in a different uniform, blocked delegates from entering the venue.

So toxic were the proceedings that Tasmanian Liberal Senator Eric Abetz refused to give the keynote speech at that evening's gala dinner, with a source describing him as 'thoroughly unimpressed'. Turnbull government ministers, senators and MPs hit the phones on Friday afternoon to find out what had happened.

Tim Andrews, a former ALSF president who attended the conference, described the events on his Facebook page. 'Extraordinary scenes at ALSF Federal Council, where large swathes (sic) of eligible voting delegates are being unconstitutionally, physically prevented from entering the AGM by hired private security,' he wrote. 'Quite unbelievable.'

Fairfax Media has since spoken with nearly a dozen sources who confirmed that account. They placed the incident in a context of fracturing relations between the moderates and the centre-right faction in NSW, where wannabe powerbrokers hone their scheming skills and federal MPs such as Alex Hawke maintain influence over the party's youth wing using lieutenants on their staff.

Among those bouncing delegates at the door were Jack Morgan, an adviser to Mr Hawke, and Michael Sabljak, staffer to former speaker Tony Smith. Also involved were Jean-Luc Corelli, a former staffer to conservative MP Michael Sukkar, and Ananija Ananievski, who was forced earlier this year following allegations of branch-stacking.

Trouble arose when the incumbent all-male executive bloc, aware that its grip on control was under siege,

quietly closed registration for the meeting a week in advance. On Friday, about 15 factional enemies who had not registered were turned away at the door, assisted by security guards. They were joined by another 60 youngsters who broke away from the meeting and held their own rival meeting, electing a rival executive led by Queenslander Jack McGuire.

That group is now considering its options, including legal action, a complaint to federal Liberal Party director Tony Nutt or creating their own breakaway organisation. Meanwhile, the old executive bloc and its supporters elected Mr Morgan as their president. He declined to answer questions.

John Slater, a Queensland Young Liberal/National and ally of Mr McGuire, said he was saddened on behalf of the first-timers he brought to the conference.

‘Their general impression — and mine — was that these guys spend more time and energy fighting each other than fighting for the cause,’ he said. ‘Any lay observer would look at this and it would confirm all their worst suspicions about the Young Liberal movement ... and all those stereotypes about Young Liberals being power-hungry, ruthless and immoral.’

Other than acting as a repository for infighting, the ALSF’s activities are fairly opaque. It has no formal relationship with the Liberal Party — rather, it is affiliated with dozens of university Liberal clubs from which it raises funds. In turn, members campaign on issues such as student unionism, fee deregulation and political correctness, and benefit from networking opportunities with MPs.

But recent examples of the outfit's work are few and far between. It previously published a magazine called *Protégé* and continues to host a Canberra party in the week of the federal budget.

'There's been a feeling that it really hasn't achieved much and has been failing,' one former executive told Fairfax Media. 'It's extremely disappointing to see an organisation that has so much potential go so far down the toilet. The Liberal movement is supposed to be about ideas of democracy. Rather than accept the will of the people, they've used tactics better suited to an African dictatorship than modern Australia.'

The same democratic principles outlined for the Liberal Party should also apply to Liberals on campus. All students on a campus who want to become a member of the club should be automatically given membership on payment of a nominal fee. It should be open to all students including those not on the electoral roll as it will encourage future citizens to become interested in our party. The first month of the year should be about recruitment of new members and then all club members elect a club president and executive.

To be elected president by a large club would be a high honour and responsibility. The president's principal role would be to promote Liberal Party principles on campus through debates between Liberals and the campus left as well as bringing speakers to campus. Liberal Clubs liberated from being held hostage by the delegate war in the main Liberal Party could easily become the largest and most successful clubs on campus.

In 2007 John Hyde Page wrote a book about his time in the NSW Young Liberals and Liberal Clubs on campus. The book was *The Education of a Young Liberal* and described the shocking state of Liberal campus politics. It was pulped due to defamation action but bootleg copies are widely circulated to this day. The level of conflict described in the book was not too many levels below the ‘troubles’ of Northern Ireland.

On the front cover of the book former ALP parliamentary leader Mark Lathan wrote:

John Hyde Page has made a very important statement about the corrosive impact of machine politics on young people in this country. The Young Liberals are horrendous and, if anything, Young Labor is worse.

CHAPTER TWENTY-FIVE

WHY DIDN'T MENZIES DEMOCRATISE?

Ian Hancock says that ‘Unlike Labor’s leaders and followers, Liberals — of all ranks — have never known their own history. Not surprisingly, therefore, the occasional forays into their past are accompanied by errors, misconceptions and inappropriate parallels.’²⁸

Prime Minister Robert Menzies addressed the Canadian Parliament in 1941. Menzies often impressed foreign leaders with his insight into their domestic politics so it is likely he was aware that Canadian parties had ended party room ballots for parliamentary leaders. So why didn’t the Liberal Party at its inception (only a few years after Menzies’ Canadian visit) adopt a similar democratic reform?

There is a widespread misconception around the ‘formation’ of the Liberal Party. This view was expressed in the ABC documentary screened on 18 September 2016 entitled *Howard on Menzies* which said that ‘in 1944 he [Menzies] brings together a dozen different anti-Labor groups in Canberra to form a new political force. The Liberal Party of Australia would be his lasting legacy.’

This is correct only at face value. What Menzies achieved in 1944 was a successful rebranding of the old United Australia Party (UAP). The ‘Liberal Party’ was a new marketing strategy for an old unreformed party.

The Australian Labor Party has had organisational consistency since before Federation. Prior to the Liberal Party, non-Labor prime ministers came from several parties — Protectionist, Free Trade, Commonwealth Liberal, Nationalist, the UAP and finally the Liberal Party.

Through all these name-changes the underlying political organisation was largely unchanged. The last generation of UAP MPs overlapped with the first generation of Liberal MPs. Branches of the UAP simply passed a motion they were now a branch of the Liberal Party. Party office bearers in the new party were familiar faces from the old party.

There was rhetoric in 1944 about opening the party to the ‘forgotten people’. Each state would have a ‘women’s council’ and a federal secretariat was put in place for the first time. Formal ties with ‘big business’ were cut but the manner in which this ‘new’ party selected candidates and chose its parliamentary leaders was unchanged.

While it is correct to say some smaller parties merged into the new Liberal Party those parties had no federal parliamentary representation to bring to the table. After the 1937 federal election the only non-Labor parties represented in the House were the UAP and the Country Party (the independent member for Warringah Percy Spender promptly joined the UAP after the election). In 1940 the result was the same except that there were no independents. Even after the UAP’s disastrous 1943 election performance, there were no other non-Labor parties represented in the House except for the Country Party. There was just one political party of any significance that Menzies really wanted to merge into the new

party ... but the Country Party remained obstinate.

With World War II at its peak, Menzies had neither the time nor indeed the inclination to truly create a new political party based on what then would be called 'democratic best practice'. Indeed, it was curious to start a new political party in the middle of a world war, particularly when only a few months earlier Australia was still being bombed. It would have been the equivalent of the US Republican Party or the Canadian Progressive-Conservative Party (both also out of office during the war) spending the latter part of the war effectively closing down and then reopening.

The nation and especially politically interested individuals were preoccupied with winning the war so there was little consideration of an optimal party structure. There was however an urgent need to get the non-Labor side of politics into shape.

Menzies had resigned as leader of the UAP and prime minister in 1941. The UAP then absurdly elected Billy Hughes leader. Hughes has been prime minister during the previous war but was now 80 years old. If Hughes was the best the UAP could come up with it was a vote of no confidence by the party in itself. As leader of the larger coalition party Hughes should have become prime minister by default but the UAP abdicated that right without fuss and agreed for the leader of the Country Party, Arthur Fadden, to be sworn in. Two months later the Fadden Government fell and John Curtin became prime minister.

In the 1943 Curtin won Labor's biggest federal election victory with 58% of the two-party preferred vote. The UAP

saw the number of its MPs halve to 12, with Labor having four times that number. After this 1943 disaster, Hughes retired and Menzies returned to lead the UAP and promised a new beginning.

A 'new' party needed a new name. Menzies had often been branded 'reactionary' (which is the equivalent of being called 'hard-right' today). To overcome that unappealing perception Menzies named the 'new' party the Liberal Party. The name 'Liberal Party' was well known to Australians at the time as for most of the previous century the left of centre British party was the Liberal Party. Menzies was repositioning himself and his party so he could win elections.

The UAP had effectively been the 'Joe Lyons party'. The UAP was formed in 1931 around Lyons and he was its first federal parliamentary leader. Lyons took the party to three election wins but when Lyons died in office, the party went into terminal decline. Menzies and Lyons had been particularly close for several years but had ended with a bitter falling out — Lyons had a heart-attack in the middle of a public stoush with Menzies. Part of Menzies desire to 'found' his own party could have been personal. Did he want a fresh start to be rid of the ghost of Lyons?

Another factor in Menzies thinking must have been his fear of a post-wartime John Curtin prime ministership. While Curtin is rightly remembered today for his role in the Second World War and for his personal courage and integrity it is often forgotten that Curtin came from the far left. Only a couple of decades earlier Curtin had worked tirelessly to bring about a Russian style workers revolution in Australia. For years

he was reluctant to join Labor because he had long considered it a bourgeoisie party.

Curtin did moderate somewhat with time but he was still an avid socialist by the time he became prime minister. During the war Curtin was formulating grand plans for state expansion in the post-war period and after 1943 he had a massive parliamentary majority to do so.

To counter this, Menzies concluded the existing party structure needed, in building terms, a ‘make-over’ given that the circumstances did not permit a ‘knock-down-rebuild’. Had Menzies chosen to truly create a whole new party he probably feared that he would have run out of time to block the socialist program of Curtin.

Menzies’ project had a rocky start but by decade’s end was a success. The public perception was of a new party for the forgotten people.

From the same lecture quoted at the start of this chapter historian Ian Hancock says the new party:

Prospered by introducing a more professional and national approach to politics than any of their predecessors had ever attempted; and, secondly, that in achieving success the Liberals left unresolved several issues of principle and organisation, some of which—to their cost—they have never managed to settle. Underlying both arguments are the assumptions that, by trawling their early past, modern Liberals might learn that they have inherited some unfinished business.

While we can only speculate on what Menzies view would be on fundamental democratic reform today we can have a

high degree of confidence he would be a robust advocate. In the UK Conservative Party it was the supporters of Margaret Thatcher who championed the members right to elect their parliamentary leader. It's not well known but Menzies and Thatcher briefly met when she visited Australia as Leader of the Opposition in the mid-1970s. A BBC report by Nick Bryant on 9 April 2013 titled, 'Margaret Thatcher's legacy found in Australia' stated:

She was also unimpressed by Australian conservatives, led at that time by Prime Minister Malcolm Fraser, who were not committed enough to creating a free-enterprise economy and ending protectionism.

The applause, as she wrapped up a speech to the Liberal Party in Canberra, was 'far from deafening'. It led her to conclude that her Australian contemporaries were not ready for her 'unapologetic conservatism'.

A meeting with Sir Robert Menzies, Australia's longest-serving prime minister and a member of Churchill's Imperial War Cabinet, was altogether more satisfying.

The retired elder statesman had read her speeches about the continued Soviet threat, at a time when relations had eased between Washington and Moscow.

'When I found myself complimented by this remarkable man,' she said, 'it strengthened me in the conviction that I was right and that the detente establishment was wrong.' In Menzies, she saw a fellow Cold War warrior.

Menzies and Thatcher were political soulmates. If Thatcherites are pro-democratic reform then so should Menzians.

CHAPTER TWENTY-SIX

WHAT'S NEXT? OPERATION 100,000

Five centuries ago Niccolo Machiavelli wrote:

We must bear in mind, then, that there is nothing more difficult and dangerous, or more doubtful of success, than an attempt to introduce a new order of things in any state. For the innovator has for enemies all those who derive advantages from the old order of things, whilst those who expect to be benefited by the new institutions will be but lukewarm defenders.

Machiavelli is of course correct... it's going to take some effort to get this reform blueprint ratified. We must bear in mind Thatcher's words, 'Marxists get up early to further their cause. We must get up even earlier to defend our freedom.' Victory is inevitable but the timing is up to us. We need 100,000 new members of the Liberal Party around Australia.

It would be fabulous to have a parliamentary or organisational leader drive this reform ... they would enter the Liberal pantheon. But we are not going to sit around hoping that happens. 2019 is the centenary of the first election of a Canadian parliamentary leader by a convention ... and so far not one Australian Liberal leader has backed the reform. Too many parliamentarians and organisational leaders are

conflicted by their career and legacy to think purely about an optimal party structure.

We must assume this reform agenda will be driven by the membership. Parliamentarians are welcomed as supporters ... but there will be no deferring to party grandees.

Creatures of the old creaking party system who fear democratic reform will resist. They'll first ignore, then ridicule, then attack ... and then when the democratic dawn arrives claim they supported reform all along. This is what Malcolm Turnbull and Gladys Berejiklian did during the course of the debate about plebiscites in the NSW Division.

In the past calls for democratic reform have sprung up from the grassroots and once it has enough momentum a parliamentary leader co-opts it. It then gets delegated to a committee of party bigwigs who are either opposed or have simply not given the technicalities much thought. The process drags out, other events come and go and finally a slither of apparently democratic reform has just been added on top of the byzantine rule book. No more.

There are multiple fronts. One of the state or territory divisions could trial a primary in a blue ribbon lower house seat. They could hold a convention of all members to elect its senate or upper house candidates. If either of these events occurred, the democratic dominoes would promptly begin falling across the nation. Federal Council is however where I suspect this reform process will triumph.

Federal Council consists of around 115 people — 10 rank and file delegates from each state (and the ACT) plus parliamentary and organisational leaders. We need each state

and the ACT to elect pro-reform federal council delegates who support changing the party's rules so the membership elects our federal parliamentary leadership.

Part XXII Clause 106 of the Liberal Party of Australia's federal constitution states:

This Constitution may be repealed or added to or amended by a **two thirds majority** of those present in person or by proxy at any meeting of the Federal Council at which due notice of any repeal, addition or amendment shall have been given in accordance with Rule 36, provided that most of the delegates from each of 4 Divisions vote for the amendment. An amendment shall come into effect **immediately**, unless the amending resolution provides otherwise.

Within months of Federal Council making history our federal parliamentary leader will have a supportive party room and a mandate to promote a traditional Liberal Party agenda.

Please visit the campaign website:
www.MakeTheLiberalPartyGreatAgain.com.au
Follow me on Twitter @JohnRuddick2

APPENDIX 1

Moses gave humanity the Ten Commandments and Jesus the Sermon on the Mount. In 2012 the Institute of Public Affairs gave the Liberal Party of Australia its policy creed for the early 21st century which is reprinted below.

BE LIKE GOUGH: 75 RADICAL IDEAS TO TRANSFORM AUSTRALIA

John Roskam, Chris Berg and James Paterson
5 August 2012

If Tony Abbott wants to leave a lasting impact — and secure his place in history — he needs to take his inspiration from Australia's most left-wing prime minister.

No prime minister changed Australia more than Gough Whitlam. The key is that he did it in less than three years. In a flurry of frantic activity, Whitlam established universal healthcare, effectively nationalised higher education with free tuition, and massively increased public sector salaries. He more than doubled the size of cabinet from 12 ministers to 27.

He enacted an ambitious cultural agenda that continues to shape Australia to this day. In just three years, Australia was given a new national anthem, ditched the British honours system, and abolished the death penalty and national service. He was the first Australian prime minister to visit communist China and he granted independence to Papua New Guinea. Whitlam also passed the Racial Discrimination Act. He introduced no-fault divorce.

Perhaps his most lasting legacy has been the increase in the size of government he bequeathed to Australia. When Whitlam took office in 1972, government spending as a percentage of GDP was just 19 per cent. When he left office, it had soared to almost 24 per cent.

Virtually none of Whitlam's signature reforms were repealed by the Fraser government. The size of the federal government never fell back to what it was before Whitlam. Medicare remains. The Racial Discrimination Act — rightly described by the Liberal Senator Ivor Greenwood in 1975 as 'repugnant to the rule of law and to freedom of speech' — remains.

It wasn't as if this was because they were uncontroversial. The Liberal opposition bitterly fought many of Whitlam's proposals. And it wasn't as if the Fraser government lacked a mandate or a majority to repeal them. After the 1975 election, in which he earned a 7.4 per cent two-party preferred swing, Fraser held 91 seats out of 127 in the House of Representatives and a Senate majority.

When Mark Steyn visited Australia recently he described political culture as a pendulum. Left-wing governments swing the pendulum to the left. Right of centre governments swing the pendulum to the right. But left-wing governments do so with greater force. The pendulum always pushes further left.

And the public's bias towards the status quo has a habit of making even the most radical policy (like Medicare, or restrictions on freedom of speech) seem normal over time. Despite the many obvious problems of socialised health care, no government now would challenge the foundations of Medicare as the Coalition did before it was implemented.

Every single opinion poll says that Tony Abbott will be Australia's next prime minister. He might not even have to wait until the current term of parliament expires in late 2013. The Gillard government threatens to collapse at any moment. Abbott could well be in the Lodge before Christmas this year.

Abbott could also have a Fraser-esque majority after the next election. Even if he doesn't control the Senate, the new prime minister is likely to have an intimidating mandate from the Australian people. The conditions will suit a reformer: although Australia's economy has proven remarkably resilient, global events demonstrate how fragile it is. The global financial crisis, far from proving to be a crisis of capitalism, has instead demonstrated the limits of the state. Europe's bloated and debt-ridden governments provide ample evidence of the dangers of big government.

Australia's ageing population means the generous welfare safety net provided to current generations will be simply unsustainable in the future. As the Intergenerational Report produced by the federal Treasury shows, there were 7.5 workers in the economy for every non-worker aged over 65 in 1970. In 2010 that figure was 5. In 2050 it will be 2.7. Government spending that might have made sense in 1970 would cripple the economy in 2050. Change is inevitable.

But if Abbott is going to lead that change he only has a tiny window of opportunity to do so. If he hasn't changed Australia in his first year as prime minister, he probably never will.

Why just one year? Whitlam's vigour in government came as a shock to Australian politics. The Coalition was adjusting to the opposition benches. Outside of parliament, the potential

opponents of Whitlam reforms had yet to get organised. The general goodwill voters offer new governments gives more than enough cover for radical action. But that cover is only temporary. The support of voters drains. Oppositions organise. Scandals accumulate. The clear air for major reform becomes smoggy.

Worse, governments acclimatise to being in government. A government is full of energy in its first year. By the second year, even very promising ministers can get lazy. The business of government overtakes. MPs start thinking of the next election. But for the Coalition, the purpose of winning office cannot be merely to attain the status of being ‘in government’. It must be to make Australians freer and more prosperous. From his social democratic perspective, Whitlam understood this point well. Labor in the 1970s knew that it wanted to reshape the country and it began doing so immediately.

The time pressure on a new government — if it is to successfully implant its vision — is immense. The vast Commonwealth bureaucracies and the polished and politically-savvy senior public servants have their own agendas, their own list of priorities, and the skill to ensure those priorities become their ministers’ priorities. The recent experience of the state Coalition governments is instructive. Fresh-faced ministers who do not have a fixed idea of what they want to do with their new power are invariably captured by their departments.

Take, for instance, the Gillard government’s National Curriculum. Opposing this policy ought to be a matter of faith for state Liberals. The National Curriculum centralises education power in Canberra, and will push a distinctly left-

wing view of the world onto all Australian students. But it has been met with acceptance — even support — by the Coalition’s state education ministers. This is because a single National Curriculum has been an article of faith within the education bureaucracy for decades; an obsession of education unions and academics, who want education to ‘shape’ Australia’s future. (No prize for guessing what that shape might look like.) A small-target election strategy has the unfortunate side-effect of allowing ministerial aspirants to avoid thinking too deeply about major areas in their portfolio. So when, in the first week as minister, they are presented with a list of policy priorities by their department, it is easier to accept what the bureaucracy considers important, rather than what is right. The only way to avoid such departmental capture is to have a clear idea of what to do with government once you have it.

Only radical change that shifts the entire political spectrum, like Gough Whitlam did, has any chance of effecting lasting change. Of course, you don’t have to be from the left of politics to leave lasting change on the political spectrum.

Both Margaret Thatcher and Ronald Reagan proved conservatives can leave a paradigm-shifting legacy. Though Thatcher’s own party strayed from her strongly free-market philosophy, one of the major reasons the British Labour Party finally removed socialism from their party platform under Tony Blair was because of Margaret Thatcher.

Ronald Reagan not only presided over pro-market deregulation and tax cuts during eight years in the White House, but also provided the ideological fuel for the 1994 Republican revolution in the House of Representatives, led by

Newt Gingrich, which enacted far-reaching welfare reform.

Here we provide a list of 75 policies that would make Australia richer and more free. It's a deliberately radical list. There's no way Tony Abbott could implement all of them, or even a majority. But he doesn't have to implement them all to dramatically change Australia. If he was able to implement just a handful of these recommendations, Abbott would be a transformative figure in Australian political history. He would do more to shift the political spectrum than any prime minister since Whitlam.

We do not mean for this list to be exhaustive, and in many ways no list could do justice to the challenges the Abbott government would face. Whitlam changed the political culture. We are still feeling the consequences of that change today. So the policies we suggest adopting, the bureaucracies we suggest abolishing, the laws we suggest revoking should be seen as symptoms, rather than the source, of the problem.

Conservative governments have a very narrow idea of what the 'culture wars' consists of. The culture of government that threatens our liberty is not just ensconced in the ABC studios, or among a group of well-connected and publicly funded academics. ABC bias is not the only problem. It is the spiralling expansion of bureaucracies and regulators that is the real problem.

We should be more concerned about the Australian National Preventive Health Agency — a new Commonwealth bureaucracy dedicated to lobbying other arms of government to introduce Nanny State measures — than about bias at the ABC. We should be more concerned about the cottage industry

of consultancies and grants handed out by the public service to environmental groups. We should be more concerned that senior public servants shape policy more than elected politicians do. And conservative governments should be more concerned than they are at the growth of the state's interest in every aspect of society.

If he wins government, Abbott faces a clear choice. He could simply overturn one or two symbolic Gillard-era policies like the carbon tax, and govern moderately. He would not offend any interest groups. In doing so, he'd probably secure a couple of terms in office for himself and the Liberal Party. But would this be a successful government? We don't believe so. The remorseless drift to bigger government and less freedom would not halt, and it would resume with vigour when the Coalition eventually loses office. We hope he grasps the opportunity to fundamentally reshape the political culture and stem the assault on individual liberty.

1. Repeal the carbon tax, and don't replace it. It will be one thing to remove the burden of the carbon tax from the Australian economy. But if it is just replaced by another costly scheme, most of the benefits will be undone.
2. Abolish the Department of Climate Change
3. Abolish the Clean Energy Fund
4. Repeal Section 18C of the *Racial Discrimination Act*
5. Abandon Australia's bid for a seat on the United Nations Security Council
6. Repeal the renewable energy target
7. Return income taxing powers to the states
8. Abolish the Commonwealth Grants Commission
9. Abolish the Australian Competition and Consumer Commission

10. Withdraw from the Kyoto Protocol
11. Introduce fee competition to Australian universities
12. Repeal the National Curriculum
13. Introduce competing private secondary school curriculums
14. Abolish the Australian Communications and Media Authority (ACMA)
15. Eliminate laws that require radio and television broadcasters to be ‘balanced’
16. Abolish television spectrum licensing and devolve spectrum management to the common law
17. End local content requirements for Australian television stations
18. Eliminate family tax benefits
19. Abandon the paid parental leave scheme
20. Means-test Medicare
21. End all corporate welfare and subsidies by closing the Department of Industry, Innovation, Science, Research and Tertiary Education
22. Introduce voluntary voting
23. End mandatory disclosures on political donations
24. End media blackout in final days of election campaigns
25. End public funding to political parties
26. Remove anti-dumping laws
27. Eliminate media ownership restrictions
28. Abolish the Foreign Investment Review Board
29. Eliminate the National Preventative Health Agency
30. Cease subsidising the car industry
31. Formalise a one-in, one-out approach to regulatory reduction
32. Rule out federal funding for 2018 Commonwealth Games
33. Deregulate the parallel importation of books
34. End preferences for Industry Super Funds in workplace relations laws

35. Legislate a cap on government spending and tax as a percentage of GDP
36. Legislate a balanced budget amendment which strictly limits the size of budget deficits and the period the federal government can be in deficit
37. Force government agencies to put all of their spending online in a searchable database
38. Repeal plain packaging for cigarettes and rule it out for all other products, including alcohol and fast food
39. Reintroduce voluntary student unionism at universities
40. Introduce a voucher scheme for secondary schools
41. Repeal the alcopops tax
42. Introduce a special economic zone in the north of Australia including:
 - a) Lower personal income tax for residents
 - b) Significantly expanded 457 Visa programs for workers
 - c) Encourage the construction of dams
43. Repeal the mining tax
44. Devolve environmental approvals for major projects to the states
45. Introduce a single rate of income tax with a generous tax-free threshold
46. Cut company tax to an internationally competitive rate of 25 per cent
47. Cease funding the Australia Network
48. Privatise Australia Post
49. Privatise Medibank
50. Break up the ABC and put out to tender each individual function
51. Privatise SBS
52. Reduce the size of the public service from current levels of more than 260,000 to at least the 2001 low of 212,784

53. Repeal the *Fair Work Act*
54. Allow individuals and employers to negotiate directly terms of employment that suit them
55. Encourage independent contracting by overturning new regulations designed to punish contractors
56. Abolish the Baby Bonus
57. Abolish the First Home Owners' Grant
58. Allow the Northern Territory to become a state
59. Halve the size of the Coalition front bench from 32 to 16
60. Remove all remaining tariff and non-tariff barriers to international trade
61. Slash top public servant salaries to much lower international standards, like in the United States
62. End all public subsidies to sport and the arts
63. Privatised the Australian Institute of Sport
64. End all hidden protectionist measures, such as preferences for local manufacturers in government tendering
65. Abolish the Office for Film and Literature Classification
66. Rule out any government-supported or mandated internet censorship
67. Means test tertiary student loans
68. Allow people to opt out of superannuation in exchange for promising to forgo any government income support in retirement
69. Immediately halt construction of the National Broadband Network and privatise any sections that have already been built
70. End all government funded Nanny State advertising
71. Reject proposals for compulsory food and alcohol labelling
72. Privatised the CSIRO
73. Defund Harmony Day
74. Close the Office for Youth
75. Privatised the Snowy-Hydro Scheme

APPENDIX 2

SPEECH TO THE NSW STATE COUNCIL OF THE LIBERAL PARTY

John Ruddick as a candidate for state party president
July 2011

Firstly can I say, obviously we are lucky to have someone of the stature of Arthur Sinodinos to nominate for President. I have many friends that know Arthur well and they all tell me he is a great guy. Arthur was particularly gracious to me in person this morning which I appreciate.

However I am nominating for President because it wouldn't matter if we had Julius Caesar as President. The problem is not the personality of the leadership — the problem is the archaic structure of our party. Our party is based on a 19th century model which concentrates power. We need a democratic party for the 21st century.

I have a message for all the factional hotshots in this room — your days of influence in the NSW Liberal Party are numbered. So if you want to dedicate your life to stacking out a SEB or sneaking new members into a Special Branch — take it from me, no need to bother.

As of today I am the spokesperson for the biggest faction of all within the NSW Liberal Party — the 95% of members who faithfully renew their membership each year and don't get a say on anything other than their branch president and treasurer. Once every two decades there is a 10% chance they will get a say on a preselection. And I speak for the 50,000 people

across NSW who would gladly join the party if our party was structured around the Five Point Plan.

It is absolutely inevitable that the Five Point Plan will win eventually. Now why I am I so confident? Because I will be unrelenting. Thirteen years ago Tony Abbott said this:

For me John Ruddick evokes the spirit of George Washington — not just because of his willingness to stand up for a principle and fight for a good cause but because of his rigorous honesty.

Why did Tony say these words? Well that was in the middle of the most significant reform this State Council has approved in the past two decades — the removal of Young Liberal ‘double dipping’. ‘Double dipping’ effectively gave Young Liberals twice the say in our party as everyone else. I could see this was wrong and that it needed to go.

The then all supreme ruling ‘Group’ faction loved double dipping because it kept them in power. So I said to the other faction ‘hey, why don’t we campaign to get rid of double dipping?’ Half of that faction said ‘no — double dipping is good’ and the other half just dithered and said ‘we need to think about it’.

So John Ruddick, all on his own, without permission from anyone, started writing open letters to State Council explaining (a) what double dipping was (b) why it was wrong and (c) how we can get rid of it.

For two years the Group faction did all they could to prevent the removal of double dipping — but I persisted and others came on board (most notably Tony Abbott for which I will always be grateful) and when

this State Council was finally allowed to vote on it they overwhelmingly threw double dipping out. That was the moment the Group's power began to crumble.

I've done it before and ladies and gentlemen, I promise you, I am going to do it again. The Five Point Plan is a continuation of the same democratic spirit that removed double dipping. The Five Point Plan is the end of factions.

Let's go through the Five Points.

1. **Plebiscites for lower house seats.** You simply can't stack a plebiscite — and if we remove the motive to branch stack there will be so many positives. If you don't believe me, you will believe John Howard who said '*Some Liberal Party factions are nothing more than preselection cooperatives. The Liberal Party should fully embrace the branch plebiscite system for candidate selection.*'
2. **State-wide plebiscites for our Senate and MLC candidates.** These state-wide contests will be exciting, produce outstanding candidates and revitalise the membership.
3. **State Executive voted by the party membership.** The State Executive is meant to be the guardians of the Liberal Party but increasingly we have State Exec members who are beholden to factions. We all know this is wrong.
4. **Merger with the Nationals.** The LNP merger

in Queensland has been an outstanding success. The LNP is a division of the Liberal Party of Australia which makes NSW the last bastion of the Nationals. Outside NSW Nationals have only three members in the House of Representatives.

5. **Parliamentary leaders elected by the party membership.** If it is good enough for the US and UK to have their candidates for President and Prime Minister chosen by the party membership then why not us? There are too many agendas in the party room while the broad membership just wants the Liberal Party to win. This reform will attract 50,000 new members and with all those membership fees we could actually buy our own office space. The Five Point Plan is a just cause. I will run for President this year, next year and as long as it takes to get up these reforms up which 95% of the party membership supports.

Thank you.

APPENDIX 3

PROPOSED AMENDMENTS TO THE LIBERAL PARTY OF AUSTRALIA'S FEDERAL CONSTITUTION

These rules are designed to create a framework for the election of the Federal Parliamentary Leader and Deputy Federal Parliamentary Leader by the members of the Liberal Party of Australia.

Amendments

Insert New Section

Part III – Powers

3. The Organisation shall have the following powers:
- (q) to create rules for the election of the Federal Parliamentary Leader and the Deputy Parliamentary Leader.

Remove Old Section

PART XIV – Parliamentary Party

52. The Parliamentary Party shall:
- (a) appoint its Leader, who shall thereupon become the Parliamentary Leader of the Organisation;
 - (b) be responsible for the work and the duties of the Members of Parliament and the organisation of that work.

Inert New Section

PART XIV – Parliamentary Party

52. The Parliamentary Party shall:
- (a) appoint its Leader in accordance with the rules

- outlined within Appendix 1 of this Constitution, who shall thereupon become the Parliamentary Leader of the Organisation;
- (b) appoint its Deputy Leader in accordance with the rules outlined within Appendix 1 of this Constitution, who shall thereupon become the Deputy Parliamentary Leader of the Organisation; and
 - (c) be responsible for the work and the duties of the Members of Parliament and the organisation of that work.

APPENDIX 1 – Rules for the Election of Federal Leader and Deputy Federal Leader

- (1) The Federal Liberal Leader shall be elected by a vote of any person who has been a member of the Liberal Party of Australia for more than twelve (12) months.
- (2) The Federal Council shall create by-laws by a simple majority that govern the method by which the Federal Leader and Deputy Federal Leader are to be elected.
- (3) The Federal Executive shall be responsible for organising the election of the Federal Parliamentary Leader and the Deputy Federal Parliamentary Leader subject to any by-laws created by Federal Council.

By-Laws – Rules for the Election of the Federal Parliamentary Leader and Deputy Parliamentary Leader

The National Leadership Convention

- 1.1 The Purpose of the National Leadership Convention
There will be a National Leadership Convention of the Liberal Party of Australia which will be responsible for

the election of the Federal Parliamentary Leader and the Deputy Federal Leader.

- 1.2 The Chair of the National Leadership Convention
The Federal President (or their nominee) shall be the chair of the National Leadership Convention.

Leadership Election Organising Committee

- 2.1 There will be a 'Leadership Election Organising Committee' comprising of:
- (1) the Federal President;
 - (2) the President of each of the State and Territory Divisions of the Liberal Party; and
 - (3) twelve (12) members of the Division appointed by the Federal Executive.
- 2.2 The Leadership Election Organising Committee shall have the power to determine the date, time, venue and all logistics associated with the National Leadership Convention.
- 2.3 The Leadership Election Organising Committee may charge members a registration fee to assist with the covering the cost of hosting the National Leadership Convention.
- 2.4 The Leadership Election Organizing Committee shall be required to review the nomination of the candidates for the position of Federal Parliamentary Leader and Federal Parliamentary Deputy Leader.
- 2.5 The members of the Leadership Election Organising Committee shall be required to act independently and in the best interests of the Division.

Time of the National Leadership Convention

- 3.1 The National Leadership Convention shall be held where:
 - (a) there is a casual vacancy for the Federal Parliamentary Leader or the Deputy Federal Parliamentary Leader; or
 - (b) eighteen (18) months after a Federal Election.
- 3.2 The National Leadership Convention shall be held on a weekend.

Location of the National Leadership Convention

- 4.1 The National Leadership Convention shall be held in the capital city of any of the six states or two territories.
- 4.2 The location of the National Leadership Convention shall be selected by a simple majority vote of the Leadership Election Organizing Committee.

Method of Election

- 5.1 Every person who has been a member of the Liberal Party of Australia for a period of more than twelve (12) months shall be eligible to vote for both the Federal Parliamentary Leader and the Deputy Federal Parliamentary Leader.
- 5.2 The method of election for the Federal Parliamentary Leader and the Deputy Federal Parliamentary Leader shall be via rounds of exhaustive voting.
- 5.3 A candidate who receives an absolute majority of votes shall be declared elected.
- 5.4 If no candidate obtains absolute majority of votes after the first round of voting then any candidate who receives less than 10% of the total number of votes cast will be eliminated.

- 5.5 If no candidate obtains an absolute majority of votes after the second or subsequent rounds of voting, then the candidate who receives the lowest number of votes shall be eliminated.
- 5.6 In the event that two candidates receive an equal number of votes then the Federal President shall exercise a casting vote.
- 5.7 The National Leadership Convention shall be broadcast live on television and through other electronic media outlets.

Procedure for Nomination

- 6.1 A person shall be eligible to nominate to be Federal Parliamentary Leader or Deputy Federal Leader if they are a financial member of the Liberal Party of Australia.
- 6.2 A person who wishes to nominate to be Federal Parliamentary Leader or Deputy Federal Leader must pay a nomination fee of \$100,000.00 with \$50,000.00 will be rebated at the end of the National Leadership Convention if the candidate has complied with party rules.
- 6.3 Each nomination received must be submitted to the Leadership Election Organising Committee.
- 6.4 The Leadership Election Organising Committee must as soon as practical after the close of nominations:
 - (a) interview and otherwise examine according to the circumstances all candidates to satisfy themselves that those candidates are a fit and proper person for presentation to the National Leadership Convention; and
 - (b) having regard to those interviews and examinations, with respect to each nomination decide whether to reject the nomination.

- 6.5 The Leadership Election Organising Committee may only reject a nomination by a majority of at least 75% of the Leadership Election Organising Committee.
- 6.6 Nominations for the Federal Parliamentary Leader and Deputy Parliamentary Leader shall open six weeks before the National Leadership Convention and close four weeks prior to the National Leadership Convention.
- 6.7 A candidate for election will need to be nominated by two-hundred and fifty (250) members of the Division. These party members must be registered on the electoral role from across twenty different federal electorates and from across four states or territories.
- 6.8 The Acting Federal Parliamentary Federal Leader shall be ineligible to nominate for the position of Federal Parliamentary Leader.

Where a Casual Vacancy arises:

- 7.1 A casual vacancy for the Federal Parliamentary Leader shall arise where:
 - (a) the Leader of the Federal Parliamentary Leader has resigned; or
 - (b) the Leader of the Federal Parliamentary Leader has died; or
 - (b) there has been a vote of no confidence in the Federal Parliamentary Leader carried by a 60% majority of members of the Federal Parliamentary Party.
- 7.2 A casual vacancy for the Federal Parliamentary Deputy Leader shall arise where:
 - (a) the Leader of the Federal Parliamentary Deputy Leader has resigned; or

- (b) the Leader of the Federal Parliamentary Deputy Leader has died; or
 - (b) there has been a vote of no confidence in the Federal Parliamentary Deputy Leader carried by a 60% majority of members of the Federal Parliamentary Party.
- 7.3 Where a casual vacancy for the Federal Parliamentary Leader arises the Federal Parliamentary Deputy Leader shall assume the position of Acting Federal Parliamentary Leader.
- 7.4 Where there is a causal vacancy for both the Federal Parliamentary Leader and the Federal Parliamentary Deputy Leader then the Parliamentary Party shall elect one of their number to the position of Acting Federal Parliamentary Leader.
- 7.3 Where a person has been elected Federal Parliamentary Leader or Deputy Parliamentary Leader but is not a member of parliament then they must be elected to the parliament within a period four month of the date of their election as otherwise they will be deemed to have forfeited their office as Federal Parliamentary Leader or Deputy Parliamentary Leader.

Campaign Spending Limits

- 8.1 The Leadership Election Organizing Committee shall have the right set a spending limit on what can be spent by candidates for the campaign for election as Federal Parliamentary Leader or Deputy Parliamentary Leader.
- 8.2 A candidate for the position of Federal Parliamentary Leader or Deputy Parliamentary Leader may only spend money on their election which have been donated to their campaign by an individual.

- 8.3 A candidate may only receive a maximum donation from any individual of \$10,000.00 including themselves.

Rights of Candidates

- 9.1 Each candidate for election shall have a right to appoint scrutineers to observe the voting.
- 9.2 Each candidate for election shall have the right to address the National Leadership Convention after the first round of voting but before the second round of voting.
- 9.3 Each candidate may address the National Leadership Convention for a period of eight minutes and answer questions fielded by other candidates for a period of twelve minutes.

These proposals were drafted by Edwin Nelson (LLB) who was the author of the 'Warringah Constitution' which proposed democratic reforms to the NSW Liberal Party in 2018.

END NOTES

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