

PROJECT SEVEN
KEY GROUPS FOR 1983

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PROJECT SEVEN

THE KEY GROUPS FOR 1983

INTRODUCTION: In this project I will deal with factors endogenous to the demographic model developed in projects one to six. This part will draw together and summarise the relevant material on long-run volatility, the groups which have drifted towards or away from Labor during 1966-80, the 1980 Australian Democrat voters and voters living in the key 1983 seats. Particular attention will also be paid to the key seats and the relationship between votes and seats.

DISCUSSION: Before summarising and highlighting earlier material I will discuss the theoretical limitations on predicting results in Australia's single-member constituency system.

The relationship between votes and seats in a single-member preferential system is often summarised by the so-called "cube rule". This rule asserts that the ratio of seats won for two major political groupings should be the cube of the ratio of votes won.

The ideal cube-rule curve showing the theorised relationships between seats and votes won is set out in Figure 1.

Here the reader can see the winning party in the single-member system obtains a "winner's bonus" over the seats-equals-votes 45-degree line (the bonus is shown by the shaded area in the top right of Figure 1.)

This however is simply an approximation of the assumed standard-normal distribution of the safety of seats curve shown to the far right of Figure 1, where the percentage of seats won equals the percentage of the area under the curve (below the lines showing the percentage of votes won.)

Thus, in the ideal cube-rule system shown in Figure 1, if Labor had won 58.3 percent of the national 2PP vote in 1980, it would have won 73.2 percent of the seats (92 seats).

This percentage of the seats can also be shown as the shaded area in the standard-normal curve below the 58.3 percent line in Figure 1.

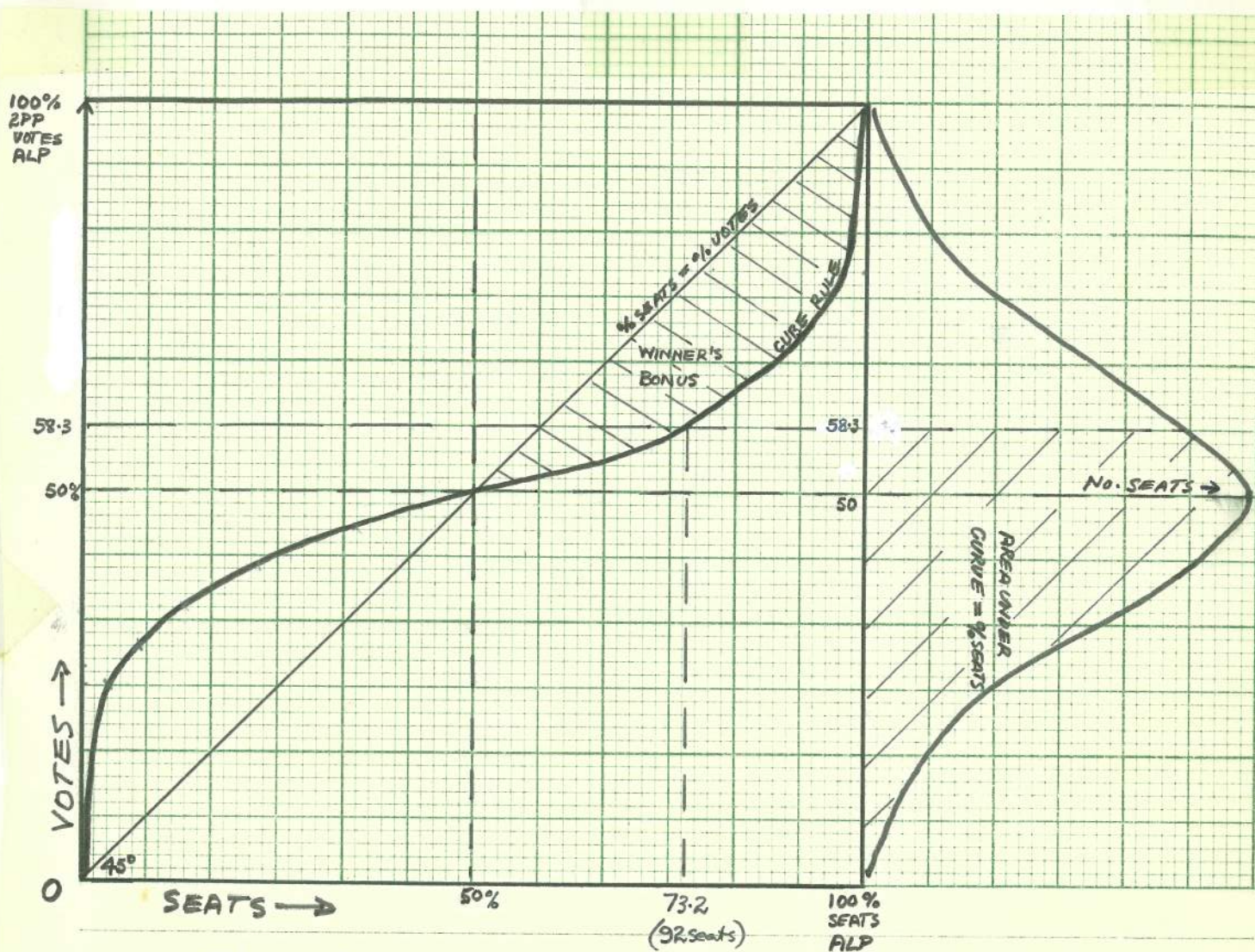


Figure 1

Ideal cube-rule curve and corresponding
safety-of-seat distribution.

In 1980, when Labor won 49.6 percent of the national preferred vote, the rule would imply a distribution of seats in the ratio $(49.6)^3 : (50.4)^3$ or 48.8:51.2 equals 61:64 seats.

Thus the cube rule (if it can be called a rule) predicted that Labor should have won 61 seats in 1980.

However, Labor in 1980 only won 51 seats, not 61, as the cube rule predicted. Why is this so?

In real life, the safety of seats curve only approximates the standard-normal curve shown in Figure 1, and the actual votes-seats prediction line varies accordingly.

This is set out in Figure 2, which shows the safety-of-seats curve (for the 1980 results) and the 1980 votes-seats curve.

Here the reader can see the system is now biased against Labor to the extent that Labor now needs at least 51 percent of the national preferred vote to win more than 50 percent of seats₁. The bulk of this bias is due to the wastage of Labor votes in safe Labor seats and the high proportion of marginal Liberal seats.

Labor faces the additional problem in planning a winning 1983 strategy in that the 1980 curve won't necessarily apply in 1983 because swings are never uniform. This last point was demonstrated clearly in project six where table 6.1 showed that the range of swings during the past nine national elections has normally been about five times as large as the average swings. Labor could win a 1.5 percent swing in 1983 which, if uniform, would imply a movement along the 1980 votes-seats curve in Figure 2 to a majority of seats. However, if the 1983 swing is not uniform (and I have demonstrated that this will be the case) then the 1980 curve cannot be applied to the 1983 election result.

1. With a uniform pro-Labor swing.

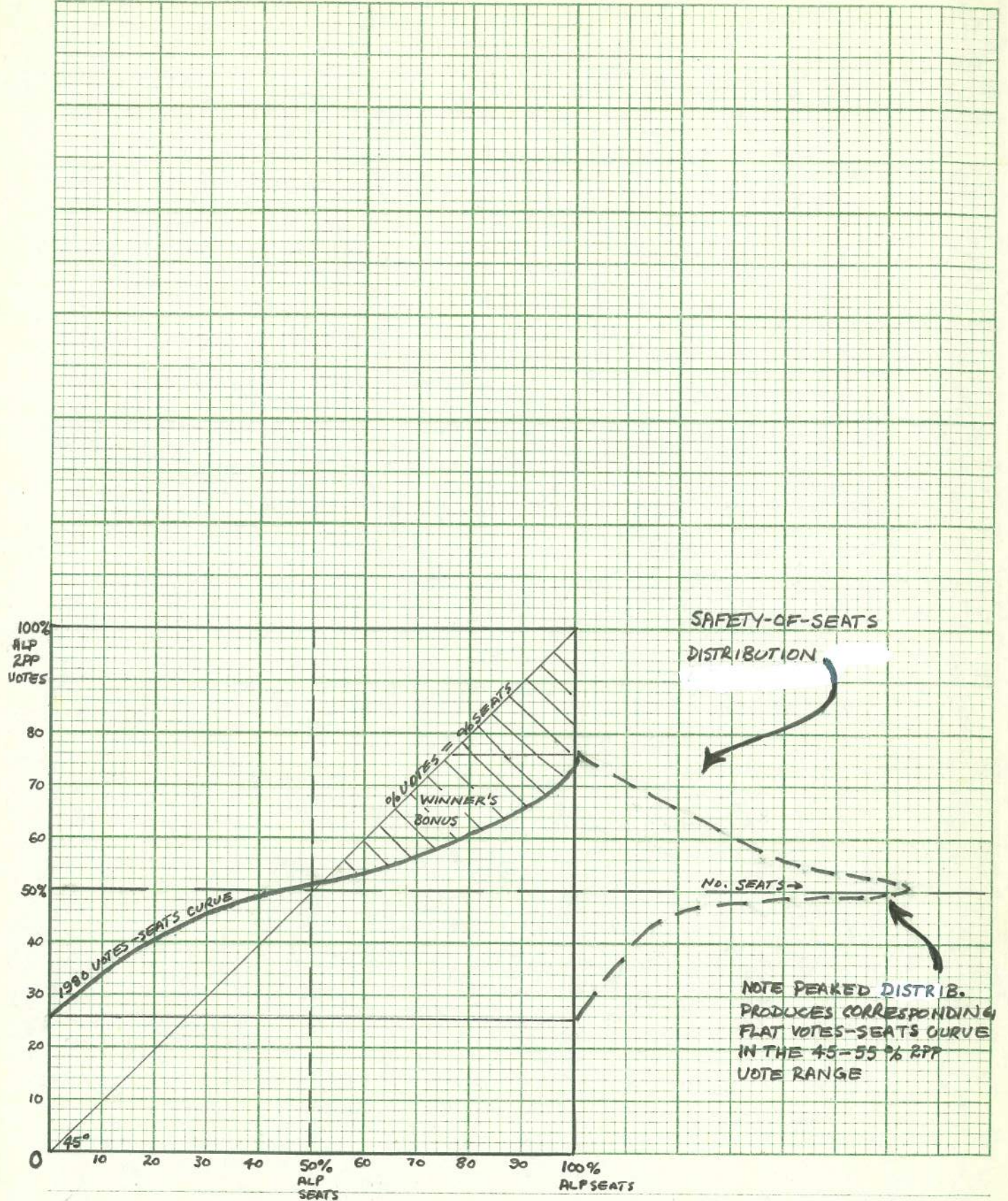


Figure 2.

Australian 1980 actual votes-seats curve
and corresponding safety-of-seats distribution

Clearly, the votes-seats curve would move vertically downwards to Labor's advantage in 1983 if Labor gained disproportionately-large swings in key seats and the curve would move upwards vertically to Labor's disadvantage if Labor gained smaller than average swings in key seats.

In conclusion, Labor cannot assume that a national 2PP Labor vote of more than 51 percent in 1983 would produce a Labor majority of seats. This is because the votes-seats curve (and the Mackerras pendulum) are devices which can only be applied in retrospect given the range of swings which actually took place in all seats.

What can Labor strategists do to solve this problem? There are three basic responses, which are as follows:

Firstly, Labor strategists could ignore the potential upward movement of votes-seats curve or argue that there is nothing that can be done about it. This could be termed the "she'll be right" response. Proponents of this response would argue that Labor should simply aim to get as many national votes as possible and hope that enough of them are in the right seats. This would imply a national target vote of at least 52 percent - something that has been achieved only once in the 35 years since 1946. This response is only acceptable if Labor is prepared to perhaps wait for another 35 years before it gets back into Government.

Secondly, we have what could be termed the "magic wand" approach. This involves an argument in favour of proportional representation or partial PR to get a votes-seats curve which would approximate the 45-degree line. However, only the existing Government can implement this sort of proposal before 1983 and this would imply that Government members in the marginal

"winner's bonus" seats would be prepared to give up their seats in 1983 in the interests of a greater correspondence between votes won and seats won. I can't see the present Government agreeing to this proposal, and I wouldn't have thought proposals for PR or partial PR would have been regarded too kindly by similar Labor members in marginal "winner's bonus" seats if Labor won in 1983. For these reasons, I think the second response can also be discarded.

The third and most realistic response is to ask what can be done to bring the votes-seats curve down vertically so that Labor can win a large majority of seats from a small majority of votes (as the non-Labor parties did in 1980).

Figure 3 shows an enlarged version of the key portion of Figure 2.

Here we can see that Labor needs about 51 percent of the national preferred vote to win a majority of seats using the 1980 votes-seats curve. Beyond this take-off point, the gains in seats rapidly outstrip the gains in votes as the "winner's bonus" effect comes into play.

However, the problem in real life is that we can't assume that the 1980 votes-seats curve will apply in 1983. To the extent that swings in marginal seats are not equal to the national mean, this curve in 1983 can move up or down.

If we accept that the votes-seats curve does move vertically from election to election (as it always will because swings are never uniform) then clearly a major component of the 1983 strategy should be aimed at moving the curve downwards to Labor's advantage (to at least the "ideal" curve in Figure 3).

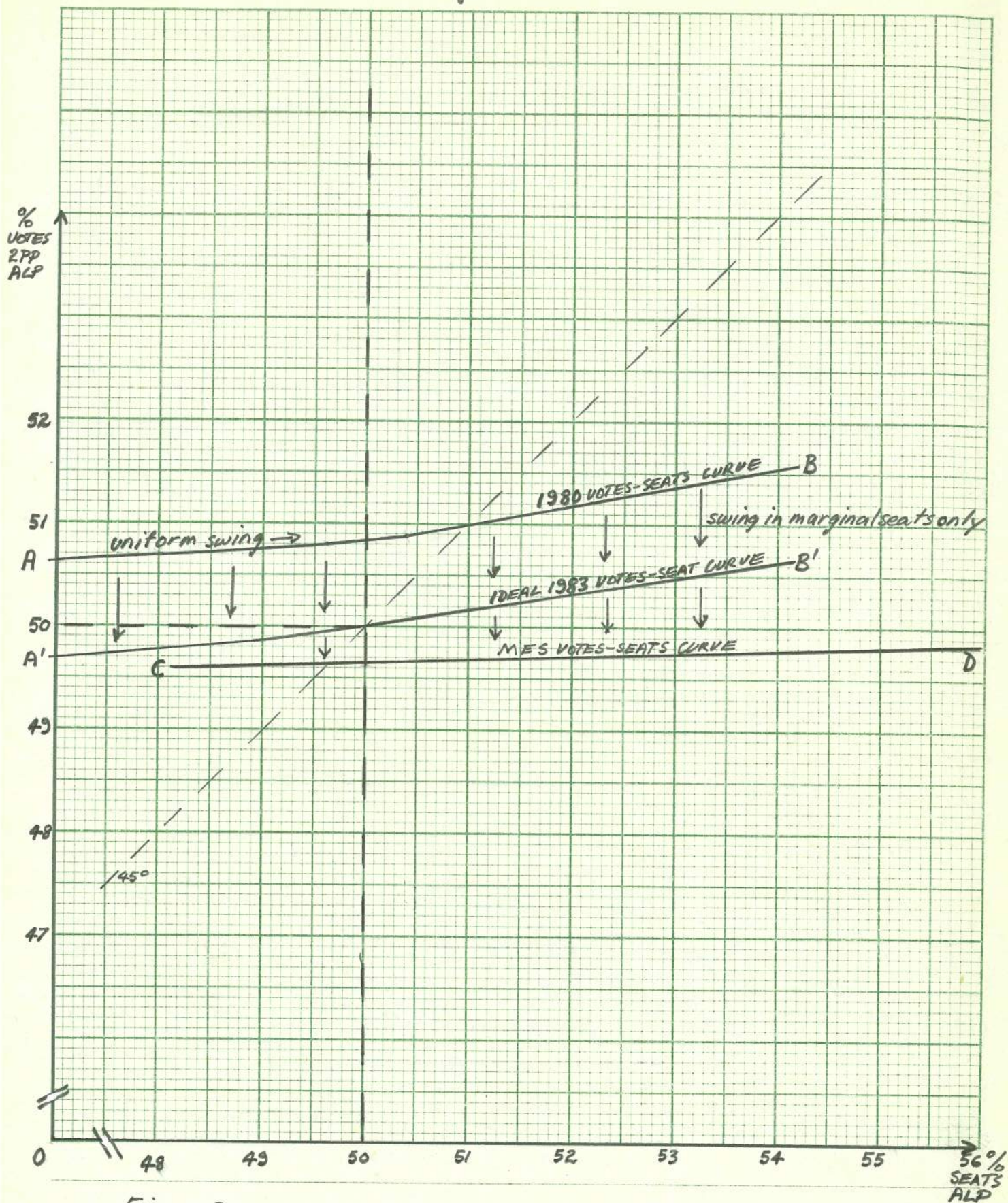


Figure 3.

Enlarged 1980 Australian votes-seat curve (from figure 2) shown as AB. Ideal 1983 votes-seat curve shown as A'B'.

Uniform 1983 swings involve a movement from A to B; disproportionate 1983 pro-Labor swings in marginal 1980 Government seats involve a downward movement of AB to A'B'.

This can be accomplished by the simple expedient of maximising the pro-Labor swings in marginal Government seats. The extreme version of this tactic was outlined in project six where the Most Efficient Swing would have produced swings only to the extent needed to win the 24 most marginal Government seats, pushing the MES votes-curve line down below the line A'B' shown in Figure 3 (to CD) to the extent that Labor in 1983 could win 60 percent of the seats with only a fraction more than 50 percent of the preferred vote.

This MES votes-seats line was also much flatter (to Labor's advantage) than either the actual 1980 curve or the "ideal" (by "ideal" I mean "democratic") curve.

In summary, Labor should be aware of the significance of demographic groups located disproportionately in key seats and Labor's 1983 campaign should be biased strongly towards these groups, in addition to the bias in favour of other key groups.

I now provide a summary of the four major groups, the long-run swinging voters which put Labor into office in 1972 and 1974; the voters located disproportionately in 1983 key seats; the voters who have "drifted" towards Labor between 1966 and 1980; and the 1980 Australian Democrat voters, with particular emphasis on the pro-Labor Democrats.

TABLE 7.1*

DEMOGRAPHIC GROUPS	1966-1975 LONG-RUN VOLATILE VOTERS	VOTERS IN KEY SEATS	AUSTRALIAN DEMOCRATS	DRIFTS TO ALP 1966-80
SEX	Female (bias approx 60:40)	No sex bias	No sex bias	Females
AGE	25-44, <u>especi-ally 25-39, not in workforce + female workers 18-19.</u>	18-19, <u>30-44</u>	Males 18-19 males 45-49	-
WORKFORCE/ OCCUPATION BY SEX	CLERICAL (male & female) ARMED SERVICES (especi-ally females) Female SALES	Male ADMINISTR-ATIVE, Female SALES, Female MARRIED WORKERS	PROFESSION-AL & ADMIN-ISTRATIVE (mainly Male), Male SALES WORK-ERS, <u>Male & Female CLERICAL WORKERS,</u> <u>Female CRAFTSMEN</u>	Male & Fem-ale CLERICAL WORKERS, Female CRAFTSMEN, WORKING WOMEN
QUALIFICATIONS/ EDUCATION	Technicians (male), Trad-espersons , Male & Female University Graduates, Persons educ-ated to Leav-ing standard.	Persons with diplomas or tech-nicians certifie-ates.	Persons with degrees, diplomas technic-ians cer-tificates, <u>Trade qual-ification.</u>	-
ETHNICITY	British, German & Dutch migrants & migrants of 5-9 yrs resid-ency.	Australian born, Bri-tish born	All o'seas born - esp. British, German & Dutch born.	-
RELIGION	Church of Eng. Congregational	Church of Eng., no religion.	<u>No religion</u>	-

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TABLE 7.1 cont

DEMOGRAPHIC GROUPS	1966-1975 LONG-RUN VOLATILE VOTERS	VOTERS IN KEY SEATS	AUSTRALIAN DEMOCRATS	DRIFTS TO ALP 1966-80
HOUSING	Public housing tenants	Home buyers, esp. those paying \$160-\$240/month, Public Housing tenants	<u>Home buyers;</u> <u>Home buyers</u> <u>paying \$240-</u> <u>\$318/month</u> & more than \$318/month mortgages	-
TRANSPORT	One-car families (to a lesser degree 2 car families)	<u>Two car families</u> 3+ car families	Two car families, <u>Persons using public transport.</u>	-
SOCIAL	Houses with TV sets	Families with kids esp. one kid under 4, and <u>3 child families</u>	Superannuants, families with no children, 1 child or 2 children, families with minded children aged 0-5.	-
INCOME	Data not available for 1966-1975.	Families: \$14,400+ Females: \$14,400+ (& every low income females Males: \$14,400+	Families: \$14,400 - \$24,000 \$24,000+ Males: \$12,800- \$14,400 & \$14,400+ Females: \$11,200- \$12,800 & \$12,800- \$19,200	-
OTHERS	-	1980 Australian Democrat voters	-	-

* Important groups underlined. All costs based on 3rd quarter 1981.

Table 7.1 is a summary of all the relevant evidence produced in earlier projects. The important demographic groups are underlined to add emphasis. (A synthesis of Table 7.1 is provided later in this project.)

We can see from Table 7.1 that there is a broad overlap between both the long-run volatile voters and voters in key seats. This is due to the fact that Labor lost support from volatile voters in both 1975 and 1977 and failed to regain appreciable support from this group in 1980. Obviously, then, the groups which tend to be concentrated in key seats are those groups which provided the basis of Labor victories in outer-urban marginal seats in 1969, 1972 and 1974. These seats now dominate our list of key marginal government electorates.

There is also some overlap between long-run volatile voters and the Australian Democrats. This is consistent with the argument that the Australian Democrat voters represent the most weakly-committed pro-Labor and anti-Labor voters.

Probably the most interesting point to note about the overlap between volatile voters and the Australian Democrats is the weak Democrat vote from the volatile 25-44 age groups. Despite their extremely unstable behaviour between 1966 and 1975 this age group has remained curiously loyal to the Fraser Government for two consecutive elections.

The fourth column on Table 7.1 - containing the major sex and occupation/workforce groups which have swung to the ALP since 1966 was inserted simply to highlight the importance of overlaps between these groups and groups already included in the other three columns. There is no intrinsic reason why Labor should continue to gain from pro-Labor drifts in support from these groups, but there is certainly some firm circumstantial

evidence that this is likely to be the case. For example, working women (and to a lesser extent all women) have been moving gradually to Labor since 1969. This trend has been so persistent prior to 1980 that it could reasonably be expected to continue. If it does, Labor in 1983 would probably win more votes from women (on a preferred basis which excludes the distorting effect of the Democrats) than it would from men.

The drift to Labor from clerical workers could be regarded in a similar light, not least of all because female clerical workers outnumber men about two to one. Labor's support among clerical workers improved in 1969, 1972, 1974, 1977 and 1980. There is no evidence to suggest this trend will slow down or be reversed by the 1983 result. With both of these trends - among female workers and clerks - my own judgement is that such substantial issues as Labor's support for equal pay for women and the merging of white-collar and blue-collar peak union councils are providing the major causal factors.

I believe these issues will continue to provide a strong positive influence on Labor's vote among women and clerical workers as long as real income discrimination against women continues in the workforce (and Labor continues to oppose this) and as long as white collar unions continue to move closer to their blue-collar counterparts.

Acceptance of my personal opinions on this matter however are not central to the evidence behind the inclusion of females and clerical workers in the other three columns of Table 7.1.

I now include Table 7.2 which provides a synthesis and summary of Table 7.1.

TABLE 7.2

DEMOGRAPHIC
GROUPS

SYNTHESIS OF FOUR COLUMNS IN TABLE 7.1

SEX	Bias towards females approx. 60:40
AGE	First-time voters 18-19; 25-44 year olds, biased towards 30-34 year olds
WORKFORCE/ OCCUPATION BY SEX	Married females workers. Clerical workers (male & female). Female sales workers. Female craftsmen.
QUALIFICATIONS/ EDUCATION	All persons with some qualifications, biased towards tradesmen and persons with technicians certificates.
ETHNICITY	Persons born in Britain, Germany and Holland.
RELIGION	Church of England; no religion
HOUSING	Home buyers; especially home buyers paying mortgages of \$160-\$318 a month (3rd quarter 1981); Public Housing tenants.
TRANSPORT	Families with two or more cars; persons using public transport (to get to work).
SOCIAL	Families; families with two or three children; especially families with one child under 4 years.
INCOME	Families earning \$14,400 and above (3rd quarter 1981); males and females earning \$14,400 and above (3rd quarter 1981).

Table 7.2 contains a demographic summary of the target groups for the 1983 campaign. To be included in Table 7.2 groups had to be first included in at least two of the four columns of Table 7.1. Most have been included in at least three columns.

Any campaign targetted at the groups in Table 7.2 would favour Labor for four main reasons:

Firstly, the groups would be those which had tended to drift towards Labor between 1966-80 and circumstantial evidence favours a continuation of this drift.

Secondly, the groups are biased towards the Australian Democrats, especially the pro-Labor democrats, so that Labor's campaign here would be effectively targetted towards weakly-aligned voters.

Thirdly, the groups are located disproportionately in the key seats Labor has to win in 1983 to form a Government. This would tend to produce a large gain in seats even with a small pro-Labor national swing - something which works via a lowering and flattening of the 1980 votes-seats curve.

Fourthly, the groups in Table 7.2 tend to be long-run volatile groups, and swings in these groups are easier to produce than swings among more stable groups, such as the elderly, home owners, the unskilled, and the committed occupational-class voters.

Almost all of the groups in Table 7.2 have been discussed in some detail in the earlier projects, but I will summarise the relevant details again in the following section:

SEX: Bias towards females (approx 60:40)

Both males and females go through the same stability - instability-stability cycle with increasing age, but with females the added impact of the child-rearing cycle produces additional instability, especially in the age range of about 28-35 (the early stage of the child rearing cycle).

There is another reason why women are important for Labor in 1983 and that is the fact that the Australian Democrats in 1977 took many female clerical and craftsmen workers from the ALP and their votes have been returned to the ALP in the form of second preferences. This has produced the situation now where many of Labor's real gains in these demographic areas in recent years have only been possible through the second-preference mechanism afforded by the preferential system. This is something I certainly don't think we can take for granted.

In summary, women are generally more important than men for the ALP in 1983 and most of this female bias is concentrated in the 28-35 age group and the Australian Democrat (pro-Labor) group.

AGE: First-time voters 18-19; 25-44 year olds, biased towards 30-34 year olds.

Persons aged 18-19 will comprise about five percent of the total electorate in 1983. They are normally quite a stable group (voting the same way as their parents), but they are located disproportionately in the key seats and they are quite pro-Democrat (especially 18-19 year old males). They are also a pro-Labor group.

Their major policy interest would presumably be the availability of jobs for school-leavers.

Persons aged 25-44 will comprise about 40% of the total electorate in 1983.

Persons in this age group (especially those aged in their late twenties and early thirties) are the single most easily identifiable volatile group in Australian politics. They put Labor into power in 1972 and they helped (together with blue-collar workers) to put Labor out of office in 1975. They supported Fraser in 1977 and 1980 and they are now overdue to swing back to Labor in 1983. They have the highest marginal propensity to consume of any age group, and when the female of the partnership is out of the workforce for the early child-rearing purposes, they tend to be very short on cash. They also tend to be in the first few years of housing repayments (before inflation has reduced the real value of their monthly payments) so high interest rates can severely reduce their real disposable incomes. If you add these sort of financial pressures to the weakening of the parent-vote influence, you have a very volatile electoral group indeed.

In my judgment issues such as interest-rate deductibility (which probably saved this group - and the Government - for the ALP in 1974), the provision of child-minding and pre-school child care facilities, the availability of (part-time) work for young mothers seeking to re-enter the workforce, and other issues related to the early years of the home-buying and child-rearing cycles, provide the keys to the electoral loyalties of this group.

This group, apart from being the key volatile group, is also located disproportionately in our key 1983 seats, so a successful campaign among the 25-44 year olds would make big gains for Labor in terms of both votes and seats.

The remaining 55 percent of the electoral population aged 45 and over, and to a lesser extent those aged 20-24, can be ignored (relatively speaking) for the 1983 campaign. These groups tend to be quite stable and strongly anti-Labor (for those 55 and over) or pro-Labor.

WORKFORCE/OCCUPATION BY SEX: Married female workers, Clerical Workers (male and female), female sales workers, female craftsmen.

These groups are very important for Labor's chances of winning Government in 1983, second only to the key age groups outlined above. The importance of these groups is highlighted by the fact that most of them appear in all four columns of Table 7.1.

About two out of every three female workers are married and married female workers comprise about 30 percent of the total female electoral population. This 30 percent of the female electorate tend to be located in our key 1983 seats and they have been drifting slowly towards the ALP since 1969, in recent times through the second-preference mechanism of a primary vote for the Australian Democrats.

There is a large overlap between this married female workers group and female craftsmen and clerical workers. Female craftsmen comprise about ten percent of the female workforce and most would probably work in factories.

Female clerical workers are a very large occupational group, making up about one-third of the total female workforce. These persons are clerks, book-keepers and cashiers, stenographers and typists.

Female clerical workers outnumber male clerical workers by more than two-to-one, with the male clerical workers comprising one-in-ten male workers.

Female sales workers are mainly shop assistants, and they make up 11 percent of the female workforce. They are a low-income group, moderately anti-Labor and marginally volatile. They are however, the group with the strongest occupational bias towards the 1983 key seats.

QUALIFICATIONS/EDUCATION: All Persons with some qualifications, biased towards persons with trades and technicians certificates

About three in four voters in Australia have no formal qualifications. These are a stable pro-Labor group. About one in ten voters have trade certificates and these persons are pro-Labor and volatile. The remaining 15 percent of the population have degrees, diplomas or technician's certificates. The second key group here (apart from the tradesmen) is the persons with technician's certificates. These comprise about five percent of the electorate and include nurses and paramedics, and a broad range of other occupations including persons employed in commerce and business, some tradespersons, engineering, architecture, agricultural, transport and service workers.

The key point however, to remember here is the large group excluded (persons with no qualifications) rather than those included. Of the latter group, the most important (from Table 7.1) appear to be the middle-ranking tradespersons and technicians.

ETHNICITY: Persons born in Britain, Germany and Holland. This group includes about one in ten Australian voters. This British-born/Central European group is volatile

partly because of age and occupational factors. Ethnicity per se, however does seem to have some bearing on this group's behaviour.

RELIGION: Church of England, no religion.

Nationally religion is not a strong causal factor in voting behaviour (as shown here from the inclusion of the "no religion" variable). These variables have been included in Table 7.2 mainly to "flesh out" the key voter stereotype.

HOUSING: Home buyers, especially home-buyers paying mortgages of \$160-\$318 a month (third quarter 1981); Public Housing Tenants.

This is one of the key sections of Table 7.2. As outlined earlier, the home-buying cycle is probably one of the key causal factors in the age-volatility relationship. Policies aimed at the bottom end of the \$160-\$318 mortgage range would tend to get the voters biased to neither major party living in the key seats, while policies aimed at the \$240-\$318 range would tend to affect Labor voters and Democrat voters, with a weaker bias towards the key seats. This is a pretty complex area however, with the amount of mortgage repayments linked to factors such as age, as well as current income, and there are also some major variations between the states.

It would be possible to tailor a means-tested mortgage deductibility scheme, for example, to yield maximum returns in terms of political advantage or social equity or both, but a discussion of this is beyond the scope of the present summary.

Based on the evidence presented in this and earlier projects I don't believe Labor can afford to go into the 1983 campaign without creating an impression in voters' minds that, under Labor, housing mortgage payments will decline. This impression could be based

on stated differences in monetary policy or a Labor housing interest deductibility scheme, or both.

The Fraser Government's current high-interest-rate policies are political insanity for the key seats in the outer suburbs and a skilful exploitation of this issue by the ALP on both economic and social fronts could produce in 1983 the sort of pro-Labor swings which took place in the "credit squeeze" election of 1961.

Public Housing tenants are an additional volatile housing group which has swung back and forth in national elections since 1966 with monotonous regularity.

TRANSPORT: Families with two or more cars, persons using public transport.

I wouldn't attach too much significance to this section of Table 7.2. In fact, as we can see from Table 7.1, one-car families are included in the long-run volatile voters column of Table 7.1 because many families in the one-income early home-buying and child-rearing cycles can only afford (or really only need) one car. However the families who live in our key seats, and the Australian Democrat voters tend to have two or more cars. I included two-car families in Table 7.2 for these last two reasons.

INCOME: Families earning \$14,400 and above, males and females earning \$14,400 and above (third quarter 1981).

Families now earning less than about \$10,000 tend to be anti-Labor (farmers, pensioners, employers, the self-employed and tax-evaders). In addition to being anti-Labor, these groups are politically quite stable and they tend to live outside the key marginal seats Labor has to win in 1983.

Families earning \$10,000 to \$14,400 are pro-Labor but aren't found in our key seats.

Families earning \$14,400 to \$24,000 are pro-Labor, pro-Democrat and they live in our key 1983 seats. (Obviously a great deal of this range in family incomes would be due to whether or not the families contained two full-time income earners).

This last group, because of its pro-Labor and pro-Democrat allegiance and its bias towards the key seats is the key family income group for the 1983 election campaign.

Families now earning \$24,000 to \$28,800 are also pro-Democrat and biased towards the key seats, but they are neutral in terms of their electoral allegiance towards the ALP.

Families earning more than \$28,800 are also biased towards both the Democrats and the key seats, but they are anti-Labor.

My own judgement on the political significance of family incomes is that any means-tested campaign promises should cut out mid-way through the \$24,000 to \$28,800 range.

This would prevent benefits flowing on to affluent PAYE anti-Labor families, but of course, would mean benefits would still accrue to anti-Labor groups on artificially-low stated incomes.

For the male and female income levels, all groups earning more than \$14,400 are anti-Labor, although all of these groups are biased towards the key seats and most are pro-Democrat.

For these reasons, family income would appear to be the preferable measure of the political significance of incomes, along the lines outlined immediately above. This would effectively eliminate the problem of two-income families and facilitate effective targetting of both means tests and any other policy aimed at specific income groups.

SOCIAL: Families, families with two or three children, and families with one child under four years.

Families, (husband, spouse and one or more children) comprise a group which is neutral in terms of its allegiance to the major parties (and the Democrats) but the group is strongly biased towards the key seats. In other words the key seats tend to consist of families living in homes (which they are paying off), rather than single persons in their early twenties living in flats, or older persons living alone or as couples.

Families with three or more children are an anti-Labor group which is neutral in terms of its allegiance to the Australian Democrats. This group is very strongly biased towards the key seats.

Families with two children tend to be both pro-Labor and pro-Democrat, but they are only weakly biased towards the 1983 key seats.

The group of families with children aged 0-4 is neither pro-Labor nor pro-Democrat, but is located disproportionately in key seats and strongly correlated with the long-run volatile age groups.