

## ELECTION IMPLICATIONS FOR BUSINESS

Australia will have its first minority government since the Menzies Government in 1940. Over the coming weeks there will be much speculation about government stability and confidence in the Parliament.

Business and political commentators are already speculating about a policy hiatus. Some media outlets are advocating an early election as the likely outcome.

There will be an immediate paradigm shift in how businesses engage with government. The days of concentrating only on the major parties are over. Business now will deal in a more complex, uncertain and dynamic political environment.

Leading government relations firm, the SAS Group, is pleased to provide you with some of our views on how businesses will need to adjust.

This newsletter provides only a snapshot of the overall picture and we would be happy to explore the implications of the election outcomes for your business in a private consultation.

## YOUR PRIORITIES AND POLICIES

The policies and priorities of business will need to be considered from the multiple positions of the major parties, the Greens and the Independents.

For the major parties, the political positioning will be consistent and intense. The Greens will be more practical towards new policy whilst staying true to their core principles. The Independents will be looking for a much stronger emphasis on regional and local impacts.

## THE POLICIES OF THE PARTIES

Election promises and party policies will likely be open for negotiation in the weeks ahead as a new government is formed. The volatility of any new power sharing agreement, uncertainty and the heightened sensitivity of all MPs will see continued change.

This situation will bring opportunities but will also mean increased risks for businesses that do not have active and ongoing government relations programs.



DIRECTORS – HON LARRY ANTHONY, HON CON SCIACCA AO AND HON SANTO SANTORO

## CONSTITUENTS MATTER

Identifying the priorities of the Independent and Green constituencies in particular will be important for achieving consensus. To show the public the benefits of minor party / independent representation, they will likely require greater community engagement in decision processes. This may mean more grass roots efforts to build community support before tackling the politicians.

## THE SENATE

With the Greens taking the balance of power in the Senate from 1 July 2011, business might look for opportunities to secure policy and legislative outcomes before this change.

Post July, it is yet to be seen how the Greens will use their position. It will further shift the dynamics of Parliament, though it may be that most deals will result from a Labor and Coalition consensus.



## RELATIONSHIPS AND REPRESENTATION

Relationships and representation with decision makers will become more complex and important as businesses will have to plan and consult across party lines, with the Independents and the Greens.

Expect to see greater emphasis on providing evidence of policy analysis and community support for initiatives.

Fiscal policy responsibility is likely to be given stronger emphasis as government moves to return the budget to surplus, but again there will be heightened consideration of local impacts by the Independents.

The recent calls for electoral finance reform will be bolstered by the Independents and Greens (who don't have the financial and analytical clout of the major parties). The push for increased transparency in lobbying across Australia will continue to be broadened. Businesses will need to carefully watch how this agenda evolves and adjust their strategies for government relations accordingly. [www.website.com](http://www.website.com)

## POLICY PRIORITIES

The SAS Group sees the main policy priorities going forward will be:

- Broadband / Alternate Technologies / Cost and Return / Coverage / Applications
- Health / National Funding and Structures / Distributive Models
- Climate Change / Carbon Pricing / Abatement Policies / Energy Supply and Security
- Resources Development and Taxation
- Infrastructure / Rural and Regional Development
- Skills / Education / Training / Productivity / Immigration / Population



SAS GROUP DIRECTORS WITH PETER COSTANTINI, CEO

## THE FUTURE

For all of the uncertainty, minority governments can work as we have seen in recent years in South Australia, Western Australia and New South Wales.

Prudent planning would see business thinking about the years ahead; whether an early election will be required; whether future governments will see increased representation by minor parties and independents; what the position of incumbency will mean if government fails or runs full term, etc...

*"Directors the Hon Con Sciacca AO, Hon Larry Anthony and Hon Santo Santoro are each experienced former Ministers from Labor, the Nationals and the Liberal parties respectively. They have extensive and current relationships across each of the parties and with the key independents."*