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Costings row torpedoes the media

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Abstract
The ABC’s economics correspondent Stephen Long has delivered a scathing assessment of the Coalition’s costings statement this morning but just as significantly he also delivered a harsh judgment on his own colleagues. He pointed to perhaps the most egregious error in the media’s reporting of election 2013.

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The ABC’s economics correspondent Stephen Long has delivered a scathing assessment of the Coalition’s costings statement this morning but just as significantly he also delivered a harsh judgment on his own colleagues. He pointed to perhaps the most egregious error in the media’s reporting of election 2013.

When Rudd, Bowen and Wong announced last week that they had found a $10 billion black hole in the coalition’s costings the story quickly became about them rather than the coalition. Shortly after the Labor statement, the heads of Finance and Treasury came out with their own statement about some of the government documents Labor had used to back their sums. Next day, almost across the board, the media went into a frenzy:

“Rudd’s $10b hole claim blown apart,” said Mark Kenny’s report in The Sydney Morning Herald. “It’s the Labor election campaign swallowed by the mother of all black holes,” wrote his colleague Tim Colebatch.

“Labor’s economic credibility has been rocked,” wrote Philip Hudson in Melbourne’s Herald Sun. “Treasury torpedoes Labor attack on Coalition ‘black hole’ screamed the Australian, in an article that referred to Labor suffering a “mortal blow”.

Labor certainly overplayed their hand and could have phrased their evidence differently. But they released all the documents from Treasury that they relied on, and Bowen himself admitted that these were not exact costings based on the Coalition’s set of policy assumptions. That was the point: no one knew what these assumptions were because Abbott and Hockey refused to reveal them.

The generous interpretation of this reporting is it was exaggerated. However a more critical analysis, is that the reporting was careless and wrong. Stephen Long seems to think it was the later:

“It was a political slap-down by fiercely impartial public servants guarding their independence, but the release was widely misinterpreted by the Canberra press gallery as meaning that the numbers the Government was citing were rubbish.”

“Nothing of the kind; the gallery got it wrong.”

“Finance may have been conservative - as prudent finance departments are wont to be – or it may not, but the modelling was transparent and the conclusion credible.”

And he also makes clear the consequences of this mistake:

“But, sadly, as the herd of hacks stampeded in the same direction, the Coalition escaped scrutiny.”

What makes this mistake unforgiveable is that the facts were widely available. But as political blogger Scott Steel, aka @Pollytics, pointed out at the time:
The problem was that Rudd/Wong/Bowen didn't put the gallery in high chairs, stick bibs on them & feed them the info with aeroplane noises

— Possum Comitatus (@Pollytics) August 29, 2013

Katheryn Murphy provided the detailed in The Guardian Election blog the day the controversy hit. Bowen had made clear, at the original press conference, in response to a question that indeed, as the Heads of Treasury and Finance, were later to point out these figures were based on the government’s assumptions not the Coalition’s:

“Q: You did do these costings some time ago - do you concede there may be different assumptions put into what the Coalition did though PBO and should you be calling on them to release their actual costings?”

“BOWEN: Couldn’t have put it better myself Alex. Couldn’t have put it better myself. They may have said to the Parliamentary Budget Office, ‘We’ll take the money off low-income earners retrospectively.’ They may have said to the Parliamentary Budget Office and if that’s the case they should say to the Australian people as well. If not, they’re $2 billion short, just on that one measure.”

And Margo Kingston’s No Fibs site had a comprehensive analysis harnessing the comments from twitter and social media. This is a clear case of social media getting it right and the mainstream media getting it wrong.

What is most distressing about this episode is that some of Australia’s best journalists kept getting it wrong. Even Leigh Sales in her final interview with Kevin Rudd lead with the controversy asking him:

“But Prime Minister, how can we trust what you say on Opposition costings when last week the two most senior economic bureaucrats in the country called you out for misleading voters on the subject?”

The press gallery must take responsibility for its lack of care in assessing what was going on in both the Rudd/Bowen/Wong statement and in the statement from the Heads of Treasury and Finance. But the reality is that it is the mechanics and practices of journalism that are party at fault.

This is a key example of the media’s love affair with a conflict narrative. It is also an example of news writing’s tendency to use what English academic Anna McKane calls in her first year text book “look at me words” – Treasury torpedoes Labor, blows them out of the water, rocks their credibility, dealing them a mortal blow. Finally it is an example of what Long calls “herdism” – once a narrative like this takes hold media commentators fall in line with one another.

It is also indicative of the press gallery’s obsession with process: instead of focusing on what the Heads of Treasury and Finance had said, instead of focusing on the figures, reports focused on what an “unprecedented” move it was for senior public servants to intervene in an election campaign. The unusualness of the intervention was indeed newsworthy but the focus on this prevented journalists from seeing that the statement was not dissimilar to Bowen’s own qualifications at the press conference itself.
Scott Steel’s comment about spoon feeding the press gallery not withstanding, Labor is also at fault in this mix: they could have contextualized their use of treasury material better, but as Rudd and others have repeatedly said they were in fact transparent, releasing all documents at the time. Ultimately, as Long concludes in his analysis this morning, they were probably well in the ball-park with their analysis and the Treasury costings were a valid proxy in the face of the Coalition’s refusal to release their own.

This reporting, whether we regard it as unfortunately exaggerated or as a serious error, had even more serious consequences. It essentially put Labor on the back foot at a critical moment in the campaign: during their last chance days to pick up momentum. It may therefore have had a much more serious effect on campaign outcomes than any other lapse in reporting standards.

In endorsing Tony Abbott in their editorial today, The Sydney Morning Herald said voters deserved a government they could trust and that Kevin Rudd had “lost the moral high ground over Coalition costings.”

No one can claim the high moral ground. Labor exaggerated and the Coalition obfuscated. The media gloried in the brawl.