# My Story

# JULIA GILLARD

#### 'I was prime minister for three years and three days. Three years and three days of resilience. Three years and three days of changing the nation. Three years and three days for you to judge.'

On Wednesday, 23 June 2010, with the government in turmoil, Julia Gillard asked Prime Minister Kevin Rudd for a leadership ballot.

The next day, Julia Gillard became Australia's twentyseventh – and first female – prime minister. Australia was alive to the historic possibilities. Here was a new approach for a new time.

It was to last three extraordinary years.

This is Gillard's chronicle of that turbulent time, a strikingly candid self-portrait of a political leader seeking to realize her ideals. It is her story of what it was like – in the face of government in-fighting and often hostile media – to manage a hung parliament, build a diverse and robust economy, create an equitable and world-class education system, ensure a dignified future for Australians with disabilities, all while meeting international obligations and building strategic alliances for the future. This is a politician driven by a sense of purpose – from campus days with the Australian Union of Students, to a career in the law, to her often gritty, occasionally glittering rise up the ranks of the Australian Labour Party.

In this refreshingly honest account, peppered with wry humour and personal insights, Gillard does not shy away from her mistakes, admitting freely to errors, misjudgements and policy failures, as well as detailing her political successes. Here we see what lay behind the resilience and dignified courage she showed as prime minister, her view of the vicious hate campaigns directed against her, and a reflection on what it means – and what it takes – to be a female leader in contemporary politics.

Here, in her own words, Julia Gillard reveals what life was really like as Australia's first female prime minister.

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# JULIA GILLARD

My Story

For my late father. His love of learning was inspiring, his belief in me was sustaining.

## SECTION ONE How I did it

### **SNAPSHOT**

I felt a sense of stillness and loneliness on the walk from Labor's caucus room to my office, having just been voted out of the prime ministership. Around me was anything but stillness. There was the frenzy of the cameras and reporters pushing and shoving to try and get 'the' shot, hear a comment. Good colleagues, loyal colleagues walked with me, yet that did not overwhelm the sense of being isolated in the moment. My wonderful staff lined the corridor to my office, applauding in tribute to me. Caterina Giugovaz, a young woman on my staff who had become a close friend, like a daughter to me, was sobbing as she clapped, her face a picture of misery.

But, apart from the briefest of hugs, I couldn't stop to console her or to be consoled by those who had become so important to me. There was too much more to do this night. Shortly I would walk to the Blue Room, the government's press conference room, and make my final speech as prime minister to the assembled media and the nation.

While prime minister, I had shed tears: tears of sadness for the suffering of Australians hurt by natural disaster, tears of grief at the loss of my father, tears of relief at finally delivering a better way for our nation to embrace people with disabilities. But I was not going to stand before the nation as prime minister and cry for myself. I was not going to let anyone conclude that a woman could not take it. I was not going to give any bastard the satisfaction. I was going to be resilient one more time.

Throughout my prime ministership, people would ask me when I met them, 'How do you do it?' They would search my face for clues, wanting to know why I wasn't at home hiding, sobbing, screaming. It was a question I could never answer in such brief moments, often with television cameras rolling and journalists hovering. But at the heart of the answer is resilience – a modern buzzword, yet a term that came to encapsulate so much about my life.

Every leader faces adversity. The prime ministership is a position that affords both the luxury of helping shape the nation's future and the pressure of intense days and audacious scrutiny. The last easy days of prime ministership were probably lived by Robert Menzies during his long sojourns to the United Kingdom. Every prime minister in the modern age must show fortitude in the face of a crushing, constant workload, a relentless, often negative media and many roadblocks to policy change. These pressures are formidable but routine for leaders and I do not focus on them in this section.

What I do recount is what was different for me as a result of Labor Party instability, the uniqueness of a federal minority government and the ways in which gender plays into perceptions of leadership. This section necessarily deals with some hard truths because it is impossible to discuss resilience without explaining why resilience was necessary.

In my view, it is also impossible to be resilient without having a sense of purpose. In section two, I detail the answer to the most essential question of why I did it, the beliefs that drove me.

The taste of politics is always bittersweet because the best and the worst of things are often inextricably woven together. I have endeavoured to convey the complexity of the flavour. But for me, even in the most difficult of times, the sweet – the ability to do the things I so passionately believed would make our nation stronger and fairer – was always the most intense. 1

### Becoming the first

'... a nation where hard work is rewarded and where the dignity of work is respected; a nation that prides itself on the excellence of its education system, where the government can be relied on to provide high-quality services for all Australians; an Australia that can achieve even greater things in the future'

> STATEMENT TO THE AUSTRALIAN PEOPLE ON THE DAY I BECAME PRIME MINISTER

I BECAME PRIME minister in what felt like a whirlwind on Thursday 24 June 2010. My memories of the day are in fragments, quick glimpses snatched as events propelled me on. Two hours of fitful sleep were not the best foundation for such a momentous day. Fortunately adrenaline kicked in and spurred me into action.

There was no running sheet for 'what would happen when'. No family gathered around me. As if it was just another parliamentary day, I showered and put on the suit I had always intended to wear. But unlike any other day, I walked out the door of my Canberra apartment and into history.

The photographs of me, the nation's first female prime minister, being sworn in that afternoon by the nation's first female Governor-General, Quentin Bryce, document the moment. The necklace I am wearing is an afterthought, borrowed straight from the neck of staff member Sally Tindall. Chatting with Quentin before she officiated at the brief ceremony provided the day's only soothing interlude. I felt enveloped in her warmth.

Other fragments of memory: the stunned journalists at my first press conference; the eerie silence of my first Question Time; receiving my first briefings.

The day ended where it had started, in the apartment. By now I was joined by my partner, Tim Mathieson, Julie Ligeti, the lifetime mate and long-term Labor staffer who shared my Canberra flat with me, and my very good friends Robyn McLeod and her husband, Barry, who had dashed up from Melbourne. We ate Chinese takeaway. It was a hasty meal.

During the preceding hours, I had felt moments of elation, an occasional sense of unreality, a hunger for what was to come, a wistfulness about what might have been. However, in what was to become the pattern of my prime ministership, I quickly turned away from reflections about what had happened to planning for the following day. There was no forensic replay in my mind of how I got here. The circumstances that caused the Australian Labor Party (ALP) to change its leader and make me prime minister were not chewed over with our food.

Much lay behind the explanation I gave to the Australian people in my first press conference as prime minister, that I was now the nation's leader because a good government had lost its way.

Originally Kevin Rudd and I had been heralded as the 'Dream Team'. In 2006, our partnership had started out so brilliantly but perhaps so wrongly. As Labor prepared for the election the following year, it was a do or die moment. If Labor could not unseat John Howard after 11 years, and when he had so badly over-reached with his hated industrial relations policy, Work Choices, when would it ever happen? Australians did want change, I believed, but safe change. Their prevailing mood towards Howard was not one of anger but they were ready to move on from him. Yet if Labor in any way discomforted them, robbed them of their vision of safe change, at the last moment Australians might give Howard one more win. Should the Liberals then manage an orderly transition to the post-Howard generation, they were likely to cement themselves in for an even longer period of government. Every day, I feared that while the political winds were finally favourable for Labor, our leader, Kim Beazley, was not the one to get us there, to give Australians the political permission they needed to change the government.

Government wears you down. Opposition wears you down. Kim had been a long-term server in both, plus he had been quite unwell with an illness that required weeks of bed rest and seemed to rob him of energy.

As Labor's Manager of Opposition Business, responsible for putting together the pack of questions that would be asked at Question Time, I saw Kim daily when parliament sat. Question Time is the lifeblood of Opposition, so getting ready for it requires making the day's most important tactical judgements. Yet I never saw him grab the work of preparing for it, shape it, demand his way about it. Watching this, I worried that the fire to succeed was not burning strongly enough in him. My fear was that in the final ballot box judgement of Australians, Kim would not be chosen.

It was this that led me into discussions with Kevin Rudd about forming an alliance to become the new leadership of the Labor Party. Kevin seemed the embodiment of safe change. Physically a younger version of a Howard-style figure. A family man. A Christian. From a Queensland country town. Fresh, new and 'here to help'. If Labor was to change leader, it had to be to this kind of figure. Kevin in 2006 dramatically lacked the majority support required from our Labor colleagues to become the leader. But in an alliance, he and I would succeed. Kevin had to be the leader in our alliance because I understood that I was not what Labor needed at that point: a woman, not married, an atheist. I would not be perceived as the embodiment of safe change. In joining forces with Kevin, I accepted the probable consequence that I was unlikely to ever lead the Labor Party. I had not come into parliament with an ambition to do so. When Mark Latham, Labor's leader from 2003 until 2005, imploded and resigned the leadership, I had put my name forward in the subsequent leadership contest to make a point about Labor culture and values, not with any expectation of winning.

But in 2006, my motivations were not all altruistic: in the next Labor government, I wanted to be a key player. I felt frustrated by the tight and seemingly exclusive circle around Kim and thought I could and should do more than I was ever going to be asked to do with him as leader.

That said, the decision to form the so-called Dream Team with Kevin was not an easy one. I was painfully aware of his propensity for anger: when I annoyed him in a parliamentary tactics discussion one day, as the meeting broke up he had stepped into my space to spit menacing, bullying words at me. My long-term staff member Michelle Fitzgerald, who was within earshot, was about to place herself between us when Kevin stormed off. Her protectiveness was not necessary. Kevin would never have done more than speak angry words, but even so the outburst was a red flag. What kind of leader would he be?

Upon deep reflection, I concluded that Kevin's flaws stemmed from a yearning for approval. That the difficulties of his childhood had produced a man who craved attention and the applause of the crowd. It appeared that there was a hole in him that had to be filled by success and the poor substitute for real love that is political homage.

Surely, I reasoned, becoming Labor leader and then prime minister would be enough; the neediness would fall away and the many positive aspects of Kevin's character would come to the fore. After all, he was a man with a sophisticated world view, capable of the most complex policy discussions, a politician who knew how to work the media, a brilliant tactician. He was also capable of surprising acts of thoughtfulness. My friend Michelle O'Byrne told me how after she lost her seat of Bass in the 2004 election, Kevin went to considerable trouble to meet up and console her. He knew from his own loss in the 1996 election, he explained, the terrible feeling that comes when the phone is silent and everyone has moved on from your loss but you.

\* \* \*

Was I wrong in my judgement of Kim Beazley in 2006? I fear I may have been, that what I inferred as his lack of interest in the work of Opposition was really a more nuanced understanding of electoral politics than I then possessed. The prospect of losing consumed me, made me desperately anxious. Kim may rightly have judged that we were so likely to win that a quieter biding of time in the lead-up to election day was a better approach than strenuous political exertion.

In politics you never get to run the control test. We will never know what would have happened in a John Howard versus Kim Beazley election or what a Beazley Government might have been like. How long Kim would have stayed. Who would have been his successor.

What I do know is that my decision made the difference. Kevin had spent his years in Opposition assiduously courting factional leaders, particularly the New South Wales Right, and media backers. Even so, none of that calculated work would have made him Labor leader without my intervention. I bear the responsibility for creating his leadership. In 2007, Kevin was a major electoral asset for Labor; my judgement of his campaign capability and likely acceptance by the electorate was right. But my assessment of how he would perform as leader, in essence what kind of man he was, proved to be dreadfully wrong. There was never enough applause, approval, love. He always craved the next hit of a good poll and the hit after that.

In the year of campaigning in the lead-up to the 2007 election, nothing was lost; indeed so very much was gained through Kevin's quest for popularity. All of us were engaged in that hunt for votes. Kevin worked incredibly hard, and it was awe inspiring. He showed constant tactical agility. He was in his element.

The marketing campaign that turned him into Kevin 07 was masterful. It brought with it the vibe and energy for our victory. It also brought with it expectations that could never be fulfilled: Kevin was human, Kevin 07 was hype. For everyone who becomes a brand, there is a dangerous space between reality and image.

Victory on 24 November 2007 was sweet. Inevitably the presidential style of modern campaigning meant the focus moved from Kevin and me as the Dream Team to Kevin 07. Still, along with Wayne Swan and Lindsay Tanner, I emerged from the campaign as one of the leading players in the federal Labor Party and the government. I was the first woman ever to serve as deputy prime minister. In subsequent months, my parliamentary performances and ministerial work made me undeniably the second most significant player in the government.

I took on the equivalent of double the usual cabinet minister's workload, serving as Minister for Education, Minister for Employment and Workplace Relations and Minister for a newly created coordinating portfolio of Social Inclusion, which aimed to tie together across government all the work done to combat disadvantage. It was at once an onerous load and the exciting opportunity of a lifetime. Since 1998, I had served in Opposition. After nine long years, I was not going to miss my chance to deliver change.

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In Opposition, you are in a political speedboat. You can twist, turn and zoom to new locations for political advantage. Kevin was the absolute master of doing things like waking up in Sydney, reading the newspapers, seeing a political advantage in being in Hobart, then jumping on a plane. But government is the *Queen Mary* – huge, powerful, but not agile. The art of being prime minister is in charting a strategic course and using the sheer weight of government to plough through the rough choppy bits. Government requires long-term thinking, process, method. It took some adjustment but I could feel the true power of government and was determined to use it to deliver Labor policy and values, particularly by replacing Work Choices with a fair system and creating new opportunities for working people through a fresh approach to education.

Unfortunately Kevin wanted to still be in a speedboat. His forte was tactics, not strategy. He felt the 'love' of the electorate and enjoyed the deference of those around him but he did not identify his driving purpose for the government he led.

The 2007 election campaign had been premised on two key themes: building for the future and easing people's cost of living. Expectations were high for change, and in the cost-of-living area, unrealistically so. Being empathetic about people's cost-of-living pressures is grist to the mill for Oppositions. But come government, I soon learnt that even when new benefits are provided, people do not conclude that there is more spare cash in their wallet than there used to be. So from the outset, there was considerable work to do and looming political issues as voters' high campaign expectations gave way to day-to-day governing realities.

While the in-tray was already full, Kevin added more. Kevin's guiding doctrines in tactically and artfully managing the ferociously fast media cycle were 'fill the space' and 'kick the can down the road'. The first meant pump so much content into the hands of journalists that bad news about the government or the Opposition's complaints should be crowded out. The second that any issue being reported negatively should be neutralised by some means of postponement, like announcing an inquiry. It was common for a minister to end up the reluctant custodian of a review or prime ministerial promise to take action on a particular problem, with a general instruction to fix it.

Personally I was shielded from the worst excesses of this kind of conduct. By virtue of working together so closely, Kevin and I had formed a genuine personal and political bond, so his conduct towards me was respectful. Largely, and in sharp contrast to other ministers, many of whom suffered micro-management at Kevin's hands, I was able to run my own race. But both of these doctrines raised expectations that the government would be doing more and more. In truth, these patterns of behaviour were more than media management strategies; both were the product of a restlessness that arose because of a lack of definition of the government's core mission.

Even with this flurry of unfocused activity, the government enjoyed a continuing honeymoon and moments of magic. Sitting in the parliament as Kevin delivered our nation's apology to the Stolen Generations was to have a ringside seat at a perfect moment in history.

Day to day, though, Kevin's approach made the exacting work of government so much harder. As mountains of unfinished work kept piling up, huge policy reform agendas were hostage to a haphazard decision-making style: Kevin demanding more and more paperwork, with directives to produce it by punishing deadlines, only for it to never be read or properly responded to. Meetings supposedly called to make decisions would turn into rolling seminars because it was obvious that Kevin had not read any of the papers and he needed to be taken verbally through what was contained in them. At the end of the explanation, he would frequently ask for more papers to be prepared, which also did not get read.

Often ministers and senior public servants cooled their heels for hours waiting for meetings to start or were, with no notice, ordered to be in a different part of Australia for a meeting with the Prime Minister; sometimes that meeting never happened.

While the published opinion polls continued to show that both the government and Kevin were held in high esteem by voters, even during 2008 some troubling signs were appearing in community attitudes. The results of Labor's focus group polling, in which discussions of issues are held with soft voters, echoed the kind of feedback that was coming from community interactions generally. Australians were starting to liken the government to an inexperienced swimmer: plenty of action and flailing of limbs but not much progress being made.

My view remained that Kevin would soon settle into a steadier rhythm and start to take a more strategic approach rather than a media-driven tactical one. Indeed all these matters of Kevin's style and focus still weighed lightly compared to the excitement we all shared about finally being in government and able to enact policies we had dreamt of for so long.

Then the global financial crisis (GFC) broke into our world. It is hard now, in a country that never went into recession, to describe the emotions and pressures of those days. Put simply, the GFC ushered in the unbridled fear that comes from having no ability to predict what might happen next. Our globalised, interconnected, interdependent world had never before faced such a phenomenon. Was Australia about to be hit by bank failures, queues of people wanting to withdraw deposits degenerating into riots, mass unemployment, suicides? It all seemed heart-stoppingly possible.

This was a crisis made for the Kevin Rudd leadership style. Or perhaps Kevin was made for this crisis. In a genuine emergency, no one expects perfect process or deep consultation. No one begrudges pulling an all-nighter to be ready for a meeting the next day. No one chafes against centralised decision-making. Instead everyone wants a leader who will work without rest and push through. Kevin Rudd was that leader, not only in the domestic decisions on vital matters like providing a timely guarantee to our banks and guick economic stimulus to our economy - but also the international ones. Without Kevin's strident international advocacy, Australia ran a real risk of being locked out of the key global meetings where decisions would be made about how to respond to the crisis. Kevin's work helped ensure that the global body at the centre of the action was the G20, a grouping of major economies where Australia is in the room.

It was high-adrenaline, high-octane politics and Kevin excelled at it. Wayne Swan, a man who always put in extraordinarily hard work, matched Kevin's work rate hour by hour, meeting by meeting, and proved his capability as an economic manager. Jobs were saved, the economy was kept out of recession and credit must go to Kevin for his leadership and our Labor government for its performance during those dark days. Yet as the crisis receded from days of immediate economic peril to days of hard slog to manage the roll-out of stimulus and return to the usual business of governing, Kevin did not adapt; he could not find that steadier rhythm. It had been appropriate in the short term to have a smaller and more centralised body doing much of the urgent decision-making. The four-person Strategic Priorities and Budget Committee (SPBC) – comprising Kevin, Wayne Swan as Treasurer, Lindsay Tanner as Finance Minister and me as deputy prime minister – was that group. But well beyond the requirement for this kind of nimble, central decision-making structure, Kevin kept the SPBC in operation, using it to supplant cabinet. Even though the absolute crisis days of the GFC had passed, there were 84 meetings of the SPBC in 2009 and 2010.<sup>1</sup>

Other ministers became bit players when invited to attend SPBC. Decisions were taken at SPBC meetings on all facets of government, not just the economic policy required because of the GFC. The agendas became unwieldy, the meeting schedules erratic; the capability of the public service to generate documents in support of decisionmaking was stretched beyond breaking.

The very calling of items at the meetings became marred by this general mayhem. Stephen Conroy tells the story of waiting all afternoon on an upper floor of the federal government offices in Sydney to be called down to the SPBC meeting in progress in a room floors below. As night rolled in, he became so hungry he thought he would check to see if he had time to nip out and pick up something to eat before his item was reached on the agenda. He took the lift to a darkened meeting room: SPBC had concluded and no one had told him or his staff.

Then there were times when Kevin decided something was more important than attending SPBC. In Kevin's absence, I chaired 14 of these 84 meetings.<sup>2</sup> As Wayne, Lindsay and I worked our way through the agenda, we would do our best to second-guess Kevin's attitudes and which decisions he would accept and not seek to overturn.

Other vital meetings, including cabinet itself and its National Security Committee, were treated the same way.

Ministers would complain bitterly and their complaints were not confined to the running of meetings. The prime ministerial paperwork required to authorise ministerial actions routinely went missing. Ministers would be desperately trying to get sign-off on items months old, even items that were in no way controversial. It was impossible for them to plan their diaries or media agendas with any certainty, to know on which days big announcements would be made, because at the last minute their plans were frequently countermanded by Kevin's office.

If the sense of being jostled around and ignored was strong for ministers, it was even worse for caucus members. They no longer had a telephone number to ring that Kevin would answer. Instead his phone was constantly diverted to a staff member. Face to face their contact with him was limited to appearances – often very short ones – at caucus meetings.

In the community, Kevin began to seem like a handyman who starts too many jobs and never finishes any.

My personal relationship with Kevin remained solid and I tried, more and more desperately, to get him to address our political problems. In June 2009, I managed to get him to agree to create a Political Strategy Group (PSG) comprising me, Wayne, John Faulkner, Mark Arbib and Karl Bitar.

It was inconceivable that such a group would not include Wayne, given both his pivotal role in government and his campaign strategy abilities. John Faulkner had been key to Labor campaign efforts over many elections and had Kevin's confidence. So did Mark Arbib, who had held the powerful position of General Secretary of the New South Wales Branch of the Labor Party. In that capacity and as a leader in the Right faction of the ALP, Mark had been a powerful ally for Kevin in his bid to become leader. Mark had since become a senator and remained a key adviser to Kevin. His predisposition to speak blunt truths to power meant his relationship with Kevin was an ongoing series of bust-ups and awkward rapprochements. Even so, the logic of his inclusion in this group was undeniable. He was a savvy campaigner. Karl Bitar had worked closely with Mark in New South Wales and served as National Secretary of the ALP. As a quiet person in the loud world of politics, Karl was often underestimated. He had never achieved an easy rapport with Kevin, but he had good political insight and a pivotal organisational role, so it was imperative he be in the room.

To me, this team had the right mix of experience and ability and, importantly, was the appropriate size. A small team like this had been the only kind of structure Kevin had been prepared to work with during the 2007 campaign, albeit that even then, many decisions were made solely by him while he was on the road. My hope was that working with a similar team could be the first step in getting Kevin away from day-to-day tactical, media-driven decisions and into a more strategic approach.

While Kevin honoured his commitment to the PSG often in the breach rather than the observance – by moving meetings around and leaving them early – I consoled myself that it was a start to corralling him into some kind of effective dialogue.

On that I was wrong. Winning the formation of this PSG did not put me on a roll to solving other problems with decision-making. All the problems remained, so, patiently and persistently, time after time, I explained to Kevin the need for him to change his way of working and to confront and resolve the major issues before the government. Because I was talking to the Australian Prime Minister, I expressed my views respectfully. I was also ever mindful that I was interacting with a man who did not like to hear criticism. Others who spoke the truth to him ended up frozen out. There was regular banter about who was in the freezer. I was confident that Kevin could never put me in the freezer, because of my status within the government and the leadership team bond between us. Typically he would respond with placatory words, promises to consider what I had said or a half-hearted agreement to some limited change.

Whenever I put to Kevin the need to have cabinet genuinely drive decision-making, rather than it continuing to be confined to a second-or third-rate status behind Kevin and his office and the SPBC, he would counter with his concerns about leaks. In this he had genuine cause for worry. The leaking from Kevin's cabinet was not the methodical leaking of a leadership campaign but the indulgent and foolish tendency of a couple of people to chat with selected journalists to curry favourable personal coverage. Understandably this angered and frustrated Kevin, me and the vast majority of cabinet ministers. But in many ways the worst outcome of certain celebrated leaks was that they provided Kevin with a handy excuse for not having a true cabinet process even though an occasional leak would have been the far lesser problem.

Notwithstanding Kevin's wariness of leaks, I pushed him and pushed him to disband the SPBC and go back to real cabinet processes, with decisions taken at the end of full and proper debate, instead of the ineffectual and disheartening meetings they had become. Sadly, when the SPBC was dissolved, methodical cabinet processes were not instituted in its place. The culture of late, inconsistent decision-making and the paying of lip service to cabinet had become entrenched. I kept raising the need to have strategic discussions with cabinet, allowing people to put a view about both the priorities of government and our political problems. These discussions were always scheduled, but in reality it was only rarely that one occurred with Kevin in the room and genuinely engaged. I became the fix-it person ministers turned to. I would endeavour to resolve their problems, either by working directly with Kevin's staff or, if that failed, speaking to Kevin. On top of managing my own mammoth workload, I would spend time going to Kevin's office, trying to bolster the spirits of the staff, fishing out documents ministers were screaming for, getting Kevin to sign them or, when Kevin travelled, signing them myself as acting prime minister. As the wear and tear on ministers, staff members and public servants grew, I kept my own counsel and focused on persuading Kevin to adopt more-effective practices. To other ministers, I would defend him and try to jolly along frustrated public servants kept waiting for meetings. But the sense that things were out of control was becoming impossible to contain.

The realisation that so much was wrong and needed to be fixed was not confined to me. Wayne Swan was also alarmed by the scatter-gun approach to decision-making and consequently the lack of actual decisions on big-ticket items. Increasingly we combined efforts in our advocacy of more involvement by our colleagues in decision-making and settling on answers to those policy problems that were just being allowed to drift.

External events added to this accumulating anxiety for the government. To our bitter disappointment, circus-like images of the Copenhagen United Nations (UN) climate change conference damaged public support for pricing carbon. And with Tony Abbott's ascendancy on 1 December to the position of Opposition leader, complete with a hardhitting negative campaign, another political challenge emerged.

The government's cost-of-living policies had delivered new benefits for Australians but had become mired in the spectacular failures of ill-conceived policies such as Fuel Watch, a website to give information on petrol prices, and Grocery Watch, a website to do the same for supermarket shopping. Courtesy of the GFC there was lingering anxiety about jobs. In this environment, it was easy for the Opposition to roll up carbon pricing, the cost of living and jobs into one big scare campaign.

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The government left 2009 with no real planning or preparation work done for the 2010 election campaign and with enormous issues like carbon pricing, tax reform, health reform and the growth in asylum-seeker numbers all unresolved.

By this stage Kevin was completely spooked by the way the politics of carbon pricing had withered from the feelgood factor of signing the major international agreement on climate change, referred to as the Kyoto Protocol because the key meeting that gave birth to it was held in that Japanese city. He had dreamt big dreams for Copenhagen and his role in it. His sense of hurt that the world had not achieved more was palpable. Certainly he did not know what to do next on carbon pricing and appeared to have no appetite for hard campaigning on it.

On health reform and hospitals, he was a dreadful mixture of sharply political and indecisive. He became wedded to the political tactic of a federal hospital takeover plebiscite – though this would have no legal effect. While time was chewed up discussing this kind of game-playing, the real hard grind of devising a policy that would work and could be funded became infected by indecision. What the Australian people wanted was change that would give them a health-care system to meet their needs now and in the future: less waiting time in an emergency department or for a hospital bed, better access to a doctor and other health practitioners in their community. They wanted to know that the health-care system would be affordable over time and that costs would not overwhelm them. They did not want a mock referendum about nothing.

In addition, Kevin seemed determined to ignore the increasing numbers of asylum-seekers arriving by boat and the damage the *Oceanic Viking* incident had done to the government's standing. The *Oceanic Viking* was an Australian ship that Kevin despatched to rescue asylumseekers at risk at sea. Hoping for a quick-fix to a complex problem, Kevin decided to return these asylum-seekers to Indonesia rather than take them to Christmas Island. Weeks of stand-off resulted, with the asylum-seekers refusing to disembark the vessel. For the Australian people, the sight of asylum-seekers virtually seizing control of an Australian ship reinforced the Opposition's claim that the government had lost control of our borders.

When the all-encompassing tax review Kevin had ordered, conducted by Ken Henry, the head of Treasury, was delivered, Kevin seemed not to know how to respond to it and digest its many politically difficult recommendations. The Australian tax system did need change to more efficiently raise what is needed to fund vital public services. Such a huge public policy agenda required government working at its best. Alas the only thing to come out of Kevin's summertime musings was drift.

In February 2010, Kevin's senior staff talked frankly to me about the problems. Such was the trust established between us, they knew I would listen and try to help. They painted a picture of a leader who was not coping. Kevin would clear his diary of commitments, often at the last minute, but stay in the office and then without warning call in a particular policy staff member and interrogate them on an issue. Individual policy staff lived in fear of being the one he chose to drag into a meeting in those vacant hours. Indeed I will always remember one of his senior male staff weeping uncontrollably in my office, so psychologically taxing was the atmosphere. But Kevin was stressing people to breaking point for no purpose. No strategy emerged for any of the nation's big reform needs or the government's political problems.

In this environment I kept stepping up my efforts to force Kevin into strategic discussions. But where in 2009 I had felt that I could find a way to help Kevin change, in 2010 I was more despairing. Increasingly I was asking myself the question, how can you assist a person who does not want to be helped?

Kevin's demeanour was now unremittingly one of paralysis and misery. He appeared to hate every minute of his day and to be frustrated by every person and every event. Conversations quickly became a stream of complaints about how hard he was working, how little sleep he was getting, how all the pressure was on him. If a document was handed to him, with an eye roll and a sigh he would let the world know how substandard it was. If someone fussed around him with tea or food, his look was often one of irritation.

Yet he found it impossible to delegate, to find ways to reduce the burden on himself. In fact, his answer to not being able to make a decision was to demand more paperwork about the decision, sometimes just the same documents reformatted. It was a horrible political Catch 22. He bemoaned how little people were helping him but would not let anyone help. Rather than dig himself out of the pile of undone work heaped on top of him, he ordered more paper to be piled on top. On it all went and Kevin just could not make any decisions.

The question of what to do next on carbon pricing drifted. Only the looming deadline for printing the budget forced Kevin into taking a decision. His backflip on the key policy to address climate change, which he had described as 'the great moral challenge of our generation'<sup>3</sup> hurt him dreadfully in the community's eyes. The pain was intensified because he was not prepared to get out and explain why he had come to this conclusion and what should be done next.

There was also indecision on whether or not to announce a profits-based tax on mining. Kevin had Wayne and Treasury continue to work on the preparation of the tax, but without making any decision about whether or not to announce it. The more that was done to get it ready, the more it became a fait accompli. But Kevin withheld both active political consent and personal effort in coming to grips with all the policy and political details. Long hours would pass at key budget meetings with Kevin lavishing attention on minor budget measures but refusing to finalise the government's approach to the Resources Super Profits Tax. When the tax was announced it drew forth a furious response from the mining industry, including a highly resourced advertising campaign of devastating political effect. Kevin's answer to this campaign was anger, more paralysis and then an erratic approach to discussions on finding a political fix to the problem.

Asylum-seeker boats kept coming but apart from deciding to suspend the processing of claims of those from Afghanistan and Sri Lanka, Kevin did not meaningfully and continually engage with the problem.

In contrast, Kevin did get moving on the health reform agenda, going day after day to hospitals around the country and securing a landmark agreement with Labor premiers. But despite all the time spent and the great merits of much of the policy, little political dividend was reaped as the very complexity of the package made it hard to sell and other policy problems crowded in.

As the unresolved issues spun around worryingly, I endeavoured to cover as many gaps as possible. I wanted us to govern well for the Australian people, I wanted us to win the election due in 2010. I worked as hard as possible to try and achieve both. With Kevin's agreement, I took to playing a managerial role in his office and to giving his staff some direction. I convened diary and media-planning meetings with key staff. I tried to bring structure to something that had descended to chaos.

Kevin also brought in Bruce Hawker, a long-time Labor identity and political consultant, to review his office. It amazed me that Bruce later became such an ardent Rudd supporter: as he sat in on meetings I convened, he expressed disbelief at how bad the situation had become.

None of this is meant as a criticism of Kevin's staff. They were extraordinarily hardworking individuals, many of them incredibly talented. But their efforts were stymied by Kevin asking several people to do the same thing, insisting on ridiculous deadlines for work he would never use, upending arrangements at the last moment in favour of a new idea.

Working with Karl Bitar, our National Secretary, and others, I was attempting to get consistent and effective messaging into our campaign for the mining tax, even going to the extent of personally editing Kevin's speeches. Once, sitting on a bed in a hotel room in Perth, I finished drafting well after midnight Perth time, well after 2 am in the time zone I had flown from. After I emailed the recast speech, I fell asleep with the laptop open beside me on the bed. I had not had the energy to even shut it, let alone put it away.

Meanwhile, within the ranks of the Labor caucus, resentment towards Kevin was mounting. As the polling tightened and the sense grew that he was directionless, people talked about him leading us to a defeat. Many wanted to talk to me about our political position, the problems with Kevin and their frustrations. When colleagues came to vent their concerns about how much political trouble we were in, I would talk with them. If they ever raised the suggestion that the solution to our political troubles was changing the leadership, I would hold my