



22 January 2013

Secretary
Joint Select Committee on
Constitutional Recognition of Local Government
Parliament House
Canberra ACT 2600

Submission:
Relevant current evidence of public attitudes towards local government

Thank you for the opportunity to give evidence to the Committee on 16 January 2013.

This submission does not repeat that evidence but rather presents results from the third Australian Constitutional Values Survey (October 2012), together with earlier results and research for the Expert Panel, relevant to the case for constitutional recognition of local government. The submission includes data regarding voting preferences reported in *The Australian*, 26 Nov 2012, p.5: 'Coalition split on nod for local government'.

In assisting the Committee on a feasible timeframe for proceeding to a referendum, and the rationales for change most likely to be successful, my submission is that four key elements of the state of public opinion need to be carefully considered:

- 1. Reform must be perceived as substantive to command popular support**
- 2. Financial recognition is important – but recognition which is perceived as likely to strengthen the democratic accountability of local government, and/or cooperation across the whole federal system is seen by the public as *more* important**
- 3. Local government is currently seen as more deserving of investment than any other level of government – but capturing the benefits of this requires an argument based on positive benefits of reform rather than simply preservation of the status quo**
- 4. Substantially different arguments for recognition may be needed in different States, and among different voter groups, given variations in current attitudes toward local government across Australia**

I trust the data demonstrating these challenges will assist the Committee.

Yours sincerely

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Relevant current evidence of public attitudes towards local government as an element of Australia's federal system

A J Brown¹

Introduction & Summary

Local government should be formally and meaningfully recognised in the Australian Constitution, as a general-purpose, democratically elected tier of government, of growing importance for the sustainability and improvement of Australia's federal system.

However, the basic questions of (1) when? (2) how? and (3) why? remain unresolved, and thus deserve clear answers from the Joint Select Committee.

Given the requirement for a successful referendum, the answers to all three questions should be determined in light of a full understanding of current public attitudes towards local government, and the state of the federal system as a whole.

This submission outlines and updates recent research into these attitudes, drawing on the three Australian Constitutional Values Surveys conducted by Griffith University to date (May 2008, March 2010 and November 2012), and research conducted by Newspoll for the Expert Panel on Constitutional Recognition of Local Government (October 2011).

If federal constitutional recognition occurs, there is no question that this should include, and may even be built around, financial recognition of local government as recommended by the majority of the Expert Panel. This is especially the case given the increasingly clear logic of the High Court of Australia, through its decisions in *Pape* and *Williams*, that it cannot be assumed that the Commonwealth Parliament or Executive possess constitutional power to provide direct, general-purpose financial assistance to local government in a manner commensurate with the current and future needs of an effective federal system.

However, the diversity of views within the Expert Panel demonstrated the need for further analysis and debate to achieve the necessary political consensus in support of this position – in the absence of which, any referendum may once again very easily produce a 'no' result, even if the case for reform is, in fact, justified. The Committee should also have regard to the deliberations of the Senate Select Committee on Reform of the Australian Federation (2010) for evidence of this insufficiency of consensus.

Even more clearly, the Expert Panel also divided over:

- whether any proposal, no matter how desirable, was sufficiently likely to garner sufficient public support in the near term; and
- whether financial recognition *in and of itself* is a sufficiently meaningful reform to warrant a constitutional alteration, given the current needs of the federal system, and current attitudes towards that system.

The Committee is only examining the possibility of financial recognition alone, in line with the majority view of the Expert Panel. This proposal is worthy of support, if the necessary preconditions of cross-partisan support and a reasonable political consensus are met.

¹ The author gratefully acknowledges the research and statistical assistance provided by Jacob Deem.

My own view is that to be meaningful to a sufficiently large majority of Australians, and secure a larger political consensus, proposals for constitutional recognition of local government should form part of a larger process for dealing with challenges of the federal system, and should:

- include but also extend beyond financial recognition, preferably taking the form of basic substantive institutional recognition (including financial recognition) in a short new Chapter of the Constitution, called ‘Local Government’, after the present Chapters V and VI (‘The States’ and ‘New States’);²
- reflect the principle endorsed by the 2008 National Local Government Constitutional Assembly that, by and large, local government is or should be a democratically elected tier of government;
- be presented to the Australian people as an important step towards a more efficient, effective and collaborative federal system, including by being accompanied by other simple collaborative federalism reforms (such as recommended by the Gilbert & Tobin Centre of Public Law, Dr Anne Twomey, other experts and some State governments);³
- only proceed once the Government has been able to establish support across the leadership of all parties in the Parliament and all (or most) Premiers; and
- be pursued according to a timeframe which extends beyond the life of the present Parliament, unless it can be positively demonstrated that the necessary consensus and support exists to give sufficient prospects of success.

However, irrespective of which path is taken, the crucial question is how the proposed change is going to be *perceived* by the general public.

It is therefore crucial that the Committee frame its recommendations for the timetable, process and arguments for reform, with a full understanding of the four key elements of the state of public opinion set out below.

Together, these propositions dictate that if or when any referendum proceeds, a careful strategy will be needed for communicating the case for reform – a more careful strategy than the Committee may have perhaps realised at the outset. The power of the Committee’s perceived case for reform is an important stage in the development of this case. Its ability to communicate the very real challenges created by the substantial differences in attitudes to local government in different parts of the country, is also vital – given that once these differences are considered, it becomes much easier to understand why even a reasonable level of overall support may not translate easily into majorities in at least four States.

I trust these data assist the Committee.

² See also the options as summarised in N McGarrity & G Williams (2010), ‘Recognition of local government in the Australian Constitution’, *Public Law Review* Vol 21: 164. This analysis acknowledges arguments in favour of including financial recognition within more substantive institutional recognition of local government – including possibly with its own Chapter.

³ See Gilbert & Tobin Centre (submission 7) and Associate Professor Anne Twomey (submission 32) to the Senate Select Committee on Reform of the Australian Federation, as well as the Gilbert & Tobin Centre submission to the Expert Panel, 2011.

1. Reform must be perceived as substantive to command popular support

It is now widely accepted that if constitutional recognition of local government is to occur, it must be more than simply 'symbolic' recognition – that is, more than a descriptive mention of the fact that local government exists and forms an important part of the Australian system of government. Rather it must be substantive recognition which recognises, supports and furthers the role of local government as part of the federal system, in a manner that citizens can see is of practical importance for the nation and for their own lives.⁴

This realisation is reinforced by public opinion evidence:

- Prior experience at the 1988 referendum, in which purely symbolic recognition of local government was proposed, in which only 33.6% of Australian voters supported the proposal nationally and no majority was obtained in any State (recognising that other factors, including political factors affected this result);⁵
- Griffith University's first Australian Constitutional Values Survey (May 2008) established that whereas only a bare majority of 52.8% of respondent voters supported constitutional recognition of local government as a general proposition, expressed support rose to up to 78% nationally, and a likely majority in all States, if one or more key substantive changes were proposed (see Table 1);
- Research conducted by Newspoll Limited for the Expert Panel confirmed that only 46% of voter respondents felt that local government deserved a mention in the Constitution 'even if it doesn't make a practical difference'.⁶

Social research conducted for the Australian Local Government Association (ALGA) in 2011 and 2012 also confirms an approximate 10% difference in voter support between recognition as a general or symbolic proposition, and substantive financial recognition based on allowing direct Commonwealth funding to local government.

Clearly, financial recognition as proposed by ALGA and the majority of the Expert Panel represents a substantive form of recognition. Moreover, the logical decisions of the High Court in *Pape* (2009) and *Williams* (2012) provide an explanation for why it is worth revisiting this proposal notwithstanding the failure at referendum of an almost identical proposal in 1974. At that time, the answer to the question of the Commonwealth's power to provide direct general-purpose financial assistance to bodies such as local government was simply unknown, with indications from the High Court shortly after that no constitutional clarification might, in fact, be required.⁷ Those indications can now clearly be seen as unreliable, given subsequent constitutional interpretation by the High Court.

⁴ On the relationship between options see McGarrity & G Williams (2010), 'Recognition of local government in the Australian Constitution', *Public Law Review* Vol 21: 164; Brown, A. J. & Levy, R. (2011). 'A tale of two questions? An argument for coordinated constitutional reform', *Indigenous Law Bulletin* Vol 7, No. 25.

⁵ Brown, A. J. (2008) 'In Pursuit of the "Genuine Partnership": Local Government and Federal Constitutional Reform in Australia' *UNSW Law Journal* 31(2): 435-466.

⁶ Commonwealth of Australia (2011), *Final Report of Expert Panel on Constitutional Recognition of Local Government*, p.55.

⁷ AAP case: *Victoria v Commonwealth* (1975-76) 134 *Commonwealth Law Reports* 338.

Table 1: Indicative Support for Particular Substantive Constitutional Recognition – ACVS 2008*

* Proposed forms of change: if the Constitution was changed so as to: state there must always be a system of local government in Australia, set rules and standards of accountability for local government, and guarantee a reasonable level of funding for local government.

%	Qld	Tas	SA	WA	NSW	Vic	Total
Base support (symbolic recognition only)	66.9	59.5	58.8	55.9	46.9	46.8	52.8
Support lost (strongly against any of the proposed additional forms of change)	-2.4	-0	-2.9	-5.4	-3.5	-1.9	-2.8
Support gained (former non-supporters strongly in favour of one or more additional proposed forms of change)	19.4	24.5	27.0	25.2	29.8	33.5	28.0
Total support	83.9	84.0	82.9	75.7	73.2	78.5	78.0
Opposed/don't know/informal	16.1	16.0	17.1	24.3	26.8	21.5	22.0

Source: Table 5 in Brown, A. J. (2008) 'In Pursuit of the "Genuine Partnership": Local Government and Federal Constitutional Reform in Australia' *UNSW Law Journal* 31(2): 435-466.

Survey conducted for Griffith University by Newspoll of a stratified random sample of 1201 adult permanent residents, conducted by telephone (random digit dialling) across 68 Newpoll data quota areas distributed nationally, data collected 1-11 May 2008. Results weighted by age, gender, location, highest level of education completed, and voting intention. Results provided are for all respondents who indicated they were eligible to vote in elections (n=1155, or 96.2% of the sample). ACT and NT results included in Total.

Nevertheless, support for financial recognition sometimes continues to be advanced on the basis that it represents a comparatively *minimal* form of substantive recognition. In other words that – like symbolic recognition – this reform will be attractive to most voters because it involves the least amount of change from the status quo, or simply confirms the status quo that many hoped was already in place. It has also been advocated on the basis that it involves the smallest degree of textual change to the Constitution (fewest words), and must therefore also be the simplest proposal for citizens to understand and accept.

As argued elsewhere, however, this attraction to minimal change may be quite misleading, and unlikely to capture sufficient support, if arguments in favour of the change are left at this simplistic level. This is because they do not engage with deeper questions which are either already obvious, or are guaranteed to be made obvious, to a majority of voters.⁸

These risks are confirmed by some of the questions regarding the case for reform revealed by the divisions within the Expert Panel, submissions to the Panel, and some evidence to the Joint Select Committee. For example, it cannot be taken for granted that constitutional authority for direct Commonwealth funding to local government is a good thing – even if that authority has been the assumed status quo for over 30 years. Instead it requires substantive argument as to why this is a necessary, beneficial and preferable option within the federal system. The benefits of direct funding, as opposed to indirect funding via the States, need to be perceived as worth the change, including relative to any potential risks or downsides.

Similarly, any argument that the change represents an improvement to, or fixes a problem with, our federal system also necessitates engagement with suggestions that it could instead represent an erosion of the system, with respect to the financial position and powers of State governments. These require a sophisticated answer, because while many prospective ‘yes’ voters may join State governments in not wishing to see local government’s role strengthened at the expense of the States, up to a third of adults may actually welcome such a prospect, given their view that Australia may not need State governments at all.⁹

If the Committee resolves in favour of proceeding towards constitutional recognition of local government, in the short or medium term, it should make clear its answers to these questions. Its report will succeed that of the Expert Panel as the most authoritative statement to date of the case for change. The remaining three propositions only reinforce the need for both clarity and sophistication in the way in which this case is stated, so as to provide confidence to voters that this is a good step, *whatever* views they may currently validly hold about local government, the States, and the federal system.

⁸ Brown, A. J. (2008) 'In Pursuit of the "Genuine Partnership": Local Government and Federal Constitutional Reform in Australia' *UNSW Law Journal* 31(2): 435-466; McGarrity & G Williams (2010), 'Recognition of local government in the Australian Constitution', *Public Law Review* Vol 21: 164; Brown, A. J. & Levy, R. (2011). 'A tale of two questions? An argument for coordinated constitutional reform', *Indigenous Law Bulletin* Vol 7, No. 25.

⁹ See the results of all three Australian Constitutional Values Surveys: Brown A J (2009), 'Thinking Big: Public Opinion and Options for Reform of Australia's Federal System', *Public Policy* 4(1): 30-50; Brown, A J (2012), 'Escaping Purgatory: Public Opinion and the Future of Australia's Federal System', in Gabrielle Appleby, Nicholas Aroney and Thomas John (eds), *The Future of Australian Federalism: Comparative and Interdisciplinary Perspectives*, Cambridge University Press, Melbourne, 365; Brown, A J (2012), 'Measuring the Mysteries of Federal Political Culture in Australia' in Paul Kildea, Andrew Lynch & George Williams (eds), *Tomorrow's Federation: Reforming Australian Government*, Federation Press, Sydney, 310; Brown, A J (2012), 'From Intuition to Reality: Measuring Federal Political Culture in Australia', *Publius* pjs026 (5 June 2012); Griffith University Federalism Project (2012), *Australian Constitutional Values Survey, Results Release 1*, 17 November 2012 <www.griffith.edu.au/federalism>.

2. Financial recognition is important – but recognition which is perceived by the public as likely to strengthen the democratic accountability of local government, and/or cooperation across the federal system as a whole, is seen as *more* important

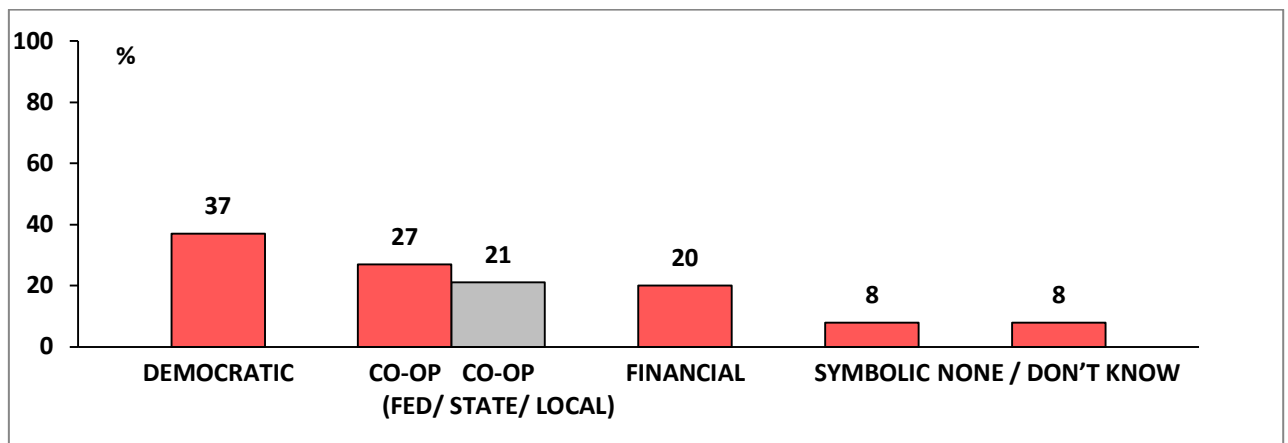
There are compelling arguments for financial recognition of local government. This is also the only form of recognition which, to date, any State governments and the federal Coalition have indicated they may accept or support. This situation has both been influenced by, and has reinforced, the Australian Local Government Association’s position that the proposed change should involve a minimal form of financial recognition – accepted in turn by a majority of the Expert Panel, many of whom were from local government.

While financial recognition is therefore the only proposal being considered by the Committee, it is a mistake to assume that this (i.e. direct Commonwealth funding of local government) is seen by the broader community as providing the *strongest* reasons for recognition. The Committee should note that:

- As indicated by Table 1 above, the 2008 Australian Constitutional Values Survey indicated that while financial recognition attracted stronger support (if perceived as likely to deliver ‘a reasonable level of funding’) than general or symbolic recognition, popular support was strongest if recognition was perceived as also likely to guarantee the existence of local government, and strengthen its accountability;
- The Expert Panel’s research recorded ***stronger support*** (85% of respondents) for recognition which guaranteed that local government was democratically elected (‘democratic recognition’) than for financial recognition (75%);¹⁰
- As shown in Figure 1 below, when asked which form of recognition was most important, the largest number of respondents chose **democratic recognition** (37%), as against only 20 per cent of respondents seeing financial recognition as the most important.

Figure 1: Most Important Change to the Constitution

“Which one of these would you say is the most important way in which the Constitution should be changed?”

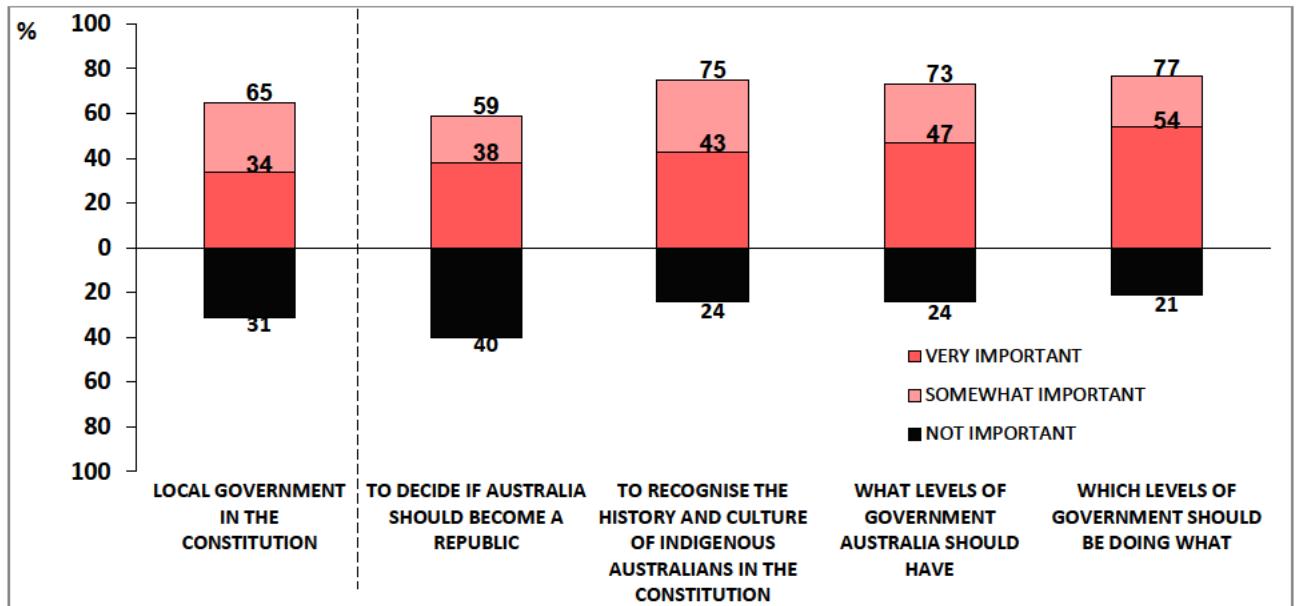


Source: Expert Panel (2011), *Final Report*, p.56. Survey conducted by Newspoll, September 2011, Adults aged 18+ nationally who are eligible to vote (n = 1478)

¹⁰ Commonwealth of Australia (2011), *Final Report of Expert Panel on Constitutional Recognition of Local Government*, p.54.

Further, whatever form of recognition for local government is pursued, it occurs in the context where many Australians do not currently see **any** measure relating to local government as the most important constitutional reform that should necessarily be pursued. Figure 2 below demonstrates this by comparing the perceived importance of a referendum about recognition of local government (as measured by Newspoll for the Expert Panel in October 2011) with the perceived importance of other referenda which are notionally possible on constitutional issues (as measured by the Australian Constitutional Values Survey in March 2010).

Figure 2: Importance of holding a referendum on various issues



Source: Expert Panel, *Final Report* (2011), p.68; Local Government: Newspoll conducted for Expert Panel, adults aged 18+ nationally who are eligible to vote, September 2011 (n= 1478); Remaining items: Australian Constitutional Values Survey #2 conducted for Griffith University by Newspoll, adults aged 18+ nation ally, March 2010 (n=1100), see <www.griffith.edu.au/federalism>. Neither / don't know results not shown

While a referendum on local government is seen as more important than a referendum on a republic, it has less popular importance than having a referendum on constitutional recognition of Indigenous Australians, on resolving larger questions as to how many and which levels of government should make up the federal system, or on clarifying roles and responsibilities in the system ('which level of government is responsible for doing what').

Similarly, the research for the Expert Panel recorded stronger support (81% of respondents) for a reform which changed the Constitution to make it easier for different levels of government to cooperate ('cooperative recognition') than for financial recognition of local government (75%).¹¹ This aligns with the above evidence that a majority of citizens do see the federal system as ripe for improvement, but do not necessarily see why direct funding of local government should take priority among the possible improvements.

The need for a clear case as to why recognition of local government is an important reform for the improvement of federalism is reinforced by:

¹¹ Commonwealth of Australia (2011), *Final Report of Expert Panel on Constitutional Recognition of Local Government*, p.54.

- further evidence from the Constitutional Values Survey, that while 92 per cent of citizens see collaboration between levels as a desirable attribute of the system, only 34 per cent see the current system as achieving it;¹²
- the fact that three State governments responded to the Expert Panel that they saw value in the option of including local government in strengthened provisions for cooperative federalism overall, even when this option was very much on the border of the Expert Panel's terms of reference – that is, more States than were prepared to explicitly endorse financial recognition of local government.¹³

This evidence does not mean that financial recognition of local government should be abandoned for other options. However, it confirms that the necessary political consensus is most likely to be built on negotiations which recognise wider issues of federal reform, and embeds local government recognition in this, rather than on pretending that local government recognition can be meaningfully pursued as a stand-alone concept.

The same evidence also reinforces that if most voters are to be persuaded that local government recognition is justified, relative to or in connection with other perceived priorities, the practical benefits need to be demonstrably substantial.

Indeed, the fact that other issues are *currently* perceived by many voters as more important than financial recognition of local government, can be used to indicate how more votes might be swung behind financial recognition, if validly shown to be helping address those issues.

For example, it would not already be clear to most voters that some of the virtues of direct Commonwealth funding of local government, through programs such as Roads to Recovery, is that these are *cooperative, tripartite* programs supported by all three levels of government. The evidence indicates that arguments such as this, as a preferred way of making government work better in the future, are likely to have more traction than arguments in which local government is simply seen as asking for more money.

Similarly, if the case for direct Commonwealth funding is linked to the need to improve the capacity, integrity, competence and democratic role played by local government – i.e. a strengthening of local government for the benefit of communities – then the evidence suggests this will be more persuasive, in most States, than arguments based on fixing a technical problem which is currently threatening the status quo (see further point 3 below).

As the Expert Panel concluded, ‘more voters are likely to express support if the form of recognition appeals to “higher-order” concepts and appears to be of positive benefit to all citizens—whether democratically, or by strengthening local government accountability, or by increasing or improving local services, or by improving the entire federal system’, than if they see reform as ‘focused on supporting local government in isolation, or on recognising local government... simply for the sake of it.’¹⁴

¹² Griffith University Federalism Project (2012), *Australian Constitutional Values Survey, Results Release 1*, 17 November 2012 <www.griffith.edu.au/federalism>.

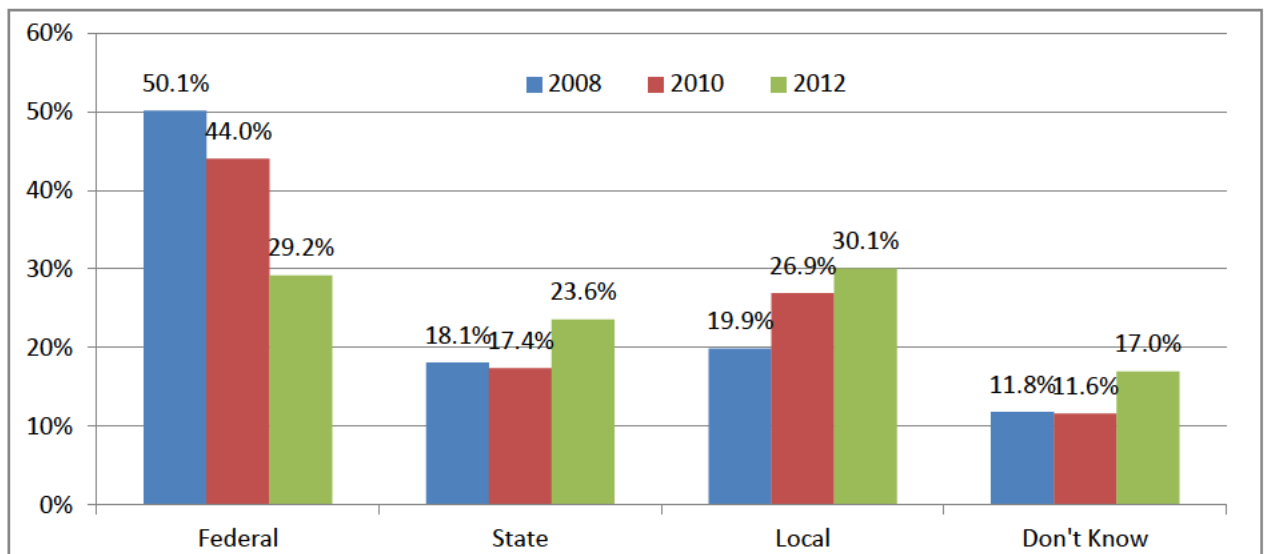
¹³ See for example SA Govt Submission, *Submission No 682, 1*, welcoming ‘initiatives to strengthen the relationships between governments, and provide clarity of powers between all three spheres of government’; Expert Panel (2011), *Final Report*, p.11.

¹⁴ Expert Panel, *Final Report*, p.51.

3. Local government is currently seen as more deserving of investment than any other level of government – but capturing the benefits of this also requires arguments based on positive change rather than simply preservation of the status quo

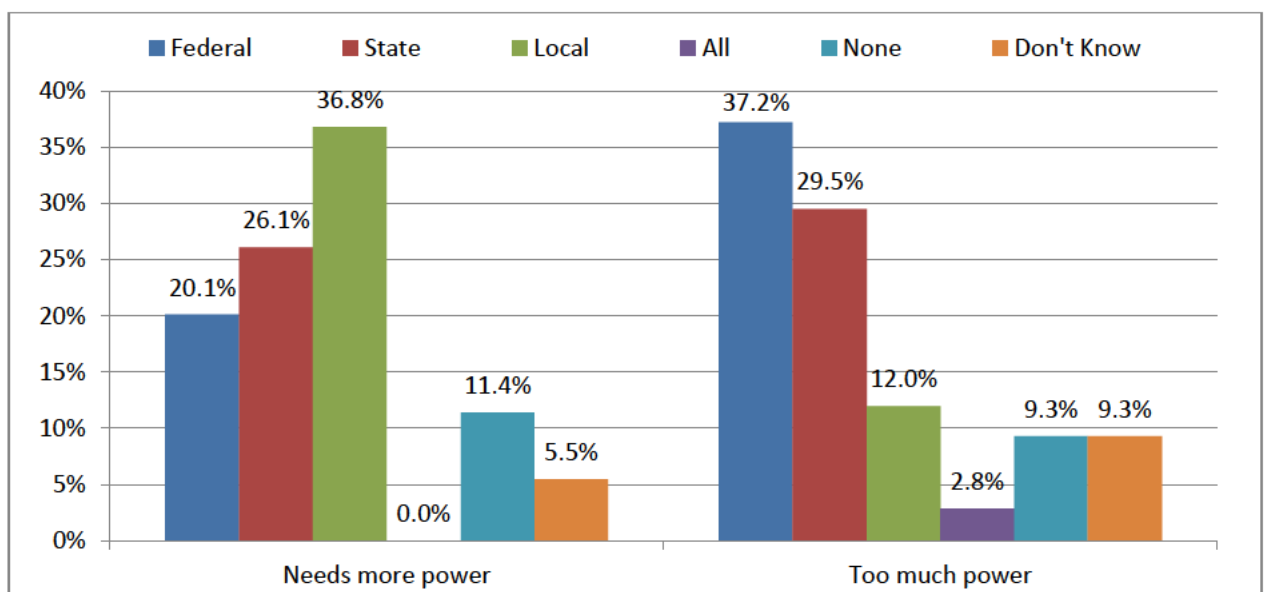
Figure 3 below shows that local government is now neck-and-neck with the federal level as the level of government most likely to be judged ‘most effective at its particular job’ (with 30% of adults rating it so). According to the 2012 Australian Constitutional Values Survey, local government also currently has the highest trust and confidence of any level, when it comes to doing a good job in carrying out its responsibilities (58%, as against 56% for the federal level, and 53% for the State level).

Figure 3: Perceived most effective level of government - ACVS 2008, 2010, 2012



Question: ‘If you think about how **effective** each level of government is in doing its **particular** job, which **one** level - federal, state or local - do you think currently does its job the **most** effectively?’

Figure 4: Attitudes towards amount of power in levels of government – ACVS 2012



Questions: ‘Which level of government, if any, do you think has **too much** power today? Which level of government, if any, do you think needs **more** power today?’

Figure 4 further shows that if any level of government is considered by a significant number of Australians to need more power than at present, it is local government.

These national averages can help support the case that irrespective of how local government is perceived and treated by other levels of government, Australian citizens recognise it – and perhaps even increasingly rely on it – as an important part of our federal system. Indeed they support the case that the roles and status of local government are not theoretical or academic issues, but rather issues of practical importance for large proportions of citizens.

However, it should be noted that the extent of the positivity reflected in these judgments vary significantly between different parts of Australia – and in particular, are heavily influenced by the strength of positivity towards local government’s role and performance in Queensland (see point 4 below). The situation is quite different in other States.

Further, these results are heavily influenced by the very low opinion (relative to that of 2008 and 2010) in which the federal level of government is currently held.¹⁵ The collapse of trust and confidence in the federal level can easily obscure the fact that while many citizens have a positive view of the performance of local government at its responsibilities, many plainly do not (especially outside Queensland).

Table 2: Trust and Confidence / Local Government Power – ACVS 2012

Trust and confidence in local government to do a good job in carrying out its responsibilities	'Which level of government, if any, do you think has too much / needs more power today?'				Total
	Local govt needs more power	Local govt enough power / other levels need power more	Local govt has too much power	Don't know	
None at all	8.8	13.4	32.6	3.7	14.0
Not very much	19.5	28.1	41.1	19.1	26.4
Subtotal	28.3	41.5	73.7	22.9	40.4
(% of total)	(10.4)	(17.9)	(10.9)	(1.2)	(40.4)
A fair amount	54.8	46.0	21.7	63.0	46.5
A great deal	15.7	11.1	3.9	9.1	11.6
Subtotal	70.6	57.0	25.6	72.1	58.1
(% of total)	(26.0)	(24.6)	(3.8)	(3.8)	(58.1)
Don't know	1.1	1.5	.7	5.1	1.4
(% of total)	(0.4)	(0.6)	(0.1)	(0.3)	(1.4)
	100.0	100.0	100.0	100.0	100.0
	(36.9)	(43.1)	(14.8)	(5.2)	(100.0)

¹⁵ See Imre Salusinszky, 'Faith in political leaders collapses', *Weekend Australian*, 17 November 2012, p.1; A J Brown, 'Evolution plan for a workhorse: The reform of Australia's federal system requires much more effort and considerably greater clarity of purpose', *Weekend Australian (Inquirer)*, 17 November 2012, p.19.

The key challenge posed by the diversity of opinion around local government is the fact that some citizens may be satisfied by, or prefer, a constitutional alteration which simply preserves the status quo in terms of local government funding arrangements – but others may see no merit in such an alteration unless supported by a clear implication there will be improvements to those arrangements and increased funding.

Table 2 above highlights this diversity of opinion, by setting out levels of trust and confidence in the current performance of local government, against respondents' views as to whether or not local government currently has sufficient power. The single largest group of respondents (26%) has fair or a great deal of trust and confidence in local government's performance, but nevertheless believes it needs more power. The next largest (25%) also currently has trust and confidence, but does not particularly believe local government needs more power. Both groups are crucial to achieving majority support for financial recognition – but many of the first group may not see a mere 'status quo' argument as providing sufficient reason to support, whereas many of the second group may.

Conversely, while many of the first group may be inspired to vote for financial recognition if *increased* funding and influence is promised, some of the second group may be alienated from supporting the change unless persuaded that more power is needed.

The need for clear and credible assurances about the benefits of financial recognition is reinforced by analysis of factors that predict favourable attitudes towards local government.

Table 3: Bivariate Correlations for key variables – ACVS 2012

	Support for local govt	Age	Sex	Attachment to local area	Subsidiarity
Support for local govt	1.00	.110**	-.06*	.066*	.170**
Age		1.00	-.002	-.033	.103**
Sex			1.00	-.033	.017
Attachment to local area				1.00	.054*
Subsidiarity					1.00

* $p < .05$, ** $p < .001$

Table 4: Multiple Regression Analysis of key variables – ACVS 2012

Variable	<i>B</i> (<i>SE B</i>)	β	<i>sr</i>	% variance explained	<i>p</i>
Age	0.41 (.009)	.125	.12	1.4%	<.001
Sex	-.154 (.059)	-.072	-.07	0.5%	.009
Attachment to Local Area	.011 (.005)	.065	.07	0.5%	.018
Subsidiarity	.302 (.044)	.191	.19	3.6%	<.001

Method: a standard multiple regression analysis using Listwise deletion for missing data, with an alpha level of .05 set. Casewise diagnostics identified 23 potentially influential scores; these cases were removed for this analysis. Together, Age, Sex, Attachment, and Subsidiarity, $R^2 = .091$ ($R^2_{adj} = .087$), $F(5, 1190) = 23.79$, $p < .001$.

Table 3 sets out an initial bivariate analysis of possible factors contributing to ‘support for local government’, defined on a spectrum between those respondents who have high trust and confidence in local government, believe it to be the most effective level, and believe it needs more power (strongest support), to those with low trust and confidence, who believe local government to be the least effective level, and who believe it has too much power (weakest support). This analysis identified a number of significant correlations, which were then further investigated through a standard multiple regression analysis, set out in Table 4.

As already noted previously, local government is more likely to be viewed positively by women than men in Australia, with women also more likely to support constitutional recognition.¹⁶ As shown in the table, younger people are also more inclined to have a favourable attitude towards local government – a possible indicator of the direct of generational change in terms of perceptions of local government’s importance.

Interestingly, greater attachment to the local area was correlated, albeit fairly weakly, with *less* support for local government. However, this may be an indicator of the extent to which Australians are ‘critical citizens’¹⁷ at a local level, as well as at other levels of governance. People who are more attached to their local area may be more likely to take a closer interest in local politics, and thus be more critically evaluative of the quality of local services and decision-making than others who are not.

Consistently with this result, a moderate correlation exists between support for local government, and belief that decisions should be made at the lowest level of government competent to make that decision (the principle of ‘subsidiarity’). Attachment to this principle serves as a significant predictor of support for local government. Those who value the work of local government appear to do so with a consciousness that it is, indeed, local government which they are valuing, rather than simply being satisfied by the outcomes of services without caring who delivers them. These results confirm that citizens’ judgments of local government are not simplistic or ignorant, but based on real interactions with the system.

In addition to those with positive attitudes towards local government, however, around 40% of Australians do *not* currently have trust in local government’s performance. It can be presumed that the 11% in Table 2 who do not have trust in local government’s performance, and already believe it has too much power, are unlikely to support any referendum in favour of local government. However, many of the remaining 30% may be crucial in supporting the alteration, but divide into a comparable range of views, albeit on different grounds:

- On one hand, the first Australian Constitutional Values Survey in 2008 showed that many citizens who do not believe local government to be performing well, perceive lack of resources and weak political status to be significant contributing factors.¹⁸ For these citizens, recognition may be part of the solution – if there is a promise it will lead to increased resources, status, powers and/or accountability, rather than simply maintaining the status quo. This can be presumed to be true of the 10% of respondents in Table 2 who feel local government needs more power, notwithstanding its current poor performance.

¹⁶Brown, A J (2012). ‘From Intuition to Reality: Measuring Federal Political Culture in Australia’, *Publius: The Journal of Federalism*, pjs026 (5 June 2012).

¹⁷ See generally Norris, P. (ed) (1999), *Critical Citizens: Global support for democratic governance*, Oxford University Press.

¹⁸ Brown, A. J. (2008) ‘In Pursuit of the “Genuine Partnership”’: Local Government and Federal Constitutional Reform in Australia’ *UNSW Law Journal* 31(2): 435-466; Griffith University Federalism Project (2012), *Australian Constitutional Values Survey, Results Release 1*, 17 November 2012 <www.griffith.edu.au/federalism>.

- At the same time, 18% of respondents currently rate local government's performance as poor, but do not necessarily see it as needing more power. Unless a significant proportion of this group can be persuaded that financial recognition will lead to improved services and performance – not just maintenance of the present, inadequate status quo – then a national majority may remain an uncertain prospect.

If the change is to be perceived as being of significant practical benefit, the Committee, Parliament and Government must anticipate the logical question from the public as to whether financial recognition will be accompanied by an intention to increase the flow of funding to local government. As it stands, a growing share of public revenues is frequently an explicit goal of local government, and an especially logical objective of financial recognition.¹⁹ Therefore the question is a natural one.

There may be risks to promising that too much will flow from the change, including alienation of those who – whether or not currently satisfied with local government – do not want to see its roles or influence to grow. However, the risks of *not* making clear such an intention are probably greater, given that without a plan for how the new financial recognition is to be used, it may be perceived as a symbolic or token exercise, or arouse suspicions regarding the motives behind the change. Despite being generally open to being convinced about the merits of the change, voters can be expected to quickly become sceptical about a reform that does not address practical concerns and interests in a concrete way.²⁰ They are also likely to become especially suspicious of reforms whose practical effects are not clear, in the current environment of low trust and confidence in federal politics.

4. Substantially different arguments for recognition may be needed in different States, and among different voter groups, given variations in current attitudes toward local government across Australia

As already seen, public opinion towards local government is not unified but subject to a diversity of positions, which demand that the case for financial recognition needs to be developed in a way that appeals to people with quite different views.

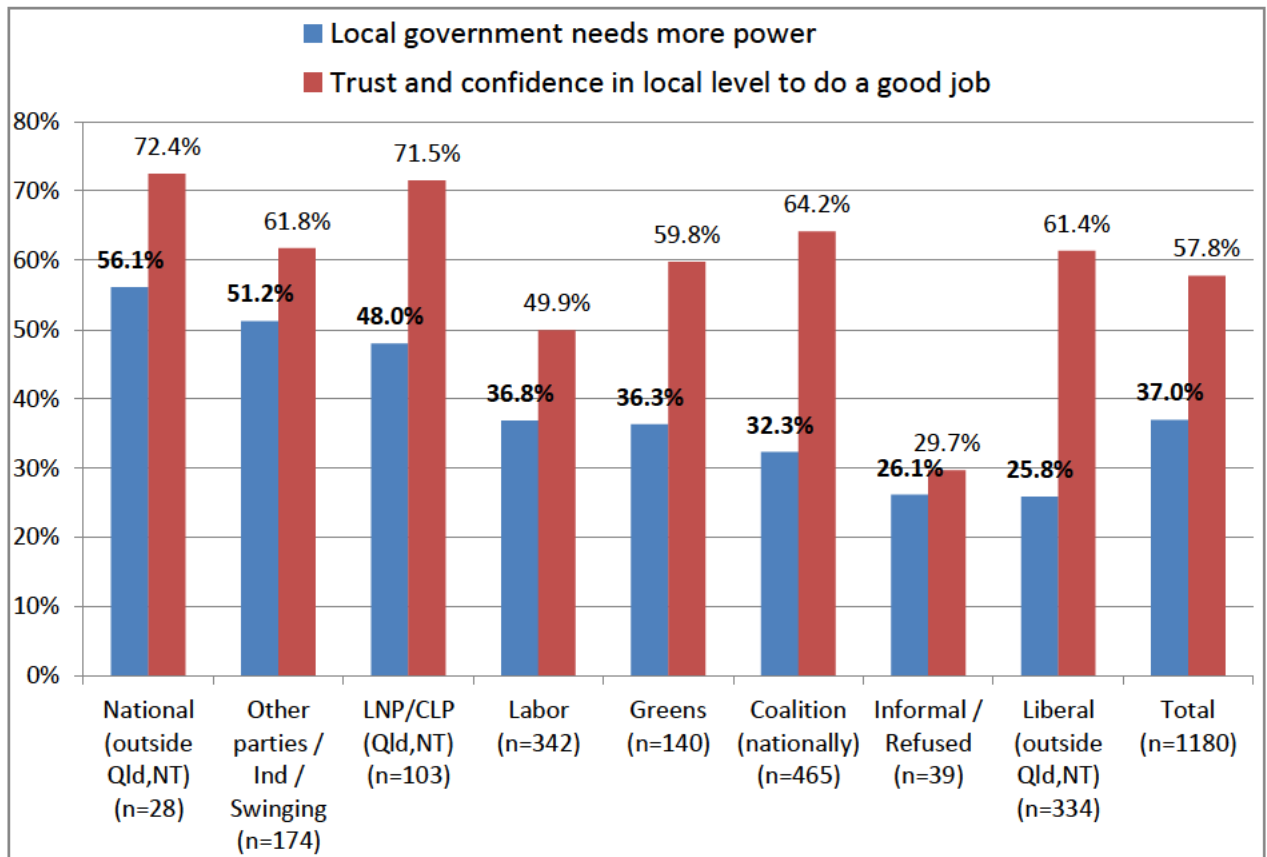
These variations in view are also present among different voter groups, as previously reported publicly.²¹ Figure 5 below shows the same attitudes of respondents to the 2012 Australian Constitutional Values Survey towards local government, by State voting preference, ranked from those who most strongly believe that local government needs more power (Nationals, Independent and swinging voters, and LNP/CLP voters) to those who least believe this (Liberal voters, not including LNP and CLP voters).

¹⁹ See e.g. Bell, P. (2007). 'How local government can save Australia's federal system', in A. J. Brown & J. Bellamy (eds), Federalism and Regionalism in Australia: New Approaches, New Institutions? Australia & New Zealand School of Government Research Series / ANU E-Press, Canberra.

²⁰ See Steketee, M. (2010) 'Into the too-hard basket: A simple yes or no campaign won't suffice for constitutional changes' *Weekend Australian* (Inquirer), 2 October 2010, p.9; Brown, A. J. & Levy, R. (2010) 'Trust the People on Constitutional Change: a planned referendum on recognising local government is a chance for robust debate', *Weekend Australian*, 2 October 2010, p.14.

²¹ 'Coalition split on nod for local government', *The Australian*, 26 November 2012, p.5.

Figure 5: Voting preference and attitudes to local government – ACVS 2012



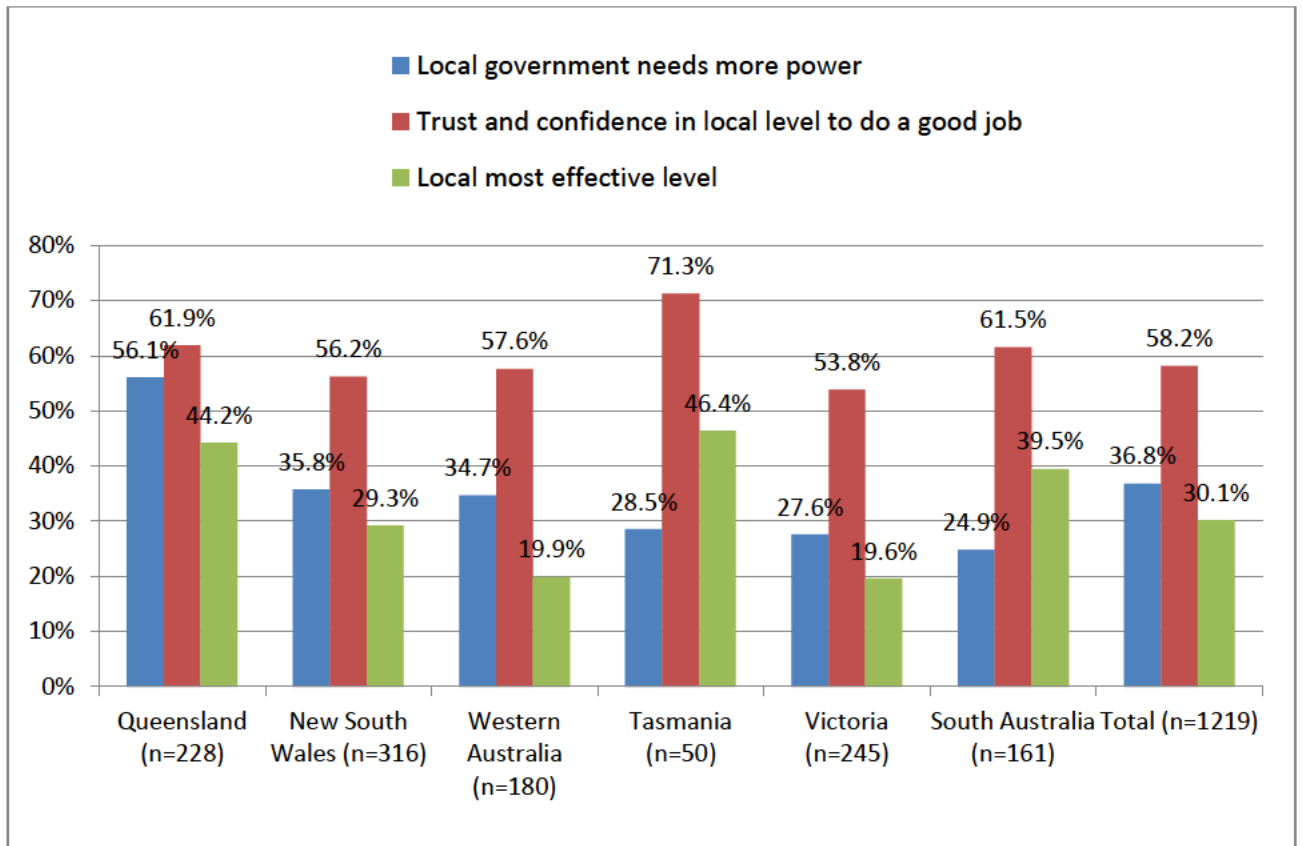
Questions: If a **state/territory election** was held today, which of the following would you vote for? Which level of government, if any, do you think needs **more** power today? Federal, state, local, all, none) (local)? Overall, how much trust and confidence do you have in each of the following levels of government to do a good job in carrying out its responsibilities? A fair amount, not very much, or, none at all?) (subtotal great deal or fair amount).

These variations again highlight the need for a sophisticated consensus, given the different perceptions of these groups. Liberal voters (and the Coalition generally) have high trust and confidence in local government – but very low belief that it needs more power. The exceptions are National and LNP voters, who are high on both scores. Among Coalition supporters, there is a risk of tension between those who want real change, and those who may be alienated by more than minimal change, or have difficulty seeing any change as needed.

Green and ALP voters are different again, as well as different from each other – both are in the middle in terms of conviction that local government needs more power, but ALP voters have the least trust and confidence in local government.

These data reinforce why care needs to be taken in constructing a rationale for financial recognition which maximises support from all voter groups, and alienates as few as possible – as well as why real cross-partisan support is needed, without which the positions of voter groups will be easily pulled by party leaders in conflicting directions. Some comfort for supporters of constitutional recognition is that Independent and Undecided or Swinging voters are, like National voters, more strongly supportive of change. A Chi-Squared Contingency Table Analysis showed that this group also did not significantly differ from other voters on any key demographic variables – age, gender, education or occupation. If the major parties wish to win favour with these groups, they may have a shared incentive in making a strong and tangible case for financial recognition of local government.

Figure 6: State of residence and attitudes to local government – ACVS 2012



NB Total includes ACT (n=19) and NT (n=20).

Finally, Figure 6 above shows variations in current citizen attitudes towards local government, according to the State of residence of respondents. These data are even more significant because they show that quite different rationales may be needed for constitutional recognition, in different States, unless a very sophisticated over-arching rationale is found.

The data help explain why cross-party political support, and popular support, for recognition have been consistently strongest in Queensland. Due to the greater strength, role and performance of local government in Queensland over many decades, there remains a much stronger consensus that local government is both worth investing in, and should be invested in, in political terms. This may have been reinforced by the recent extra effort that the Local Government Association of Queensland has placed into boosting the public perception of local government, but previous results show that this has come from an already high base, when compared to local government in almost all other jurisdictions.

The nearest equivalent perceptions are held in Tasmania and South Australia, where local government also enjoys high public approval – but where far fewer citizens believe it should be given more power. With cross-partisan and cross-level political support, these States *should* be able to also deliver majority ‘yes’ votes in favour of constitutional recognition, but only if the arguments are tailored to the particular political conditions in these States, in terms of how recognition will maintain and strengthen local government’s performance without substantially increasing its influence, status or power.

The challenge arises in finding the necessary fourth State to support the change. Western Australia is currently least likely to be that State. As well as being currently one of the least

likely to see a political consensus in favour of recognition, a very low proportion of citizens see local government as the most effective level of government, providing an indicator of the speed with which voter support is likely to evaporate if placed under pressure in that State.

Even more importantly, however, there is a high risk that even if majorities in three or four States are gained, no national majority may be gained unless there is a substantial majority in favour in at least one of the largest States – New South Wales and Victoria. However, Victoria provides even less fertile electoral ground than Western Australia. Not only is there little current political consensus in favour of recognition, but on all measures, local government is held in the lowest esteem there. Even if political consensus in favour of recognition was obtained, Victorian voters may only be persuaded by a different rationale than may be appropriate for Queensland, or Tasmania or South Australia. More voters may need to be persuaded that financial recognition will fix problems with local government, and increase its effectiveness, rather than support a well-functioning status quo.

Given these data, New South Wales might be focused on as the most crucial State of all, in which base attitudes to local government are at least better than in Victoria or Western Australia. However, they are still lower than, and represent a different mix again to, attitudes in Queensland, Tasmania or South Australia. A strong ‘yes’ vote in NSW may therefore also be more likely to hinge on arguments that financial recognition will help fix an under-performing system, rather than reinforce a well-performing one.

All these data reinforce the need for the Committee to recommend political and public education strategies, and development of campaign rationales, which are capable of delivering majority support in this highly variegated environment. These things are possible, and if carefully thought through, could even deliver very large public support. However, the level of parliamentary and government commitment to this effort, together with the time needed to do so properly, remain important factors for any path to a referendum.
