

In an era of political convergence between Government and Opposition, when the terms Left and Right have become meaningless, elections are confined to an obsessive preoccupation with immediate economic self-interest. Vision, courage and the long term are out! This might seem the wrong time for Marsh and Yencken's *Into the Future: The Neglect of the Long Term in Australian Politics*. In fact, it is exactly the correct time. And it is urgent.

BARRY JONES, FORMER FEDERAL MINISTER FOR SCIENCE, NATIONAL PRESIDENT OF THE ALP AND BOARD MEMBER OF UNESCO

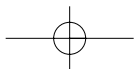
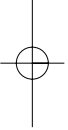
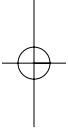
This important monograph is 'must' reading for people who worry about the (in)capacity of our political system to tackle and resolve the strategic longer-term issues confronting Australia. It argues persuasively that an increased role for parliament and enhancement of its committee system would greatly assist in the essential task of informing public opinion and mobilising the necessary public consent. The practical difficulties in realising this reform agenda are insignificant relative to the benefits from the improvements in strategic policy capacity that could be expected.

MICHAEL KEATING, FORMER HEAD OF THE DEPARTMENT OF PRIME MINISTER AND CABINET



Into the Future

The Neglect of the Long Term in Australian Politics



The Public Interest Series

The Public Interest Series is a joint venture between the Australian Collaboration, a collaboration of national community organisations, and the publishing house Black Inc.

Into the Future: The Neglect of the Long Term in Australian Politics is the second short book in this new series. The series will explore important public issues such as aspects of democracy and environmental and Indigenous issues in Australia.

THE AUSTRALIAN COLLABORATION

Australian Council of Social Service
Australian Conservation Foundation
Australian Consumers Association
Australian Council for International Development
Federation of Ethnic Communities' Councils of Australia
National Council of Churches in Australia
Trust for Young Australians

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Into the Future

The Neglect of the Long Term in
Australian Politics

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David Yencken

Published by the Australian Collaboration in conjunction with Black Inc., an imprint of Schwartz Publishing.

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Melbourne Victoria 3000 Australia
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<http://www.blackincbooks.com>

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National Library of Australia Cataloguing-in-Publication entry:

Marsh, Ian.
Into the future : the neglect of the long term in
Australian politics.

1ST ED.
ISBN 1 86395 325 6.

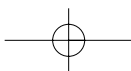
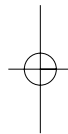
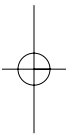
1. Political planning - Australia. 2. Australia - Politics and government - 21st century. 3. Australia - Foreign relations. 4. Australia - Economic policy. 5. Australia - Social policy. I. Yencken, D. G. D. (David George Druce), 1931-. II. Australian Collaboration. III. Title.

320.0994

Design: Thomas Deverall
Printed in Australia by Griffin Press

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Preface

In 2000, eight leading national community organisations came together to form the Australian Collaboration. Their aim was to explore opportunities for working together and to foster common interests. The participating organisations in the Australian Collaboration are: Australian Council of Social Service; Australian Conservation Foundation; Australian Consumers Association; Australian Council for International Development; Federation of Ethnic Communities' Councils of Australia; National Council of Churches in Australia; and Trust for Young Australians. Each of these bodies has distinct areas of interest and modes of operation. They had not cooperated as a group before, so this was a new experience for all of them.

The eighth body among the original members was the Aboriginal and Torres Strait Islander Commission (ATSIC). ATSIC was invited to join the Collaboration because it had an elected Indigenous leadership and a national span of interest. When new national representative arrangements for Indigenous people have been settled, the Collaboration will be looking to find a replacement for it.

The Collaboration acts as a forum for exchange of information between its member organisations, as a generator and disseminator of ideas (principally through its publications), as an educator and as an advocate for change. It has defined its overall aim as to help achieve a new and sustainable balance between social, cultural, environmental and economic policies and actions. Dr Geoff Gallop, the Premier of Western Australia, has eloquently expressed this aim of sustainability in the following way:

For many years we pursued economic, social and environmental goals in isolation from each other. We have come to recognize that our long term well-being depends as much on the promotion of a strong, vibrant society and the ongoing repair of our environment as it does on the pursuit of economic development. Indeed, it is becoming obvious that these issues cannot be separated. The challenge is to find new approaches to development that contribute to our environment and society now without degrading them over the long term.

The first Collaboration initiative was an overview of social and environmental issues facing the nation. This review was published in late 2001 as *A Just and Sustainable Australia*. The Collaboration's second publication, *Where Are We Going: Comprehensive Social, Cultural, Environmental and Economic Reporting*, also published in 2001, was concerned with the adequacy of monitoring and reporting of trends and conditions in Australian society. The Collaboration's third project is a study of successful examples of Indigenous communities and Indigenous-led community organisations across Australia. The first stage of this project has been completed and its findings published as *Success in Indigenous Communities: A Pilot Study*. The second stage has recently begun.

The Public Interest Series

The Public Interest Series is a joint imprint of the Australian Collaboration and the publishing house Black Inc., the publisher of *Quarterly Essay*. The Public Interest Series is an important new initiative for the Collaboration and Black Inc.

The first short book in the Public Interest Series, *How Ethical Is Australia? An Examination of Australia's Record as a Global Citizen*, written by Peter Singer and Tom Gregg, was published in August 2004. *How Ethical is Australia?* evaluates Australia's approach to foreign aid, the United Nations, global environmental problems, overseas trade and refugees.

Into the Future: The Neglect of the Long Term in Australian Politics is the second short book in the series. In 2005, the joint venture plans to release short books on Indigenous issues and aspects of democracy in Australia.

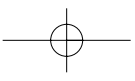
The Australian Collaboration and Black Inc. hope that these books will make a valuable contribution to public debate in Australia.

Further information about the Australian Collaboration is available at the Collaboration's website <www.australiancollaboration.com.au>. Further information about Black Inc. is available at its website, <www.blackincbooks.com>.

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David Yencken is Professor Emeritus, University of Melbourne and convenor of the Australian Collaboration. He was for six years the Chairman of the Australian Heritage Commission and then Secretary for Planning and Environment in the Victorian government. His recent book with Debra Wilkinson, *Resetting the Compass: Australia's Journey towards Sustainability*, first published in 2000, won the 2002 Australian Geography Teachers source material prize. He was the founder and editor of the *Tela* series devoted to the exploration of the new relationships needed between environment, economy and society.



1 The Need for Informed Public Opinion about Long-Term Issues

Decision-makers face a complex, uncertain world in which the assessment of the trends shaping our long-term future has become a formidable challenge. Economic, social and technological forces are combining to drive change along at great speed and in sometimes unexpected directions. A growing deluge of information is making it increasingly hard to discern the key factors affecting the long term.

(OECD International Futures Programme)

Concern about the future is not unique to our times. There have been many attempts to evaluate emerging trends and to prepare for the future over the last century and earlier. Now, however, there are particular reasons for the growing interest in long-term strategic analysis. Some arise from external developments. They are associated with globalisation – the process through which markets, technologies and communications are becoming progressively more international in their scope and impact. Developments in one arena spill over to others. Local wars have created the international tragedy of stateless refugees. Further, the line between domestic and international issues is now blurred: epidemics, terrorism and environmental issues all have international and domestic ramifications. The Kyoto Protocol is concerned with a global problem but the actions that are required of signatories involve difficult exercises in domestic politics.

Other reasons for the enhanced significance of strategic issues are due to domestic developments. Australian society, in common with others, has become more diversified since the 1960s. Women have claimed equal

treatment in a variety of areas. Indigenous Australians have sought redress of historic wrongs. Consumer rights are now recognised. Gay rights are developing. Regional and local concerns are more prominent. Together, international and domestic developments complicate the task of assessing longer-term issues. But they also make it imperative.

Other countries are trying to improve their ability to respond to longer-term issues. Examples of international initiatives are cited in a number of 'boxes' included in the following pages. Some involve organisational innovations aimed at improving research into and identification and analysis of such issues. Others seek to improve the engagement of interest groups and social movements in responding to these developments. Still others seek better links between public opinion and the policy development process.

Nowhere is this strategic capacity conceived as an ability to predict the future. This cannot be strongly enough emphasised. We all know the hazards of such attempts. There are very many recent examples of entirely unheralded but transforming technological advances. The Internet is only one. Social changes (such as the women's, environment and Indigenous movements) have had profound but sometimes unforeseen impacts. The enhanced capacity argued for in these pages is the ability to continuously monitor and analyse emerging and persisting trends and to draw out the policy and societal implications. It is about the conversation that surrounds national decisions.

Many Australian political, business, academic and community leaders have spoken out about the importance of focusing public and political attention on longer-term issues. The Business Council of Australia (BCA) has endeavoured to draw attention to longer-term thinking by commissioning the development of scenarios on Australia's future. This exercise identified a variety of contingencies that are likely to determine our future. The Business Council declared that it had undertaken this work on the assumption that a community that understands the uncertainties it faces will respond more flexibly and more promptly if they occur. In the words of one contributor: 'The scenarios present some obvious challenges to our recent string of (economic) successes and (to) our ability to sustain them without appropriate long-term planning.'¹

Many of the longer-term issues identified in the BCA report are outside our direct control. But others are within it. In the former category are

matters such as economic and security developments in our region. The future economic development of China, its perceptions of its own security and its relations with Taiwan are all matters of great potential significance for Australia. Our growing trade relationship is linked to these political developments. More generally, our response to economic globalisation will be more effective if it is based on public understanding and support. The scenarios also identify a variety of domestic issues largely within our national control. These include the divide between globalisation winners and losers (for example, unemployed and underemployed men who are young or in mid-career), the adequacy of research and innovation, domestic environmental issues and public cynicism about politics. These are all matters that Australians need to recognise and understand.

Barry Jones has been a long-standing, and often ignored, advocate for strategic research and analysis. He has been a champion of investment in the long term as author – *Sleepers, Wake!* was a ground-breaking book translated into a number of other languages – as federal minister and as elder statesman. Fiona Stanley, Australian of the Year in 2003, has observed that Australia's future as a safe, cohesive and prosperous nation depends upon the investment we make in the health and wellbeing of the young of today.² The long-term implications of current economic and social practices for climate change, water availability and use, loss of biodiversity and land degradation are deep-seated concerns of environmental scientists and environmentalists. These and many other people are expressing concern about the future of Australia and the lack of attention to strategic monitoring and analysis.

Salinity: An Example of an Unresolved Strategic Problem

Strategic issues are those big, underlying concerns that are recognised as potentially significant for all Australians (e.g. global warming, stem cell research, youth suicide, youth and mid-life unemployment, the ageing of the population). Some may disagree, and some may recognise an issue but be unsure about its urgency or significance. Uncertainty thus surrounds these matters including their scope, dimensions, impacts, significance and likely timetable. Sometimes there has been knowledge of a problem for a very long time but little has been done about it because the political will to confront it has been lacking. Salinity is an example.

Over the last five million years large amounts of salts have accumulated in ground water over much of the Australian landscape. Deep-rooted perennial native vegetation has minimised leakage of rainwater past the plant roots into ground water and thus prevented salts from rising from saline watertables. European farming methods and the planting of shallow-rooted crops and grasses and, in some regions, irrigated agriculture and changed river management have altered this balance dramatically. The consequences have been twofold: watertables have risen, bringing the salts up into the topsoil thus affecting agriculture and native vegetation; the rate of discharge of salty ground water into rivers and streams has also greatly increased. In landscapes affected by dryland salinity bare salty patches appear on the surface; farm productivity declines; buildings, roads and pipes are damaged; vegetation sickens and dies; and water resources and aquatic ecosystems become increasingly saline.

Farmers have known about and suffered the consequences of salinity for over a hundred years. Engineers building the first railways in the nineteenth century found that water in reservoirs where trees had been ring-barked was too salty to use in locomotives. The connection between the clearing of native vegetation and salination was recognised before the beginning of the twentieth century and by 1924 the processes that caused salinity were understood.³ There has been increasing concern in the last twenty years. A parliamentary committee was appointed in Victoria in 1982. As consequence of its work, the Victorian government began to take a more active interest in salinity and to put pressure on other governments to act together to deal with it. In 1984, L.E. Woods produced a major report on land degradation in Australia for the Commonwealth government; salinity was a core theme in the report.⁴ Subsequently, there have been numerous research projects, inquiries and reports. The National Land and Water Audit report in 2000 summarised this research and evaluated the likely long-term trends.⁵

Given the seriousness of salinity and awareness of the problem over such a long period, are we now at last coping with it and starting to reverse the damage? Far from it. The Land and Water Audit found that salinity was out of control everywhere. While there are now some 5.7 million hectares affected by salinity, the areas subject to dryland salinity are expected to rise to 17 million hectares by 2050 unless drastic action is taken. Some of the

main areas likely to be affected are in Australia's most important agricultural lands and river systems – the Murray–Darling Basin, for example.

If we can allow a problem of such significance, so well known for such a very long time, to grow in magnitude and pose such a significant threat for the future of the nation, there must be something wrong with the way in which we deal with long-term challenges. There must be failures of research and technical analysis; failures of public education and involvement; failures of recognition, debate and engagement in parliament, the government and bureaucracy – all leading to an unwillingness of governments to act.

There are many other longer-term problems that we are failing to address adequately. They include our massive expansion in foreign debt, training and underemployment, energy and greenhouse gas emissions and the health and development of our children and youth. This book asks three questions: What are the reasons for these failings? What are the necessary conditions for sustained debate about such issues? What can we most usefully do to improve our capacity for strategic review and action? A key argument is that the institutional structures established to carry out long-term work must involve as many actors as possible and should be open to all. Furthermore, they should deliberately seek to expose shared concerns and perspectives. Where consensus exists or is attainable, political institutions should make it transparent. This is not the case today.

The Process of Opinion Formation about Long-Term Issues

A strategic political issue evolves in at least five stages. First, it needs to be recognised as one that merits consideration in the political and public policy arena. In this stage, advocates try to persuade a broader audience that an issue deserves public and political attention. They do this by building up sufficient public pressure through the media and through direct action or by privately persuading key ministers that a particular matter warrants attention. Women's and Indigenous issues were recognised primarily as a result of the mobilisation of public pressure. Micro-economic reform was promoted directly to ministers. The issue of river and stream flows involved a long environmental campaign concluding with direct promotion to the Prime Minister.

In the second stage, the scope of the issue is clarified, and its varied dimensions assessed. This is a critical step since these definitions will

largely determine what will count as evidence and who will have standing in 'technical' deliberations. In the third stage the options for managing it are considered. This process can be more or less broadly based depending on how the scope of the issue was originally defined and on who participates in the inquiry. The fourth stage involves deciding what to do. A course of action needs to be selected – which could be to do nothing. Finally, there needs to be an implementation and review phase. Feedback and follow-up are required to refine approaches and correct negative impacts.

There is a wide range of participants in these processes. Examples are university and other research groups, citizen groups and movements (such as environment organisations), bodies such as the Australian Bureau of Statistics, government departments, interest groups and think tanks. These groups all help to identify issues. The political parties and the media contribute to the wider development of opinion.

For example, a Population Summit was convened in Melbourne in February 2002. This attracted 500 delegates. Dick Pratt, Baillieu Myer and Sir Arvi Parbo teamed up to lead a \$1 million study of water policy, released in July 2003. These two are of some interest because population and water are policy areas that cannot be managed adequately by incremental change to present programs. Graeme Samuel of the National Competition Council and Vince Fitzgerald, a former Treasury official, have collaborated on a private review of health policy. John Menadue has undertaken a similar study on behalf of the South Australian government.⁶

Other examples include the Prime Minister's speech to the Committee for Economic Development of Australia; the Melbourne Institute for Applied Social and Economic Research's *Hard Heads, Warm Hearts*; the Joint Academies Project on Sustainability; the work of the Productivity Commission; think tanks such as the Centre for Independent Studies or the Australia Institute; the Prime Minister's Science, Engineering and Innovation Council; the summit on housing affordability held in Parliament House, Canberra; the Business Council of Australia's long-term scenarios project; and the ACOSS Poverty and Deprivation Report.⁷

The Need for Open, Transparent Examination of Strategic Issues

Strategic public policy choices are not like private choices. They bind everyone, not just the individual making the decision. In addition,

uncertainties are typically large and unintended consequences are legion. So proposed actions need long and thorough consideration; further, they need to be tested not only for their 'technical' correctness but also for their acceptability.

The 'technical' side involves identification, analysis and assessment. This covers the actual issues that are examined and the remedies that are championed. Take unemployment. What can the state do to build employment – run a larger fiscal deficit over the course of the economic cycle? Adopt a more active labour market policy? Play a more active, catalytic role in industry policy? Encourage higher levels of national saving and thus reduce dependence on foreign lenders? These are all real possibilities. There are respectable proposals supporting these possible actions.⁸ They can all be observed operating in practice in other countries. It is at least technically arguable that one or other approach could be adopted in Australian public policy. The existence of a possible course of action in this technical sense is the first requirement for feasible choice.

The public policy cycle is not only a technical process. It is also one that depends on public opinion. Indeed, the more an informed public recognises the significance and priority of an issue, the wider the range of actions available to governments and the better the outcome for the whole community. An informed public allows governments to respond more rapidly. The public includes ordinary citizens and the representative organisations that reflect their aspirations and interests.

Values and norms shape attitudes about the desirability of particular proposals. Values will also determine choices between competing proposals. For many people in this complex world, several alternatives will seem equally feasible. In contemporary pluralist societies, many people lack a strong a priori preference for one value against the others that might also figure (e.g. equity, individual rights, environmental preservation). Open discussion helps people determine what weight might attach to which values.

At a second, what might be termed 'political', level, choice is based either on bipartisan agreement about what needs to be done or on what public opinion will support. This latter is now often based on random events and 'opportunities'. Without the killings in Port Arthur, could gun control legislation have been passed? Without the *Tampa* fortuitously opening up an

opportunity to make sovereignty seem an urgent political question, would the refugee issue have so whipped up public sentiment? Without the kerosene bath incident in Melbourne would the state of aged care institutions have received so much attention? Such examples point to the key role of public opinion in making political choices feasible. Public opinion may be an elusive phenomenon. Its formation may be more or less subject to chance and accident. But public opinion is ultimately king. It is the coinage of exchange in politics as money is the coinage of exchange in markets.⁹

We have the right to expect leadership from our politicians. Bold policies sometimes require that governments act without lengthy prior parliamentary or public debate or even in the face of public opposition. But this is the exception. Mostly governments work by persuasion. Most proposals need to attract more or less explicit support from citizens, businesses or interest groups whose cooperation is essential in achieving the desired outcome.

This often involves judgements about their likely responses or behaviour. The groups may be more or less organised or dispersed. They may or may not be mobilised. It is clear that the 'losers' from any proposed change will mount a negative campaign. But what about the 'winners'? Does the political system also have the capacity to bring their views into the equation? What about those who might be winners or losers, depending on how the issue is defined? Can the political system engage these putative allies? Can initial approaches be modified in line with whatever generally acceptable arguments such groups might advance? The ability to bring these organisations into the process of policy development in a way that allows reciprocal exchanges is critical to the development of an informed public.

Prime Minister Howard has himself acknowledged the effects of a failure to engage public opinion. After a leaked Cabinet submission thwarted consideration of higher education funding changes, he observed: 'We have got to have a capacity in this country to have a sensible discussion about long-term policy issues without everything being distorted and blown out of the water by misrepresentation.'¹⁰ As public opinion was unprepared, the possibility of change to higher education funding was lost for a further four years.

BOX 1. THE UNITED KINGDOM – THE PARLIAMENTARY OFFICE OF SCIENCE AND TECHNOLOGY

The UK Parliamentary Office of Science and Technology (POST) is an office of the two Houses of Parliament (Commons and Lords), charged with providing balanced and objective analysis of issues in science and technology of relevance to parliament. The agreed definition of science and technology is very broad; POST carries out studies in areas such as defence, transport, environment and health as well as science policy. The board of POST includes members of both Houses and non-parliamentarians. Six parliamentary advisers produce reports that are publicly available, on issues of relevance to the board. Recent titles include *Prospects for a Hydrogen Economy*, *Access to Water in Developing Countries*, *Stem Cell Research*, and *Estimation of Oil and Gas Reserves*.¹¹

The Reciprocal and Progressive Building up of Informed Opinion

Public opinion develops like a snowball. It starts in the belief of a few people who could be community activists, business leaders, university experts, ministers, or MPs that action is required on a particular issue. Through persuasion and argument, the number of people who share this view progressively expands. More people or organisations become involved as particular individuals or groups give cues to others. The public becomes better informed as this process gathers momentum. Opinion is refined and distilled as more views are accommodated, more questions answered, more uncertainties dispelled and more consequences recognised. The protagonists try to build up enough pressure to oblige politicians to react. Public happenings, talkback radio and suitably crafted media events all contribute to the process of generating pressure.

The formal political system is the principal stage. It involves a kind of artificial theatre. Its succeeding acts and scenes and its cameo dramas can be the settings from which, and through which, views are transmitted from one group to another and gain public attention. The media are very important conduits and brokers in these processes. This is why media ownership is of more than purely commercial interest. Media roles have arguably

grown in importance in recent years as those of other political institutions (notably the major political party organisations) have weakened. The media often determine which issues and which voices will be given prominence and attention. They, however, rarely set the agenda. This requires sustained campaigning. The media mostly disseminate (or repackage) messages that others have originated. Key commentators transmit opinions and influence the views of others. They are very important cue givers. But the media rarely determine the options that enter public debate. Indeed, media requirements for a punchy 'grab' and their short attention spans have arguably diminished the quality of public political debate.

The Internet is another important conduit, not least because it offers people almost unlimited opportunity to express their views. Although it is gaining in importance – an Australian example is *New Matilda*, the new online magazine of contemporary affairs – studies of the role it plays in contemporary debates suggest that its influence on public policy is still restricted. The capacity to finetune and to target political messages has already been displayed in election campaigns in the United States. But both sides quickly learn to play the same game. It is not clear whether the spam transmitted in these contexts adds to the sum of public understanding. Similarly, the Seattle meeting of the World Trade Organisation famously illustrated the capacity of the Internet and mobile phones to mobilise activists and generate momentum. These technologies helped to create powerful 'events' but the latter will always be a second best to informed public debate.

This chapter has discussed the urgent need for greater attention to be paid to the long term within Australian society. It has described the manner in which public and elite opinion develops and has emphasised the importance of informed public opinion in national debates about policy options. The next chapter describes the way recent changes in the political system are influencing these debates.

2 Recent Changes in the Political Landscape

The present political system is increasingly separated from the Australian community that it nominally serves. This gap has developed progressively, partly as a result of changes in key political institutions and partly as a result of independent social developments. In recent decades, there have been two significant changes in the structures that link Australians to their political system. One of these involves the major party organisations. They now have a lesser role in policy development. The other involves a multiplication of interest groups and social movements. In responding to these developments, the major parties have changed the way they try to shape opinion and promote their policies. These developments are reviewed in turn.

The Changing Role of the Major Party Organisations

One important change concerns the standing and influence of party organisational wings. The roles of party organisations have waned as the standing and influence of the parliamentary leadership have waxed. A variety of independent developments have combined to produce this outcome. First, party conferences are now largely stage-managed. They are no longer forums for strategic debates. In the case of the Labor Party, its parliamentary leadership often found it expedient to by-pass formal party forums after 1983. Federal Conference challenged the political leadership twice in the 1980s but not at all in the 1990s. A well-known political scientist, Dean Jaensch, entitled a study of this period *The Hawke-Keating Hijack*.¹ For its part, the Liberal Party has turned from defence of the status quo to being

an advocate of policy change. But its internal processes do not foster open debate. Its conferences are also wholly stage-managed. Differences over policy are interpreted as disloyalty to the current leadership.

A second change involves the scale of party organisations. Party memberships have collapsed. Labor membership has wavered between 40,000 and 60,000 since 1972, with current membership estimated at under 50,000.² Liberal Party membership has also collapsed. It is now estimated to be about the same as that of Labor. Combined major party memberships now total less than 1 per cent of the electorate, compared with over 15 per cent in the twenty-year period from the late 1940s until the late 1960s.

A third change concerns the ideological division between the parties. Since 1983, both major parties have broadly adopted the neo-liberal economic agenda. The major measures introduced since that time have largely been determined by this wider intellectual framework. Markets have been embraced and political remedies displaced. In many contexts, citizens have been redefined as consumers. Economic globalisation has been welcomed. The major parties have accepted Margaret Thatcher's dictum: 'There is no alternative'. Labor has been somewhat more attentive to redistribution and employment issues. The Coalition has been somewhat more vigorous in advocating pro-competitive measures; it has also championed a conservative social agenda. But the rhetorical jousting between the major parties belies their very high levels of tacit bipartisanship on a variety of specific issues. The major changes introduced after 1983 (tariff reduction, floating exchange rates, financial deregulation, etc.) were all based on bipartisan support.

A fourth change concerns the sources of the political agenda. In the 'golden age' of the two major parties, the party organisations played a prominent role in determining which strategic issues would have priority. But in the post-1960s period these tasks have been taken over by other political organisations. Every wholly new domestic issue on the Australian political agenda in the past thirty or so years was originally championed by a social movement. Think of the impact of the environmental, women's, Indigenous, gay, anti-globalisation, republican and other movements. The 'new right' movement might also be considered in this category except that, based on think tanks, its immediate target has been elite political, media and bureaucratic opinion rather than mass opinion. The major

parties have ultimately played critical roles in introducing these issues onto the formal agenda. But the initial aspiration, energy and motivation started elsewhere. This is a very significant development, symptomatic of the new diversification of Australian society.

A related change concerns the role of the major party organisations in linking interest groups to the formal political system. The general proliferation of interest groups and the rise of the social movements have overwhelmed previous alignments. Older links – the trade unions with Labor and business with the Liberals – have weakened. In the absence of sharp ideological differences, loyalties have become more fluid. A disinclination to deal with groups has been reinforced in the major parties by the fashionable ideology of public choice theory. This has cast interest groups as selfish and self-serving and has disputed their representational legitimacy. An example is hostile attitudes to trade unions.

A decline in the ability of party organisations to set the political agenda or to link interest groups to the formal political system has diminished the overall strategic policy-making capacities of the formal political system, as has the decline in the ability of party names to influence the formation of public opinion. As we argue below, Australians' confidence in the political executive and in the major political parties has significantly diminished. These developments have combined to create a representation gap. The major parties no longer sufficiently link the Australian community to the formal political system.

The Multiplication of Representative Political Organisations

The growing diversity of the Australian community, reflected in the proliferation of interest groups and social movements, is arguably the single most significant change in the character of postwar domestic politics. The social movements signify a new diversity in citizen identities (e.g. gender, ethnicity, environmentalism). They mostly augment, and sometimes displace, older class-based cleavages. It is hard to overstate the degree to which Australia has become a group-based community. The array of organised actors on any issue is legion. These groups vary enormously in size, budgets, political skills, organisational sophistication and campaigning capacities. But the major ones are as effectively organised as the major political parties. They have stimulated imitators advocating new issues (e.g. euthanasia,

legalised heroin, a republic) or defenders of traditional approaches (e.g. the shooters party, monarchists, anti-abortion and anti-euthanasia groups).

As a consequence, activists no longer have a strong allegiance to one or other party and the way that issues are introduced onto the national stage has shifted. It has largely ceased to be an internal process dominated by major party organisations. Party forums are not the principal arenas for activists. Internal processes do not provide the medium for testing the acceptability of proposals or for seeding opinion formation. The initiative has moved elsewhere. Public opinion has been influenced through public campaigns by activists and through the resultant media attention. This has been used to pressure the parliamentary leadership of the major parties to adopt new agendas. The success of these campaigns has significantly widened the national political debate and raised the importance of public opinion formation.

The emergence of an array of interest groups and social movements in the post-1960s period is important because these organisations are durable. They both represent and sustain an interest – and they seek to persuade the undecided. The space between the major parties and the community is now filled by organisations with political nous and media skills and with a demonstrated capacity to shape opinion on particular issues.

Some commentators have decried or downplayed this development. They have claimed there is a mute but underlying ‘silent majority’. Or they claim a minority has established a code of ‘political correctness’ that has stanchied the expression of dissent. Or they claim public debate has been taken over by a ‘new class’ of self-interested individuals in the pay of the state. But the image of the Australian community as a vast silent majority with a noisy fringe of pressure groups, or talk of a ‘new class’ as some alien sectional minority who have subverted the public interest in favour of their selfish and unrepresentative concern, or the idea that Australian society has been taken over by a politically correct discourse to the exclusion of a more authentic and unified Australian voice are all fundamentally wrong.

These images may be useful rhetorical ploys in the political game but they do not reflect reality. The pluralisation of Australian society is the fundamental fact – and unless political leaders can persuade us to jettison some of our varied aspirations, it is here to stay. It is evident in values and

social attitudes, between regions and community groupings and at the level of organised political action.

The Use of Media Channels by Party Leaders

There has been another change in the approach of party leaders to informing and influencing public opinion: perhaps unintentionally, they have largely turned from leading to following the community. With some qualifications (noted in a moment), party leaders now mostly take their cues in opinion formation from focus groups or talkback radio. Save for action based on (mostly unacknowledged) bipartisanship, party leaders are obliged to follow opinion until chance events or a long period of softening up of the electorate allows change. The GST, finally introduced in 2002, illustrates the softening-up process. This was twenty-one years after it was first formally proposed to Cabinet. Over this period, it had featured in at least four election campaigns and a 'Tax Summit'.

From the 1970s, the major parties changed their approach to the development of public opinion. The appointment of a new style of party manager was symptomatic of this change. Professionals in public opinion polling and marketing replaced party loyalists. They promised a new outcome. Direct marketing, polling, media advertising and packaging promised to make dispensable organisational policy development and a large party-membership base. Clever marketing, focused on the parliamentary leadership, could, it was imagined, sufficiently compensate for weakened party identifications among electors. Indeed conferences, large memberships and internal policy development processes came to be seen as constraints on the political leadership. Liberation from them allowed the parliamentary leadership to reach out directly to the electorate. Sophisticated marketing techniques seemed capable of delivering the required outcomes in mass opinion formation.

A direct approach to the electorate via the media is one option for building public opinion. But there are many constraints. Debate is often trivialised; this is particularly a problem with complex issues. The media have difficulty maintaining attention on an issue without sensationalising developments. The media have commercial interests, which are not necessarily consistent with the development of an informed public opinion. The focus of public debate on party leaders limits the development of an informed public opinion in fundamental ways. Most major policy announcements

are made by the leaders of the major parties. This means that the leader's prestige is implicated in the successful implementation of whatever has been proposed. A focus on the party leaders foreshortens the time available for exchanges between protagonists, limits the scope for developing public and interest-group opinion, and turns many issues into futile jousts between governments and oppositions.

Market practices are now in common use for policy development: increasing attention is given to focus-group and opinion surveys by ministers, departments and political parties; policy has also been merchandised by the use of commercial advertising to project messages to the general public. Look no further than the recent campaigns associated with Medicare, domestic violence or the tax system. Instant public responses and unformed opinion are given an inappropriate standing. Attention is deflected from actions that might be taken to develop better-defined strategies and public opinion about them. There is limited scope for actions that might refine and deepen public opinion and hence limited attention to such possibilities. Chance or contrived events that can galvanise constituencies for change become much more significant or there needs to be a protracted period of electoral 'softening'. Change in university funding, first mooted by former minister David Kemp in 1997, was still only partially settled seven years later. Renewable energy, nursing home funding, welfare change and a host of other issues remain in the too hard basket. As a consequence of all of the changes discussed in this chapter, the leaders of the major parties now increasingly rely on gimmicks, half-truths, opportunism and 'wedge' tactics.

Australians' Confidence in Key Political Institutions

Two other striking changes over the past two decades have been the decline in confidence of Australians in political institutions, and changes in voting preferences. Work by Elim Papadakis has explored declining levels of public confidence in key societal institutions.³ A survey in 1999 showed that 74 per cent of respondents had no or very little confidence in the federal government. Eighty-four per cent felt the same about both major parties. Overall, a 30 per cent drop had occurred in confidence in government over the preceding thirteen years. Research by Ian McAllister in 2000 showed around one in three voters believed legislators used their public office for

financial gain and only one in four believed legislators had a high moral code.⁴ Belief in legislators' moral standards had declined by two-thirds in two decades. More recent research undertaken by Roy Morgan Research in 2002 confirms a continuation of this trend, showing that since the end of the nineties federal politicians, business executives and journalists attract the least respect.⁵ The public standing of the major parties has equally diminished. Sixty-eight per cent of respondents to the Australian Electoral Survey regarded parties as necessary but 76 per cent indicated they did not think parties cared about the views of ordinary people.⁶

Elsewhere, Ian McAllister and John Wanna suggest 'Australians have become increasingly critical of their political system and its capacity to deliver'. They cite a survey published in the *Australian*, which found 'both parties were on the nose'. They also cite the findings of social commentator Hugh McKay about Australians' declining confidence in their political system. There are at least two contributing factors. First, convergence between the parties has 'meant choices are not as clear cut as they once seemed' and second, 'who you vote for seems more important than what you vote for'. In general, 'cynicism is riding high, focused particularly on politicians ... politics is about manipulation ... bipartisan concern for the good of the country is rare'.⁷

These changes in public attitudes are particularly reflected in the standing of the major parties. The number of electors casting a first preference vote for minor parties in the House of Representatives has doubled from around 10 per cent in the 1970s to around 20 per cent in 1998 and 2001. Over the same period, the proportion voting for minor parties or independents in the Upper House (Senate) increased to around 25 per cent in 1998 and 2001.

The collapse of visceral voter loyalty to one or other of the major parties is further evidence of their weakening role. Between 1967 and 1997, the number of Australians without a party identification increased from roughly 2 per cent to around 17 per cent. Further, the number acknowledging only weak identification has increased from 23 per cent in 1967 to around 36 per cent in 1997 and 39 per cent in 2001. Thus nearly 60 per cent of the electorate have only weak identification, if any, with one or other of the major parties. High levels of party identification were formerly regarded as the sheet anchor of the Australian political system. The erosion

in party identification has also diminished the symbolic power of party names. The collapse of party identification means the party 'brand' is no longer sufficient by itself to evoke a loyal response from most voters. This is a particularly significant trend if party names are relied on as a primary cue for citizen attitudes.

A linear, left–right continuum was once an apt image of the spectrum of electoral views. In contemporary Australian society, a kaleidoscope seems a much more appropriate metaphor. This image expresses the diversity of views and the fluidity of political attachments that now characterises the Australian community. The old left–right distinction based on socio-economic class is now overlaid with other cleavages based on issues such as gender and sexual identifications, the environment, a republic or regional location.

3 The Limitations of the Present Political and Policy-Making System

The previous chapter discussed the changed role of political parties and the pluralisation of Australian society. It established that there is a lack of fit between the present political structure and the surrounding Australian community. Yet political parties continue to dominate approaches to policy making in Australia. Dean Jaensch's account, written in 1983, remains an accurate summary:

There can be no argument about the ubiquity, pervasiveness and centrality of party in Australia. The forms, processes and content of politics – executive, parliament, pressure groups, bureaucracy, issues and policy making – are imbued with the influence of party, party rhetoric, party policy, party doctrine. Government is party government. Elections are essentially party contests and the mechanics of electoral systems are determined by party policies and party advantages. Legislatures are party chambers. Legislators are overwhelmingly party members. The majority of electors follow their party identification. Politics in Australia, almost entirely, are party politics.¹

The two-party system in Australia has its strengths but the way in which it currently functions also distorts national capabilities to better inform the public about long-term issues. There are three distinct limitations in present arrangements that together work to trivialise or derail an informed conversation about longer-term issues. The first arises from the dynamics of the electoral contest between the major parties. The second

concerns the way the formal system distributes responsibilities for dealing with longer-term issues. The third concerns the information generally available to guide public opinion about policy needs and priorities.

Fake Adversarialism in the Contest for Office between the Major Parties

There are two key deficiencies in the present two-party system. First, it encourages fake adversarialism. If the government declares a contentious issue to be white, and public opinion is divided or uncertain, the Opposition almost invariably declares it to be black. Yet in government, the Opposition may often have supported a similar approach (e.g. both major parties on a consumption tax). This is not because the Opposition front bench is perverse or malevolent. It happens because, when public opinion is divided or uncertain, rewards accrue to leaders who champion contrasting alternatives, even if they are hollow or only manufactured for political impact.

When political parties were divided ideologically, there was merit in an adversarial structure. It ensured that sharp distinctions in the parties' approaches would be clearly communicated to the public. But now there is overlap and convergence between the agendas of the major parties and the initiative in promoting agendas is shared with other organisations. Issues only come to the parliamentary arena after the government has decided what to do. This means that its prestige is implicated in the successful passage of its proposals. This encourages posturing and attention to electoral advantage. It encourages the major parties to create differences even when they don't exist or it encourages them to try to manufacture issues that shift debate away from matters of real longer-term significance towards those that offer most advantage in the struggle for office. Think of the non-debates about refugees or the proposed Free Trade Agreement with the United States and the point scoring that has dominated actual debate about health issues, all matters of the greatest significance to Australia.

Clearly, there will always be disagreement between protagonists about particular measures. This may occur at the strategic level and will almost certainly occur at the level of precise remedies. Clearly too the executive must be willing to confront public and interest-group opinion when it believes this is necessary in the national interest. But the present system mobilises public and partisan opinion in ways that fall far short of what is required to build an informed public. The present system is distorted by

the way electoral incentives trump attention to arguments based on considerations of merit and prudence. There is, in other words, no scope for a 'contemplative phase' in public debate.

There is no setting for a prior phase of inquiry in the parliamentary domain where the scope for even partial consensus between the protagonists could be explored. Consensus, which does not undermine legitimate opposition, is most likely to be associated with the strategic aspects of an issue. The major parties might agree that a particular issue deserves priority and they might agree on its broad terms and its general significance for the Australian community. But they might disagree strongly about the remedies – as seems to be the case in relation to remedies for failings in the health system or for solving the so-called problem of inter-generational equity. If the agreement that exists in these former areas could be made transparent, debate could usefully focus on the points of disagreement and public understanding could be enhanced. At the least, exposure of partisan views in a pre-decision phase might give the executive a clearer sense of what approaches might and might not be acceptable to the partisans. The present system offers no possibility to seek even partial consensus.

The second deficiency is the increasing occurrence of populist and wedge tactics. Why have these tactics gained prominence? One explanation stems from the underlying agreement between the major parties about the general direction of economic strategy. While policy has mostly been based on tacit bipartisanship, electoral needs have required public contention between the major parties. Issues have been distorted or fabricated to create the appearance of difference or to undermine opponents.

Another explanation stems from the gap between elite and popular attitudes on economic policy. Elite political opinion and broader public opinion are now out of alignment to a degree that has wide and negative consequences for the policy-making system. Take Australians' attitudes to globalisation. Over the past twenty-one years, in the name of globalisation, policy frameworks that had guided Australia's industrial and social development for the preceding eighty years have been progressively jettisoned. Protective tariffs no longer isolate the domestic market. Capital controls no longer isolate financial markets. The exchange rate floats freely with its level determined by international financial markets. Capital movements

are now largely unimpeded. Changes in international stock markets and currencies are routine media fare. Manufacturing has contracted and employment in services has expanded. Wage determinations are now largely decentralised.

Are these longer-term, bipartisan policy changes supported by Australians? A 2004 Australian Centre for Social Research survey of social attitudes probed Australians' views.² The answer is a clear 'No'. Just on 50 per cent of the survey respondents continue to see globalisation as bad for job security. Sixty-five per cent favour limiting imports to protect the economy, while 42 per cent continue to support restrictions on property purchase by foreigners. Only 56 per cent believe we should pursue closer economic ties with Asia and only 42 per cent want to see strengthened cultural ties. And 74 per cent declared that the United States has too much power in world affairs. Finally, fully 75 per cent believe international companies damage local business. Indeed, 87 per cent of respondents who were self-employed without employees, 71 per cent of those who were self-employed with employees, and 74 per cent of those operating a family-owned business agreed with the proposition that large international companies damage local business. Yet the government argues that sales by Australian companies into the global supply chains of multinational companies are one of the primary paths to business growth. These attitudes are hardly an auspicious foundation for such links!³

Whatever one's views about the merits or otherwise of the policies, these results show the considerable discrepancy between the views of ordinary Australians and the political leadership of both major parties. This is after two decades of a fundamentally bipartisan approach to economic strategy. It is too long a period to blame failures of communication on the inadequacies of individual leaders. It suggests a much deeper problem with the way the political system communicates with Australians.

The gap between elite and public opinion creates a climate that is very congenial to populism, as exemplified in the rise and fall of One Nation. Such populist surges introduce new pressures on the major parties to distort debate and to conceal important but difficult issues. As a result, opportunities are lost for building public support on longer-term issues such as the environment, Indigenous disadvantage, globalisation, or even continued economic reform. Is it any wonder public opinion remains

divided and uncertain about action on these fronts? Hansonism may have passed but the public attitudes that provided the base for its mobilisation are alive and well.

Wedge political strategies – strategies that split the support base of an opponent – have also gained increasing prominence. Whatever the merits of the present government's refugee strategy, in the 2001 election, the issue of refugees was shamelessly manufactured and promoted as the critical issue determining Australia's future.⁴ Such an argument was never seriously tenable. But it had the virtue of dividing Labor supporters: the educated urban voters who were liberal in inclination on the one hand and traditional Labor supporters on the other, a dual constituency that had been progressively built up since former prime minister Whitlam's 'It's Time' campaign in 1972.

Very large numbers of Australians, after a long period of bipartisan policy change, remain unpersuaded that their leaders have adopted the right strategies. In the absence of a more developed and reciprocal link between elite and popular opinion, the legitimacy of change will remain contested and the scope for populism and wedge strategies will increase.

Limitations of the Formal Policy-Making Structure

The inability to create a public conversation about longer-term issues is partly caused by the dynamics of electoral competition between the major parties. It is also caused by a number of organisational features of the formal policy-making structure. First, there is serious executive overload. A very small number of people in the present system determine privately what issues will have standing on the formal political agenda. They are the prime minister, senior ministers and the heads of the major coordinating departments. In the federal government, this group probably numbers no more than ten to fifteen people. They are naturally heavily engaged in day-to-day affairs, yet control the recognition and management of strategic issues. This means that the capacity of the system to process issues, particularly in a strategic phase, is weak. The present system concentrates power to a dysfunctional degree in the hands of these key leaders. In practice, this formal power does not translate into real authority, if for no other reason than the inability of these leaders to devote the necessary time to strategic issues.

Second, there is lack of access for interest groups and social movements. They have limited entry points for engaging the attention of the formal system. Individual groups can gain access to argue their case but this has two obvious shortcomings. First, it is typically on a private, one-on-one basis and second, such access is highly imbalanced. An obvious example is the regular access that the chief executive officers of Australian banks are given to the federal treasurer, access not similarly granted to consumer organisations or the union movement. Groups advocating a particular course of action have no forum in which their perspective can be advanced and tested against the views of others. The lack of a public entry point into the political system for interest groups is a major shortcoming. Outside groups now have no option other than sustained lobbying campaigns to develop public pressure.

This is despite the many grounds for accommodating interests that a more transparent process might disclose. These extend well beyond take-it-or-leave-it agreement. For example, engagement between public officials and interest groups could lead to a broader conception of the relevant issue; this could in turn lead to a transformation of the way it is defined. Or some participants may accept a particular decision that they dislike on the understanding that complementary action will be taken in another area in which they have larger stakes; this is known as log rolling. Or some protagonists might accept a proposal knowing that the decision will be reviewed later to make sure that outcomes matched expectations. Or the compensation that would be required to induce support on the part of interests negatively affected by proposed changes could become clear. Compensation can take a variety of monetary and non-monetary forms. These are all the routine tactics of political accommodation. But there are now few forums where these possibilities can be explored in public settings. Further, while the journals and newsletters of interest and community groups can be important conduits for reaching particular audiences, there are now no public forums that provide a platform for such publicity.

A third problem with the present formal policy-making system is its inability to create interest coalitions around longer-term issues. Coalitions of interests reinforce public debate in two ways. First, they show that there is broad support for a proposal; they show that it serves more than narrow or self-serving interests. Second, coalitions create momentum and they

influence the opinions of supporters and sympathisers. Successful campaigns by interest groups point to the power of coalition building. Think of the Australia-wide marches in support of reconciliation or of past collaborative action between the Australian Conservation Foundation and the National Farmers Federation or between the Australian Council of Social Service (ACOSS) and the Business Coalition for Tax Reform. Except for (now rarely influential) parliamentary committee hearings, there is nowhere for the views of interest groups to be regularly engaged. In the absence of such a capability, the ability to build interest coalitions in support of policy proposals is diminished.

Fourth, the working relationships between the federal and state and territory governments need to be strengthened. While joint ministerial councils have played a prominent role in many policy areas such as transport, disability, water and Indigenous affairs, the formal arrangements between the prime minister and state premiers and chief ministers are weak. The establishment of the Council of Australian Governments (COAG) is a valuable addition to the formal relationships between the Commonwealth and states and territories but there are significant limitations in its mode of operation, as we shall see. The process of preparing governments for actions that might be recognised to be in everyone's interest is not institutionalised at the highest level. Joint summits might be one device. But such gatherings are typically only effective as the capstone of a much more protracted process. In the absence of an overarching strategy, the risks of individual states acting at cross-purposes or in needless competition with each other are magnified. An example is bidding by state governments to win multinational investments, a common practice in past decades. Fortunately a solution to this particular policy absurdity has now been found. Biotechnology is another area where federal-state collaboration is essential if opportunities are to be fully realised. Indeed, Jonathan West, an Australian expert in this field presently on the faculty of Harvard Business School, argues that the present national approach to biotechnology falls tragically short of the national opportunity.⁵

Limitations in the Availability of Information

Finally, there is inadequate reporting of trends and conditions.⁶ Regular, comprehensive and independent reporting of social, cultural, environmen-

tal and economic trends is of fundamental importance to any society. Without such reporting, key trends are not known to citizens and their governments and there is an inadequate basis for decision making. Where there are well-established reporting regimes, trends and issues are given media attention, and they are kept in the forefront of the consciousness of citizens. As a consequence, they gain standing in public opinion and in political debates. This is the necessary prelude to action. Where reporting is poor or non-existent, issues are buried, neglected by the media and given scant attention by politicians. Unbalanced reporting is also a serious problem. Weighting some forms of human activity by good reporting and downgrading others by inadequate reporting leads to distorted policies and programs.

In Australia today, economic reporting regimes are well established at every level of government. Some, but little, improvement is needed in these regimes. Environmental reporting has significantly improved in recent years. The Commonwealth has established a regular program of state-of-the-environment reports and the states and territories all now prepare reports of some kind. The greatest failing is the lack of statutory independence for many of the reporting bodies and the inadequacy of some of their budgets.

By far the greatest deficiency in reporting regimes relates to social reporting. There is inadequate government commitment to understanding and monitoring poverty and disadvantage in any strategic or comprehensive way. As result, Australia has no clear strategies to combat poverty and social exclusion. Investment in data collection and analysis is underdeveloped; it has only limited connection to policy development and goal setting for the nation. By contrast the European Union has developed indicators covering: levels of poverty; labour market disadvantage; health; deprivation; educational qualifications; housing quality and affordability; literacy and numeracy; precariousness; and incapacity to participate. Similar indicators are needed at all levels of government in Australia.

Countries in the European Union are expected to collect information to monitor progress in these areas and develop plans and targets to improve the wellbeing of their communities over time. In countries where this has been most effective, the plans have been supported by long-term research programs and broadly based consultative and advisory structures.

BOX 2. ANTI-POVERTY STRATEGIES WITHIN THE EUROPEAN UNION

Specific objectives to fight poverty and social exclusion were agreed at the European Council in December 2000. Within the Union, poverty and social exclusion are seen to take multidimensional forms that require a general strategy with a range of specific policies. Each member country is encouraged to develop Action Plans in the areas of social exclusion and employment. Social indicators are seen as important tools for the achievement of anti-poverty objectives.

Two examples of national anti-poverty strategies are the British and Irish strategies. The British government strategy (1999) includes specific approaches for different groups, including:

- investing in the crucial early years and in education to break the cycle of deprivation
- building a proactive welfare system that helps people into work
- tackling the problems of low income and social exclusion among pensioners, and
- ensuring core public services address the special needs of deprived areas.

The government has appointed bodies to prepare policies to achieve the objectives of the strategy and is developing benchmarks and indicators to monitor progress. The strategies are supported by 'policy milestones', for example to reduce child poverty by half in ten years and by a quarter within five years.

Ireland's National Anti Poverty Strategy is overseen by the Combat Poverty Agency and concentrates on:

- understanding the causes of poverty and social exclusion
- an explicit definition of poverty
- a global poverty reduction target and five sub-targets in the areas of educational disadvantage, unemployment, adequacy of social transfers, disadvantaged urban areas and rural poverty.

The global target relates both to the numbers below relative income poverty lines and experience of basic deprivation (lack of access to necessities).⁷

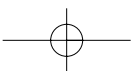
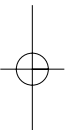
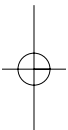
Overall, research and data collection programs in Australia are poorly integrated, and inadequately linked to strategic policy and program direction. Commissioners responsible for data collection and analysis also need independence, powers to seek information and enabling budgets. Finally, the Australian Bureau of Statistics's valuable Measures of Australia's Progress (MAP) program with its summary reports covering economic, environmental and social conditions and trends needs to be consolidated as an annual review of conditions and trends in Australian society and the range of its reviews needs to be progressively enhanced. There are, for example, no measures of inequality in the current MAP program.

Conclusion

The political, organisational and information limitations reviewed in this chapter are widely acknowledged as the cause of present public disaffection with the major parties. They are at the root of public cynicism about politics. John Menadue, a former head of the Department of Prime Minister and Cabinet, has nominated institutional failure as the nub of the problem: 'We are in a period of politics rather than policy ... People have become increasingly disillusioned about major institutions being able to perform a useful function in addressing important issues of concern to the whole community.'⁸ But it is curious that people do not then take the next step. Must this be so?

Prime Minister Howard has recently called for a revival of the major parties as the means for rebuilding the links between the Australian community and the formal political and policy-making system. Speaking at the centenary dinner of the Australian Women's National League, he commented: '[The political parties] are becoming too narrow ... they need to find ways of relating more comprehensively to community concerns.'⁹ Reviving the major parties is not the solution. They played strong linkage roles in a very different social environment. Then, Australian society was broadly divided on class lines, and socio-economic class was the principal determinant of political attitudes and loyalties. These days have long since gone. They are unlikely to return. Class remains an important source of social cleavage but it is criss-crossed with all the other divisions noted earlier. Australian society is now much more diverse. This is a positive development to which the formal political system needs to adapt.

The encompassing beliefs that animated the major parties were the foundation for their mobilisation of citizens and interest groups. They gave the parties 'energy': direction, scope, motive and 'will'. They endowed political engagement with meaning and purpose. They placed present developments in the flow of history and they made action and change imaginable. These ideologies have been jettisoned and there is scant prospect of their renewal. There are limited numbers of supporters for alternative candidates such as environmentalism or feminism. For its part, the neo-liberal ideology does not recognise any identity broader than that of an individual and a consumer, hardly the foundations for mass mobilisation. If the major parties cannot renew their past linkage and mobilising roles, is there an alternative? The renewal of links between the community and the formal political system requires a different approach, one that better aligns the formal political system with Australia's diversified society. It is to these possibilities that we now turn.



4 The Latent Possibilities in Australia's Political System

Australia's political system is a unique hybrid. It combines American and British norms of governance. This is expressed in the virtually co-equal powers of the House of Representatives and the Senate. British norms of governance value a 'strong' executive. This is realised in the House of Representatives. The Senate, by contrast, was modelled on its US counterpart as a house of advice and consent.

Power in each chamber is based on majorities that are formed by different means. The House of Representatives' single-member districts and preferential voting system biases the result in favour of the major parties. Elections usually produce a government backed by a clear parliamentary majority. The Senate's multi-member districts and proportional voting system bias the result in favour of smaller states, but produce outcomes that more accurately reflect significant currents of public opinion. This is the essence of a liberal (in the philosophical sense) pattern of government. Paul Keating's dismissal of the Senate as 'unrepresentative swill' was not just egregious rhetoric, it was wrong as an account both of how the electoral system works and of the constitutional role of the Senate. Until New Zealand's change to proportional voting, no other system broadly patterned on the Westminster model distributed power in the Australian fashion.

Another distinctive feature of the Australian system is the silence of the Constitution about the structure of executive power. This is unlike both the American constitution, which defines executive power, and the British 'constitution', which is unwritten and works wholly by convention.

Australia's approach is again a hybrid. The Constitution defines the powers of the federal and state parliaments, but it does not define executive power. This is determined by three conventions: confidence, ministerial responsibility and cabinet responsibility. A resolution decided by votes on the floor of federal parliament is all that is required to vary interpretations of these conventions. It is thus possible for significant change to occur through decisions of the two chambers about their powers vis-a-vis the executive. This last happened in 1909 when the two-party system replaced the preceding multi-party system. The present erosion of the electoral standing of the major parties creates analogous possibilities, but this time with a flow of power back to the legislature and away from the executive.

BOX 3. THE UNITED STATES SENATE

The US Senate's investigative powers have made it a distinctive and powerful institution. Over time, the role of Congress has broadened from merely informing itself to 'informing the nation'. To carry out its reviews and its consensus-building and investigative (including analytical) tasks the Senate has established three types of committees: standing, select and joint committees.

It is not only the committee system that gives the US Senate its significance. The resources now available to the committees are one of the prime sources of its power and influence. The main change took place in 1946 when the committees began to hire professional staff for their work. This trend was further amplified in 1975 when additional support was given to individual senators for their committee work. Prior to these changes, committees and individual senators had to rely on executive agencies and outside interests for much of their policy information. Today, there are approximately 1000 professional and clerical staff members supporting the work of the Senate and its committees.¹

Over recent years the capacities of the parliament to be a forum for the consideration of longer-term issues has quietly developed. This is

principally reflected in the expanding roles of the committees of both Houses. Parliament's capacity to take an independent view of issues is based on its committees, which are the means for realising the investigative and analytic potential of the legislature. They are also one means of exploring the scope for bipartisanship or multi-party agreement. As has been argued earlier, the scope for consensus is best explored in the context of longer-term and strategic issues – before the issues become the subject of immediate partisan debate about detailed responses. The reports of expert inquires such as the McClure Report on the welfare system or the Hogan Report on nursing home funding identify major strategic issues, but under present arrangements they will only come to the attention of other political parties and the public after the government makes its detailed decisions.

In recent years a considerable development of committee powers and roles has occurred in both the United Kingdom and New Zealand – the two countries whose political culture and institutions most closely approximate those of Australia. Parallel, if more limited changes have occurred in Australia. One focus of committee development has been their legislative role. Another has been their ability to act as a bridge between government, community groups and citizens on issues that are important but unclear or contested. In the House of Representatives, the referral of bills to committees was formally proposed by a lower house Procedure Committee in 1986. This suggestion was rejected by the executive. It was proposed again in 1993 and this time was successful. Public hearings have not, however, been a prominent element in subsequent committee deliberations. Nevertheless, John Uhr, a leading scholar of parliament, assessed this development as follows: 'The evidence of constructive impact of committee referrals on the legislative process is striking ... Dissenting reports are rare ... government acceptance of the need for amendments to their own bills is high.'²

So far as the Senate is concerned, change in the role of its committees was associated with the increase in the number of minor-party members and the loss of major-party control. In 1989, the Senate adopted new procedures for the examination of bills. This followed the report of a select committee on legislation procedures in 1988. In the words of Harry Evans, the Clerk of the Senate:

Those suggestions led to the establishment in 1988 of a Select Committee on Legislation Procedures. This committee reported at the end of 1988. It unanimously recommended that more bills be referred to committees and that procedures be established for that purpose. The report of the committee pointed out, amongst other things, that the Houses of the Commonwealth Parliament pass many more bills than their counterparts abroad, but sit many fewer days per year, suggesting that legislating in Australia is an over-hasty process. The select committee, however, offered the prospect of achieving two seemingly contradictory aims: speedier but more thorough examination of legislation by the simultaneous consideration of a number of bills in committees. It was also envisaged that in scrutinising legislation the standing committees would supplement, and follow up, matters raised by the Scrutiny of Bills Committee.³

As a result of the report, the Senate established committees with two arms: a legislation sub-committee of six members with a government chair and majority and a reference sub-committee of eight members with non-government majorities and chairs. These latter were intended to conduct inquiries on policy matters. Senate committees have since held public hearings on a wide range of legislation. These same committees have also conducted inquiries on a variety of longer-term and current issues.

Together, the House of Representatives and the Senate maintain thirty-seven standing, joint and estimates committees. This structure has now been in operation for over a decade. There are thirteen standing committees in the House of Representatives and they cover most of the major portfolios. There is a committee with an oversight role in economic strategy. There are also committees that focus on special topics such as science and innovation and ageing. Joint committees of both Houses include one overseeing the security agencies, and one overseeing the Australian Crime Commission. Other joint committees cover corporations and financial services, implementation of native title legislation, migration and treaties. The joint committees on foreign affairs, defence and trade, public works and public accounts are long standing. In the Senate the eight main committees each split into two groups, one responsible for legislation and the other for policy matters. Again all the major policy areas are covered.

BOX 4. THE FINNISH PARLIAMENT – COMMITTEE FOR THE FUTURE:

In 1992, the Finnish parliament established a Committee for the Future to assist the parliament and government in planning for the future. In 1999 the committee was given a permanent status. It consists of a chair, deputy chair and 15 members of parliament. The committee has the task of ‘pondering prospects for the future and any problems to be anticipated’. Its specific tasks are to:

- prepare reports on submitted parliamentary issues, such as reports on the government’s Futures White Papers
- make statements to other parliamentary committees on request, concerning future-related issues (especially long-term issues such as climate, population, energy and information society policy)
- process issues relating to future development factors and models
- undertake analyses pertaining to future-related research and its methodology, and
- function as a parliamentary organ assessing technological development and its implications.

To encourage ongoing debate of long-term issues, the parliament also hosts regular discussion forums for ‘wise old people and spontaneous young people’.

In recent years the committee has evaluated four White Papers on the future of the Finnish nation. Themes recently tackled by the committee include: balanced development; the future of work and the prospects of a welfare society; and competence, expertise, and the challenges of the Finnish information society (including science and technology policy). In January 2003 the committee co-organised an international round table conference with UNESCO on science, technology and innovation policy.⁴

There are, however, a number of serious deficiencies in this committee structure. First, the system lacks a committee specifically charged with oversight of the budget and economic strategy. There is no parliamentary counterpart of the powerful Treasury Committee in the UK. Second, the

overlap between House and Senate committees weakens the system. Members have limited time for committee work and there is a limited number of members and senators available. A rationalisation of roles is required for a 'strong' system. Third, committees in both chambers are dependent on the executive for funding. There is no parliamentary commission as in the UK which decides funding for parliament independently of the executive. Fourth, funding and staff support for committees and inquiries is very limited compared to many other countries. These matters will be considered further in later discussion of the potential role of parliamentary committees.

Parliament and the Executive

If parliament is to have more than a ritual role in the unfolding of policy issues, it needs to be willing to act independently of the government. This is particularly important in the strategic phase of policy development, The Senate is the logical forum for this task of review and assessment. Stanley Bach has recently explored the potential for voting combinations in the Senate that might challenge the executive.⁵ Taking the period from 1996 to 2002, he has also shown how much divisional voting in the Senate has involved collaboration between the (Coalition) government and the (nominal) Opposition.

Over the six years covered by Bach's analysis, the government lacked a Senate majority. In a chamber of 76 members, its numbers in 2002 were 35, four short of an absolute majority and three short of a tied vote (which is required to defeat or block an unwanted measure). At that time, representation of other parties was: Labor, 28; Democrats, 7; Greens, 2; One Nation, 1; independents, 3. These numbers varied somewhat over the six-year period. Bach's analysis is based on voting in divisions and on amendments to bills. Because of the powers and composition of the Senate, the Opposition enjoyed a clear opportunity to challenge government measures both in their totality and in detail. The opportunity to register disagreement with the principles of legislation arose at the second and third reading stages of bills when the general purposes of legislation were under consideration. The opportunity to register disagreement with the detail of proposed measures arose in the committee stages of bills when individual clauses were debated. Contentious legislation was not lacking over this

period. Examples include bills on workplace relations, native title, employment and Medicare contributions. In addition, the Opposition had a clear opportunity to take the initiative to promote its own measures. It could seek to build Senate majorities from coalitions with minor parties and independents.

In relation to government bills, Bach comments: 'The best indicator ... of the frequency with which the Opposition has attempted to defeat Government bills is the percentage of all bills passed that the Opposition opposed on either a second or third reading division.' Bach concludes that, by this measure, opposition was exceptional not routine: less than 6 per cent of the bills that the Senate passed were opposed. In 2000, the frequency of opposition was less than 3 per cent.

Bach's summary of his findings emphasises the degree of bipartisanship between the major parties: 'The data presented ... would seem to call into question one of the most commonplace assertions about the Australian political system [namely] that [its] essential dynamic is the competition between government and opposition ... These data are consistent with a conception of politics in Canberra operating on two tracks simultaneously. On one track, the Government and Opposition hammer away at each other ... on the second track a much more cooperative process is taking place with the two parties managing to find common ground on the preponderance of legislative business.'

The available data point inescapably to an environment in which the two major parties have largely agreed to work together privately while indulging in slanging matches publicly. Maybe oppositions have feared setting a precedent that they might regret when their turn in government next came around. Maybe the habits of the two-party system are too deeply ingrained to allow other approaches to be imagined. If the legislature is to play a more prominent role in policy deliberations, this bogus adversarialism needs to be replaced by real debate.

The Period 1901 to 1909 as an Example of the Possibilities for Developing Parliament's Role

The first decade after Federation could be considered the most creative in Australian political development. It has many lessons for us today and on that account warrants this brief digression.⁶

In the period from 1901 to 1909, the longer-term political strategy that guided Australia's subsequent socio-economic development was determined. The policy frameworks then established, which have since been described as 'the Australian settlement', lasted broadly until 1983. They introduced that distinctive pattern of fairness, which has hitherto characterised social relations in Australia. Frank Castles, a distinguished analyst of welfare states, has described this as Australia's 'wage earner welfare state'.⁷ This reflected the ideology of social liberalism that was potent in the late nineteenth century and continues as an important element in Australia's political tradition. The 'wage earner welfare state' was also consistent with Australia's international trading environment, a condition that lasted from the early years of the twentieth century until roughly the 1960s. It was based on manufacturing jobs for male breadwinners with wages determined not only by what markets would pay, but also by what was judged necessary for a family to live a decent life. From the late 1960s, international economic developments and changing domestic social norms made this strategy increasingly dysfunctional but it served Australia well for many years.

The policy decisions that composed 'the Australian settlement' emerged from a divided political environment. Between 1901 and 1909, three parties, Protectionists, Free Traders and Labor, competed for public support. No party won an outright parliamentary majority. Elections reflected a variety of not immediately compatible aspirations, attitudes and purposes. Without a majority party in parliament, governments were created and unmade according to their ability to gather majority support for themselves and their measures in parliament. They were also required to obtain majorities in two chambers. This brought into focus the political mechanisms available for building backbench and inter-house support both for governments and for individual measures.

Governments were created either by explicit formal agreement between the parties or by tacit informal support with negotiations on particular measures. This left a band of unresolved issues. These, what might be termed 'strategic' issues, involved matters that entered the political agenda championed by one or more parties. But other parties needed to be convinced of their desirability. To manage these issues structures were needed to allow their investigation and resolution independently of

the life of governments, the routines of a single House and the electoral cycle.

The resolution of these contested, strategic issues required an independent exercise in political inquiry and political persuasion. By such means, the political ground could be prepared. 'Support in return for concessions' was one means by which majorities were created, and the redefinition of an issue in more encompassing terms was another. In addition, interests beyond parliament had to be persuaded of the link between their concerns and those of other seemingly disparate interests. 'New Protection' was a classic example of such a manoeuvre. Manufacturers and trade unions initially seemed to be totally opposed. But Alfred Deakin, the primary author of the Australian settlement, linked protection for manufactures to the establishment of the arbitration system. Norms of justice and fairness were to be sought in a new context. Thus he created a win for both groups and ultimately for the whole Australian community. By such means, contingent majority coalitions were created to support particular measures.

In this more fluid political context, independent investigation of strategic issues was required. This offers perhaps the most vivid contrast between the pattern of policy making in the two-party period, and that in the more pluralist political world that preceded it. In the two-party period, the primary task of strategic political inquiry has been intellectual 'expert' investigation of a complex new issue to recommend what should be done. Examples are the Campbell Report on financial deregulation, or the previously mentioned McClure Report on the welfare system and the Hogan Report on nursing home financing. The government, which established these inquiries, assumed its prior electoral victory gave it sufficient authority to implement the findings, should it agree with them. The failure even to discuss in public the recommendations of the last of the cited inquiries points to problems raised in these pages.

The situation was different in the more pluralist world of 1901 to 1909. The diversity of the Australian community was then mirrored in the existence of three parties. Contested strategic issues were introduced to parliament before the parties had announced their firm policy stances. This allowed a process of intellectual analysis, political and public exchange and learning. It also involved the mobilisation of sufficient political authority to permit their resolution. Indeed, these two tasks overlapped. The outcome

might involve dropping the issue or the identification of a positive solution. Parliamentary inquiries represented the key step in this process.

Over this nine-year period, seventeen select committees and royal commissions were established. MPs dominated most of these inquiries. Fourteen of the seventeen inquiries began as parliamentary select committees and were later converted to royal commissions. This was because the life of a select committee was limited to the parliamentary session in which it was established.

Of the fourteen parliamentary inquiries, eleven offer the remarkable spectacle of MPs engaged on major strategic investigations that went to the heart of policy making and administration. So far as strategic policy making is concerned, we see inquiries occurring at key stages from the point that an issue emerged on the political agenda to the determination of legislation. Seven of the eleven inquiries concerned issues at the frontier of the political agenda: the tariff, the desirability of nationalisation of the tobacco cartel, the need for Australian control of shipping services, federal old age pensions, access to press cable services, Papua, and the future of 'New Protection' following the High Court rejection of the arrangement proposed in 1907.

By far the most significant inquiry in scale, duration and impact was that into the tariff. This was first suggested by the radical Protectionist, Isaacs, in October 1904 and was established by the Free Trade prime minister George Reid in December 1904. The group of eight MPs consisted of three Free Traders, three Protectionists and two Labor members, with two representatives each from New South Wales and Victoria and one from each other state. The inquiry commenced in 1905 and concluded in the middle of 1907. At the outset, it surveyed virtually all significant Australian manufacturers and importers to identify tariff anomalies, local capacity, cost obstacles, special factors and so forth. This covered 2801 establishments. Evidence was gathered over the two years 1905 and 1906. The inquiry held sittings in all capital cities and major provincial centres. In total 211 sittings were held and 618 witnesses examined. Over 3000 pages of oral evidence were printed. The oral and written evidence offers a unique and comprehensive account of Australian industrial capacity and of the barriers and vicissitudes to which it was subject on account of the scale of domestic markets and the vigour of international competition. The

commission produced forty-six individual reports on the various tariff heads. The significance of this inquiry lies not so much in the findings, perhaps predictable given the rival ideologies, but in the immense research, outreach and mobilisation effort that the inquiry represented.

Contested legislation was the second major area of strategic policy making to which parliamentary inquiries made a particular contribution. The Bonus for Manufactures bill was a Protectionist initiative resisted by a strong faction of their erstwhile Labor supporters on the grounds that local iron production would prohibitively boost upstream costs. By contrast, the Navigation bill sponsored by the Reid–McLean government stumbled on Labor insistence on Australian crews and special conditions for coastal trade. These were both extensive inquiries that produced divided reports. Neither issue was finally resolved before 1909. Parliamentary inquiries as a vehicle for investigating contested legislation represented a role for parliament and MPs that has only recently been revived (e.g. GST inquiries).

Finally, two inquiries involved oversight of major government activities: review of electoral administration in 1904 and the Post Office in 1908–1909. The Post Office review was almost on the scale of the tariff inquiry. It involved a comprehensive assessment of this key federal agency. A minority (Labor) report opposed the restriction of female occupations to typing, telegraphy and monitoring!

To discount these inquiries because their recommendations were not wholly bipartisan or not accepted by the government is to misperceive the role and contribution of parliamentary inquiries in a pluralised political environment. In a multi-party context, parliamentarians became the ultimate arbiters of issues. Their judgements were critical to the resolution of these issues. Parliamentary inquiries brought interested and expert opinion, including departmental opinion, before MPs and a wider public. The inquiries acted as a ‘forcing device’ engaging stakeholders in a process of advocacy and (reciprocal) social learning. At the outset, different groups might have perceived themselves to be winners or losers or just interested parties. Through a process of public inquiry, all participants gained understanding about other perspectives and concerns and the opportunity thus opened up to develop more encompassing approaches.

The fact that parliament was the setting for this process, that parliamentary opinion influenced the outcome and that votes on the floor of

parliament counted, was vital for its impact on interest groups, departments and ministers. Further, parliamentary inquiries on strategic issues, matters that were more or less outside the immediate partisan contest, required MPs to seek common ground and, where this proved elusive, at least to isolate points of difference. The whole process occurred in the public domain with evidence sessions published and available for scrutiny and review. Particularly on strategic issues, such inquiries provided opportunities for departmental officers to be cross-examined in public and departmental opinion to be disclosed.

The structure of policy making in the period 1901 to 1909 was aligned to the society of the time. We don't need to return to a three-party system to put into practice the lessons that can be learnt from this period of Australian political history. The range and significance of the strategic inquiries conducted over that period point to the value of a 'strong' parliamentary committee system. The chapters that follow show how the parliament could once again become the forum for the nation's long-term strategic debates. Contemporary requirements for a renewal of a 'strong' committee system are considered in the final chapter.

5 What Can We Do? Some Immediate Opportunities

Earlier chapters have argued that there are two interrelated requirements for the improvement of national capacities for responding to longer-term trends and contingencies. One involves capabilities for identifying and analysing these issues, the other the engagement of interest-group and public opinion. With these two requirements in mind, this chapter considers some immediate steps that might be taken to improve the strategic capacity of Australia's policy-making system and the final chapter explores means of drawing long-term strategic debates into the heart of the political system. There is, of course, no single, all-embracing remedy: the complexity of issues is one factor; the relevance of differing values in defining feasible remedies is another.

Strengthening Central Agencies

Both Canada and the United Kingdom, with political systems very similar to that operating in Australia, have strengthened strategic decision-making by extending the activities and roles of their Cabinet Offices.¹ They have, however, approached the task in different ways.

The UK Cabinet Office has made extensive use of the potential for outreach and consultation provided by the Internet. Its current site includes a list of over 100 reports and discussion papers relating to longer-term and strategic issues. These include: challenges of an ageing society; pressures of the 24-hour society; supporting disabled people into work; delivering on gender equality; poverty reduction and social exclusion. In addition, a variety of cross-departmental issues, studies of alcohol misuse, drugs, London,

and the future of local government have been the subject of special inquiry and action.

In Canada, by contrast, a network of officials and independent experts has been established. This was initiated in 1995 when the Privy Council Office established three task forces: one on strengthening strategic decision-making; one on managing issues whose significance crossed departments and where approaches and judgements about priorities might be significantly different when evaluated in this comprehensive perspective; and a third on analysis and policy planning. According to one commentator: 'The central reason for the initiative was a feeling that the Federal policy capacity was weakened due to the cost-saving programs of the 80s.' The result of these inquiries was the launch of the Policy Research Initiative (PRI) in 1996. This was supported by a special unit, the Policy Research Secretariat, in the Privy Council Office. Its goals include strengthening policy research, embedding strategic thinking in policy formulation, promoting a forward-looking research agenda and implementing (and championing) the necessary cultural change within the administration.

The detailed processes associated with these two initiatives can be readily explored on the websites of these agencies. Both have established more elaborate, and more accessible, arrangements than their Australian counterparts. They offer models that could be replicated by any government interested in enhancing attention to longer-term issues.

Building Public Research Capacity

There is considerable scope to develop research capacities through public agencies such as the Australian Bureau of Agricultural and Resource Economics (ABARE), the Australian Bureau of Statistics (ABS), the Productivity Commission, and the Australian Strategic Policy Institute (ASPI). These diverse agencies already make substantial contributions to public awareness and in some cases to the engagement of interest groups. They are relatively economical. The budget for the Productivity Commission is largest at \$23 million. The budget for the ASPI is smallest at \$2.5 million. Recent governments of both major parties have, however, reduced the numbers, role and funding of such bodies. For example, the Economic Planning Advisory Council, the Bureau of Industry Economics, the Bureau

of Immigration and Population Research and the Australian Manufacturing Council have all been abolished. The Australian Strategic Policy Institute is the only new body. On the other hand, government has become a larger sponsor of specially commissioned research in universities, albeit on a smaller scale than previous in-house efforts. The Tax Office has sponsored the Centre for Tax System Integrity at the Australian National University. The Melbourne Institute of Applied Economic and Social Science Research (University of Melbourne) currently has a contract (worth many millions) for conducting the Household Income and Labour Dynamics in Australia (HILDA) survey. The Department of Social Security earlier fully sponsored the Social Policy Research Institute at the University of New South Wales. The Department of Foreign Affairs and Trade currently sponsors the Centre for Democratic Institutions at the Australian National University. The same department also sponsors the Asia Pacific Economic Cooperation (APEC) Research Centre at Monash. These are examples of a practice that has grown more widespread.

These agencies and research centres contribute to the analysis of strategic issues but there are limitations on their effectiveness. Bodies based in universities are often dominated by the agendas of particular disciplines. Further, they make only limited contributions to the development of public opinion. While a body such as the Productivity Commission does this through its inquiries and the Prime Minister's Science, Engineering and Technology Advisory Council performs a similar role through its outreach programs, all the key players know that final decisions on any contested issue will be made elsewhere. Not only are the bodies limited to advisory roles, their work is also significantly influenced by the attitudes of the government of the day; independent critical analysis is not encouraged. Thus while they can perform effective roles inside government, their ability to influence interest-group and public opinion is very limited.

There are ways of overcoming some of these problems. US national institutes fund big surveys, which are then widely available to government, researchers, the media and the general public. The Australian Research Council (ARC) and the National Health and Medical Research Council (NHMRC) could do the same here. In other countries, the United Kingdom for example, there is a greater commitment to long-term research, extending in some instances up to twenty years. There is also much greater

support for quasi-independent research, mostly through the universities. Stronger support for untied long-term strategic research in Australian universities is critically important for the future of the nation since university researchers are the principal source of independent policy analysis. There are particular problems for university research that need urgent attention today. They include the reduction in funding for universities over the last decade, the inadequacy of research support funding and the manner in which it is provided, the poverty of scholarships for gifted young researchers, the lack of attention given to the incentives needed to keep these researchers in Australia or bring them back after overseas experience, and the waste of outstanding researchers' time raising money for their research from private sources.

Encouraging Independent Public Policy Research

Independent policy research can take many forms. Independent research institutes with long-term strategic missions can be established with government funding. An excellent example is the International Institute for Industrial Environmental Economics in Sweden (see Box 5). Some of the distinguishing characteristics of the institute are that it was established by statute of the Swedish parliament, its focus is on long-term strategic change, its funding structure allows it to carry out long-term research and advocacy and it is located in a university, Lund University. The now defunct Bureau of Immigration and Population Research in Australia shared some of these longer-term research aims.

BOX 5. SWEDEN – INTERNATIONAL INSTITUTE FOR INDUSTRIAL ENVIRONMENTAL ECONOMICS

In June 1994 the International Institute for Industrial Environmental Economics was established by statute of the Swedish parliament.

To enable the institute to carry out long-term research and make policy recommendations free from short-term political influence, the parliament appropriated a one-off sum of approximately US\$25 million for its establishment. The interest from this sum was expected to pay for the infrastructure of the institute. The institute, in turn, was expected to generate additional income for specific projects.

The mission of the institute is to contribute to the international advancement of sustainable development, first, by conducting research on cleaner production and, second, by educating decision makers about the formulation and implementation of preventive environmental strategies. The institute is founded on the conviction that a preventive approach to environmental problems is essential for the perpetuation of life on the planet. Using a preventive approach, potential problems can be addressed before they arise. This means dealing with problems at their source when choices are made about processes, raw materials, design, transportation and services.²

Other significant international bodies working on industrial environmental economics include the Wuppertal Institute, Germany, and the Rocky Mountain Institute, USA.

Independent think tanks can also be influential. Major think tanks in Australia include:

- The Centre for Independent Studies (CIS)
- The Institute of Public Affairs (IPA)
- The Sydney Institute
- Committee for Economic Development of Australia (CEDA)
- Lowy Institute for International Policy
- The Australia Institute
- The Australian Fabian Society.

The market-liberal institutes, the CIS and the IPA, have been the most successful in influencing public policy. They have championed the economic rationalist agenda. The CIS, for example, was created to challenge Keynesian policy perspectives. In conjunction with the IPA and a number of specialised off-shoots, these institutes have acted as policy entrepreneurs. They have pioneered policies such as deregulation and privatisation, labour market reform and trade liberalisation. These two institutes have strong business support. They have championed the classic liberal view of politics last in vogue in the high nineteenth century. Their speeches and written pieces renew nineteenth-century debates about such issues as the

role of the state in economic life, the balance between social and individual responsibility, and the social and environmental responsibilities of the state. The neo-liberal think tanks have been protagonists for the conservative approach to these matters.

The Sydney Institute was re-formed in the early 1990s. It has a limited membership and receives business support. CEDA is also a business-funded research and networking organisation, which has always focused on longer-term issues. The Lowy Institute was established in 2003 with an endowment. Its focus is trade and foreign policy. The Australian Fabian Society is a long-standing centre for social democratic thought. After languishing for some years, it is currently enjoying something of a renaissance. The Australia Institute is another left-of-centre think tank. Its budget is significantly smaller than those of the neo-liberal group but its influence has been growing steadily in the last few years.

The major national community organisations form another group with think tank capacities. Examples are the Australian Council of Social Service (ACOSS), the Australian Conservation Foundation (ACF) and the more recently formed Australian Collaboration, which represents several of these national bodies. They can exert significant influence with few resources. Many also have large constituencies, either because they are umbrella bodies or because of their extensive memberships.

The think tanks have created settings for networking between leading political figures from the major parties, media commentators and sympathetic scholars. By such means, they have sought to influence the policy agendas of both major parties. They have also been alive to the new opportunities presented by the enhanced role of the media (both electronic and print). The think tanks have used the media to project their views. Gerard Henderson, the director of the Sydney Institute, has an influential weekly column in the *Sydney Morning Herald* and the *Melbourne Age* and has a weekly opinion slot on national radio. For its part, the Australia Institute is adept at offering stories to fill the quiet news spots on Sunday evening for Monday morning newspaper dissemination.

The number of think tanks in Australia with capabilities for public policy research is growing, although on nothing like the scale of the

United Kingdom. While in the UK a number of think tanks have been established offering alternatives to the views of the neo-liberal group (e.g. Social Market Foundation, Demos, Institute for Public Policy Research), in Australia there is little substantial capacity for the representation of alternative views. There is therefore significant imbalance in think tank development. One explanation is that there are few private trusts in Australia with the resources to sponsor such activity. The proliferation of think tanks in the UK in recent years has largely been the result of backing by private trusts and foundations rather than by business.

Further, the development of think tanks in Australia has arguably been retarded by the formal political structure. The concentration of power in the hands of the prime minister, his senior colleagues and the core bureaucracy has insulated policy making from outside influences. An entrenched career public service has considerable control over information. Privacy in the advisory relationship between ministers and senior public servants (enshrined in the principle of collective ministerial responsibility) is symptomatic of a more cohesive and coordinated decision-making structure. This distinguishes the Australian from the American system where there is a separation of powers and where think tanks thrive. The clear impact of the neo-liberal think tanks, which have deliberately targeted elite opinion in both major parties, might seem to qualify these judgements. But, as Michael Pusey has documented, there was a coincidence of view between these think tanks and the senior bureaucracy about what needed to be done.³ Had this not occurred, it is unlikely that their influence would have been so pervasive.

Executive dominance of policy making, a closed bureaucratic culture, a weak parliament and the lack of large private trusts creates a difficult environment for the development and influence of think tanks in Australia, especially those with progressive views – which are unlikely to be funded by business. Although, generally, it would not be wise for governments to give direct support to independent think tanks, governments could do more. They could, for example, establish bodies analogous to the Swedish International Institute for Industrial Environmental Economics or the Australian Strategic Policy Institute in areas where there is bipartisan agreement about long-term need.

Advisory Committees and Consultative Forums

Public engagement in strategic policy debates could be greatly improved by a number of other measures. There could be broader representation on ministerial policy advisory committees. These committees not only provide advice to ministers but are also a significant link to a wide array of interest groups. The broader the level of representation, the more likely it is that good long-term policy options will be considered and taken into account.

Committees of inquiry, comprised of independent experts, are other time-honoured ways for governments to seek expert and community opinion about strategic issues. Committees of inquiry typically invite written submissions and hold public hearings.

In the United Kingdom, such inquiries are often established as royal commissions. These royal commissions have a quite different character from royal commissions in Australia. In Australia, royal commissions are invariably chaired by judges or senior counsel. Their main function is described on the Australian government's website as being to inform government (not, it should be noted, the parliament or the nation). They are most frequently established to investigate large corporate failures, major industrial problems, potential issues of corruption and the like. They are very expensive to run: the Royal Commission into the Building Industry and the HIH Inquiry each cost close to \$30 million.

In the United Kingdom, there are royal commissions of this kind too. However, royal commissions are also established to investigate social issues with chairs who are not lawyers. They therefore operate in a more informal way and at much reduced cost. A recent example is the Royal Commission on Long Term Care for the Elderly, chaired by the Vice Chancellor of the University of Edinburgh. There are also semi-permanent royal commissions. One, the Royal Commission on Historical Manuscripts, was set up in 1869 and is still in existence. Its task is to assist in the preservation and publication of historical manuscripts.⁴

A third alternative is the wider use of public conventions to explore important policy issues. The constitutional conventions during the republic debate illustrate such an approach. They were notable in several ways. Preliminary conventions involving numbers of people from diverse backgrounds were held across Australia. The principal formal convention was

held in February 1998. It was attended by 152 delegates, 76 appointed representing the Commonwealth and states and other parties and 76 elected. The Prime Minister attended and spoke and the final communiqué was delivered to him.

Another vehicle for the exploration of a political topic is to invite groups of people without particular political skills or training to a convention during which the options are explained and discussed with them. When the views of those invited are canvassed at the beginning and again at the end of such meetings significant changes of opinion are often noted. National Schools Constitutional Conventions are now regularly held providing students with opportunities to explore and debate constitutional issues. The seventh National Schools Convention was held in March 2002. It was attended by 116 students drawn from state, Catholic and private schools across the country. In the United States, Auburn University is offering a course on the US constitution in the form of a simulated constitutional convention. The course is also being made available to the public through the Internet. Professor Ted Becker, who created the simulated convention, is quoted as saying that 'politics is a game and citizens should be allowed to play; politics is a participatory sport'.⁵

These initiatives illustrate the importance of finding imaginative devices to explain complex issues to citizens and to give them opportunities for involvement and comment. Evidently, only a small number of people can participate in explanatory meetings and conventions. Such meetings could, however, be much more widely used – held, for example, right across the country on long-term strategic issues. Their ripple effects could be very significant.

In some instances, an emerging issue might warrant a large consultative program, which might run over several years. The best Australian example of such a consultative exercise is the Ecologically Sustainable Development (ESD) project. It was initiated by the Hawke government in 1989 as the means by which environment protection and economic development might be jointly achieved. The ESD project proved to be an effective way of bringing together scientists, environmentalists, representatives of business and government officials to discuss how different industry sectors might approach sustainable development. It laid the foundation for many later changes in government policy and business

and institutional practice. The ESD project is described in greater detail in Box 6.

BOX 6. THE ECOLOGICALLY SUSTAINABLE DEVELOPMENT PROJECT

The ESD exercise had its antecedents in the National Conservation Strategy, an initiative of the Fraser government. It pioneered collaboration between many different interests. In 1987 the Brundlandt Commission released *Our Common Future*, a report on sustainable development. This was a valuable resource since by 1989 the Hawke government was searching for a way of resolving environmental conflicts while still pursuing growth and development.

In June 1990 the government produced a discussion paper on *Ecologically Sustainable Development* (ESD). In August, prime minister Hawke announced the establishment of nine working groups involving government officials, industry representatives, unions and environmental, community and consumer groups to examine sustainability issues in each of the industry sectors. Consultation forums were held all around Australia. Reports were received from each of these working groups, and subsequently two other reports on inter-sectoral issues were prepared. Overall the reports contained five hundred recommendations. In November 1991 the Commonwealth, states and territories agreed on a process for examining these recommendations. A draft strategy was prepared and released for public comment. In December 1992 the Council of Australian Governments endorsed the *National Strategy for Ecologically Sustainable Development* (Commonwealth of Australia, 1992). The strategy contained an overall goal, three core objectives and seven guiding principles.

The ESD strategy has had its critics. Few of the detailed recommendations were ever implemented despite the agreement of scientists, environmentalists and industry. Nevertheless the achievements of the ESD project were significant and illustrate the potential of such consultation projects. They included:

- the adoption of the ESD strategy goals, objectives and guiding principles by every government in Australia
- the development of new political initiatives at all levels of government directly stemming from the work of the ESD working parties and their recommendations
- mutual learning about environmental issues facing the nation and different industry sectors
- encouragement to all groups to think about how ESD principles might be most effectively adopted in government, business and other sectors, and
- the development of more cooperative relationships between all those participating in the working groups.

These achievements could have been much greater if support for the ESD project had not been largely withdrawn when Keating succeeded Hawke as prime minister.⁶

Governments can play other valuable roles. They can engage a wide range of community interests to spread ownership, build support and identify partners and champions. To do this, a number of countries within the European Union have established national councils on social and economic policy that provide advice and reports to government. One example is the National Economic and Social Council in Ireland. Another is the Social and Economic Council (SER) in the Netherlands, described in Box 7.

BOX 7. SOCIAL AND ECONOMIC COUNCIL (SER) IN THE NETHERLANDS

The SER is the main advisory body of the Dutch government on national and international social and economic policy. It was established by act of parliament in 1950. In its advisory capacity the SER represents the interests of industry and trade unions. Being independent from the government and financed by industry, the SER may give advice, solicited or unsolicited, on all major social and economic affairs.

The SER is both an advisory and an administrative body. Its administrative tasks consist of monitoring commodity and industrial boards, which perform an important role in various parts of the Dutch economy. An 'industrial board' represents the interests of a particular branch of industry and is formed by members of employer and union organisations. Additionally the SER is involved in the enforcement of the Works Council Act, the Enterprise Establishment Act and the Insurance Agencies Act.

The main task of the SER is to advise the government on social and economic issues. The principal social and economic objectives for the council are: balanced economic growth and sustainable development; the largest possible labour participation; and a fair distribution of income.

The SER gives advice to the government on the main outlines of policy. The arguments put forward by the SER are also used by parliament in its debate with the government. In this way the council advises and reports on:

- medium-term social and economic developments
- regulation
- social security
- labour and industrial law
- worker participation
- the relationship between the labour market and education
- European policy
- environmental planning and traffic accessibility
- sustainable development
- consumer affairs.

The Industrial Organisation Act sets the SER the task of supervising almost forty boards. Together these boards are referred to as the Statutory Trade Organisation. The SER is the highest authority of the Statutory Trade Organisation and, in this capacity, establishes, revises and discontinues boards. It also decides on the composition of their executive committees, on which employers and union representatives hold seats.⁷

Attaching Independent Statutory Bodies to Parliament rather than the Executive

The effectiveness of organisations such as the now abolished Economic Planning Advisory Council (EPAC) or the Australian Manufacturing Council (AMC) was hampered by requirements to report to the executive rather than to the parliament.

A solution would be to establish such bodies as agents of the parliament rather than of the government. The Congressional Budget Office in the United States illustrates the effective role that such organisations can play when their reporting lines are less crimped. The long-established National Audit Office illustrates how effectiveness and impact can be enhanced by a reporting relationship with parliament rather than the executive.

The former Commission for the Future illustrates another difficulty. It lacked links to politically influential groups. When its findings were challenged, no one defended its legitimacy. A relationship to a parliamentary committee would have given its findings standing in the formal political system and provided a setting with links to officials and other interests. Another problem was the lack of bipartisan support for the commission's work.

BOX 8. NEW ZEALAND – THE PARLIAMENTARY COMMISSIONER FOR THE ENVIRONMENT

The Parliamentary Commissioner for the Environment is an independent officer of the New Zealand parliament appointed for a five-year term. As an officer of parliament, the Parliamentary Commissioner is responsible to parliament not to the government of the day.

The commissioner's job is to review and provide advice on environmental issues and on the agencies and processes established by the government to manage the environment. The primary objective of the office is to contribute to maintaining and improving the quality of the environment in New Zealand. The roles of the commissioner are to act as:

- environmental systems guardian
- environmental ombudsman
- information provider, facilitator and catalyst
- environmental management auditor of the performance of public authorities
- advisor to parliamentary select committees

The commissioner may:

- investigate any matter where the environment may be, or has been, adversely affected
- assess the capability, performance and effectiveness of the New Zealand system of environmental management, and
- provide advice and information that will assist people to maintain and improve the quality of the environment.

The commissioner has all the powers necessary to carry out his or her functions; including powers to obtain information and examine any person under oath and to act as a Commission of Inquiry (at parliament's request). The commissioner can advise parliament of the findings of investigations, and can publish them, but has no formal power to ensure that the advice or recommendations will be implemented. The commissioner has discretion to determine matters to investigate, except where such requests come from parliament.⁸

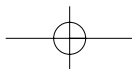
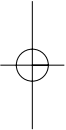
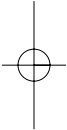
A number of environmental commissioners have been appointed elsewhere with statutory backing for their review functions. Examples are: the Australian Capital Territory, the Netherlands and the Province of Ontario and the federal government in Canada.

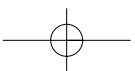
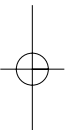
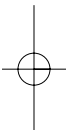
The New Zealand Parliamentary Commissioner for the Environment is a prime example of an independent commissioner reporting directly to the parliament. Such offices can be valuable sources of information and carry out reviews free from the constraints of government oversight.

This chapter shows that many initiatives could be taken immediately to strengthen Australia's capacity for monitoring emerging trends and for drawing out their societal and policy implications. Australia's investment



in these mechanisms is poor in comparison with other countries. Many, furthermore, could be brought into being with minimal cost.





6 Making More Fundamental Changes

Earlier discussion of the steps necessary to improve public and group involvement in the assessment of longer-term issues has focused on a particular gap. This is the absence of a transparent, 'contemplative' phase in the consideration of longer-term issues. This would involve a period for broad debate, review and refinement relatively free of partisan considerations. Experts and interest groups would need to be engaged and broader public interest could be stimulated. The scope for consensus between all (or a substantial grouping of) these participants could then be explored. Because Australia is a federation, at one level this requires improved ability for strategic exchange and collaboration between the federal and state governments. At a primary level, however, it involves building the role, power and influence of Senate, House and joint committees of the parliament. These two steps are discussed in turn.

Before turning to specific proposals, two threshold matters deserve attention. One concerns the act of imagination required to grasp that the structure of policy making could be differently patterned. Settled ways are (often properly) so taken for granted that it is difficult to imagine that another or better pattern is within reach. The limits on political imagination were displayed spectacularly at the Constitutional Conventions in the 1890s. Despite the rapid rise of the Labor Party in the 1890s, only two participants in the Constitutional Conventions held in that decade anticipated the effects of party loyalty on the practice of government. It was simply too hard for protagonists to imagine that political power could be differently configured. Yet within ten years this had occurred. Then power moved from parliament to the executive. Now, however, the concentration of

policy-making power in the hands of government needs to be modified; it needs to move from the executive to parliament. If electoral support for minor parties continues to grow, and the general standing of major parties continues to weaken, system change becomes a realistic possibility.

The second matter concerns parliamentary terms. Many argue that an extension of the federal parliament's term from three to four or five years together with fixed dates for elections would significantly improve policy making. There are some good reasons for extending the term of the parliament. A longer term would give a government more time to focus on its policies without the spectre of looming elections. Similarly, fixed parliamentary terms might eliminate opportunities for posturing and gamesmanship. These are therefore changes that should be made. But neither step would do anything to improve the links between the Australian community and the formal policy-making system. Political authority derives ultimately from the consent of the community. When the Australian community was evenly divided between the major parties, the House of Representatives voting system created effective governments. Now that the community is diversified, and the major parties have lost influence, the task of building public support is very different. An extended term would not improve contact with interest groups nor access for those groups to the government or parliament. It would not encourage coalition building. It would not allow even limited agreement between the major parties to be exposed. In other words, it would do little to improve the 'fit' between the formal political structure and Australia's more diverse society. It might give the appearance of enhancing executive authority – but it would do nothing to enhance its substance. Public support is the real foundation of authority. But the way it has been mobilised since 1909 does not necessarily meet the requirements of the different conditions of the twenty-first century.

Strengthening the Role of the Council of Australian Governments (COAG)

In Australia's federal system significant powers and responsibilities rest with the states. No improvements in the machinery of government that aim to develop political competence to deal effectively with long-term strategic issues can ignore the relationship between the Australian government and the governments of the states and territories.

Many ministerial councils concerned with specific policy issues have representation from the Australian government and the states. They play important roles. Bates has observed that 'as a cooperative and information sharing arrangement, these ministerial councils have great potential to formulate and secure the adoption of long term and wide ranging national ... policies'.¹

The peak ministerial council is the Council of Australian Governments (COAG). COAG was established in May 1992 and comprises the prime minister, premiers, territory chief ministers and the president of the Australian Local Government Association. The prime minister of the day chairs COAG. The role of COAG is described on its website as to 'initiate, develop and monitor the implementation of policy reforms which are of national significance and which require cooperative action by Australian governments'.² In April 1999 Prime Minister Howard announced that, since there would be no further Premiers' Conferences, COAG would meet at least once a year. There was, however, a rider that COAG could settle particular issues by correspondence, when insufficient issues exist to require a meeting. In recent years meetings have been irregular and many issues have been settled, to the extent that they have been settled, in this way.

The strategic potential of COAG is not being realised for two main reasons. The first is that COAG meetings do not occur according to a fixed timetable but at the whim of the prime minister. The second is that the prime minister controls the agenda so that strategic issues that may be of great concern to the states and to the nation may not even reach the agenda. Arrangements for COAG meetings therefore need reform, first, to set fixed timetables for meetings that have to be observed by all parties and second, to make the introduction of issues to the COAG agenda more open and democratic.

COAG could be used to bring about key nationwide reforms. This is how 'mutual recognition', the agreement by the states and the Commonwealth to recognise each other's regulatory standards, came to be adopted. All the governments invested in a period of strategic consultations prior to bargaining over detailed matters of implementation. COAG provided the forum for these deliberations. Sustainability reform is another issue crying out for similar treatment. Around the world, sustainability is now seen as a key driver of environmental, social and economic reform. Progress on

reform in land and water use, greenhouse emission reduction, and biodiversity protection and recovery requires sustained and coordinated action by all Australian governments. The National Water Initiative recently agreed at COAG is an example of how such cooperation can work.

To extend this work to cover a broader range of sustainability issues the model of the National Competition Council, an independent statutory body established by COAG under the *Trade Practices Act 1974* (Cth), could be used. The National Competition Council acts as a policy advisory body to oversee the implementation of National Competition Policy, a package of reforms aimed at encouraging competition, on the premise that competition will improve the wellbeing of all Australians. Competition reform also involves federal and state governments in Australia.

A new COAG sustainability policy council could be established or the National Competition Council could be reformed to make sustainability central to the longer-term deliberations and action of the federal and state governments. The autonomy of the COAG structure needs to be enhanced if this institution is to contribute as it should to the identification and resolution of longer-term policy issues.

Reconfiguring Senate, House and Joint Committee Systems

Earlier chapters identified a representation gap as the most significant impediment to the development of informed opinion about longer-term issues. There is only one institution in the political structure with the necessary formal standing and authority to renew the link between the Australian community and the formal policy-making system. This is the parliament. It is the only institution capable of achieving an immediate, comprehensive and direct impact on public, interest-group and official opinion. It provides the only institutional setting where the scope for a common position could be explored and expressed. To amplify parliament's standing in the broader political structure, its committees would need to have enhanced roles and powers. Committees are the right institutions to introduce new strategic issues to the political agenda and to engage interest groups and the broader community in the consideration of these issues.

This proposal involves the most radical remedy, since it would involve new parliamentary arrangements specially focused on the long term, outside the immediate authority of the government and the immediate

influence of the major policy departments such as Treasury, Defence, and Prime Minister and Cabinet. On the one hand, the parliament can provide a forum where official, novel, sectional and deviant or marginal opinions can be voiced. Bureaucrats, ministers, interest groups and independent experts can appear on an equal footing. On the other hand, through its varied processes and deliberations, parliament can seed the formation of broader public opinion. The theatre of parliament creates the cameo dramas that communicate the significance of issues to a broader public. This is now mainly fostered through rituals such as Question Time and Urgency Motions that have lost their original purpose. The political drama needs to be refashioned to contribute positively to the development of sectional and public opinion.

Within the parliament, the Senate, the House and the joint committees constitute a prime setting for routine review of strategic issues. But the present system is inappropriately structured; committees are insufficiently focused. The committee system would need to be reworked. The present committees work on a shoestring. The incentives for committee work are weak; those with ministerial ambitions may be fearful of taking an independent line. Finally, the use of latent parliamentary powers, particularly in the Senate, to gain attention for committee findings and recommendations is hugely underdeveloped.

House of Representatives: The existing House of Representatives committee structure is one potential arena for development. Some House of Representative committees (Committee on Ageing; Science and Innovation Committee) already have a significant focus on the future and operate in a largely bipartisan way, as did the Committee for Long-Term Strategies in the 1990s. There are at least two advantages in building the roles of committees in this House. First, governments are more likely to give support to these committees because they will be chaired by government members and thus will be less threatening. Second, there are more members available for such committees because the House of Representatives is larger.

The Senate: Despite its smaller size, the Senate has particular potential because of its substantial powers. Further, a proportional voting system and multi-member electorates mean the Senate has greater formal capacity than the House to represent opinions that are held by significant minorities of citizens.

BOX 9. GERMAN PARLIAMENT (BUNDESTAG) – STUDY COMMISSIONS

The German parliament has a dual system of committees of inquiry and study commissions. The committees of inquiry are composed entirely of members of the Bundestag and have the task of investigating public affairs. The study commissions, by contrast, comprise MPs and independent experts. Their task is to gather as much relevant information as possible on a given subject to assist law makers on complex and important issues. In these study commissions, the experts enjoy the same rights as the members of the Bundestag. If, however, the Bundestag is to take a decision on proposals contained in reports presented to the Bundestag they must be taken up in the form of a motion or bill. Study commissions do not affect the federal government's right to set up expert commissions of its own.

Examples of study commissions in the most recent term of the Bundestag are:

- Study Commission on the Protection of Mankind and the Environment (12 MPs and 12 experts)
- Study Commission on Demographic Change (12 MPs and 12 experts)
- Study Commission on the Future of the Media in the Economy and Society – Germany on the Way to the Information Society (11 MPs and 11 experts).³

But the present structure of Senate committees is unwieldy. The alignment between Senate, House and joint committees needs to be improved. The standing committees of the Senate and the House of Representatives now exercise parallel oversight in seven portfolio areas. Six joint committees exercise scrutiny and oversight of particular agencies. The Senate Estimates Committees provide a process for scrutinising appropriations.

There is no dedicated Treasury committee and no equivalent of the powerful Chairmen's Committee in the UK House of Commons. This committee combines the views of committee chairs about the operations of the overall system and provides an influential platform for negotiations with

the executive. There is no committee with a clear mandate to examine long-term strategic issues. A committee for the future, analogous to the Committee for the Future of the Finnish parliament described in Box 4, could be established or could evolve from an existing committee. The funds available to support committees are also much less than those provided even to the UK House of Commons committees. Further, there is only limited effort to conduct inquiries by co-opting outside experts – or to use modern technologies to tap opinion. Quasi-ministerial status might be accorded to committee chairs as one way of lifting their profile. More controversially, the late Senator David Hamer suggested some time ago that ministers should cease to be drawn from the Senate and that it become a committee House.⁴ All these steps should be considered if the role of committees were to be significantly upgraded.

Three other changes would contribute a great deal to the effectiveness and impact of committees. Committees need more access to parliamentary time and, if they can muster sufficient floor support, they need to be more willing to use the powers of the parliament, particularly of the Senate, to gain attention for their findings. Through the use of voting on the floor they could seek to oblige the government to take action. Even if such efforts failed (as is likely), such moves would create the dramas from which awareness can develop. Because of its powers, and because of the lack of a government majority, this is a particular potential for Senate committees – or for joint committees whose reports are championed by senators. There has been one recent positive change. The rule that prohibited the release of reports out of session has recently been reversed.

External experts might be introduced to parliamentary inquiries as is done by various means in the UK, Germany and the USA. Many examples have been cited in earlier chapters. This has many potential benefits: increasing the skill base of the inquiries; education of members of the House of Representatives and senators; educating ‘experts’ about politics; and increasing the impact of the inquiry reports when they are released. A system of parliamentary commissions for the exploration of strategic issues with equal numbers of MPs and outside experts – similar to that in the German parliament (see Box 9) or modelled on the UK Parliamentary Office of Science and Technology (see Box 1) – should allay government fears that increased money for inquiries would simply lead to criticism of

government policy and thus to political problems. Other approaches might be tried. Drawing on the practice of the US Senate, Blue Ribbon Panels or parliament-private sector task forces (including state parliamentarians) could be established. Search conferences could be staged. Another possibility might be to have separate advisory committees with the parliamentary committee as the representative body and the advisory committees as the expert group.

Finally, as noted previously, the funds available for parliamentary inquiries need to be increased substantially. This could be by direct funding for the parliament, separate from the executive, through a parliamentary commission, as in the UK. In sum, the approach, standing, staffing, structure and funding of the committee system could all be significantly enhanced.

How Do Interest Groups View Participation in Senate Inquiries?

Can Senate committee inquiries contribute to the engagement of groups and movements and perhaps to the development and refinement of opinion? A survey of interest groups and social movements invited to give evidence before Senate committees in the parliamentary year 2000-01 provides evidence.⁵ Twenty-five inquiries were covered, some at the frontier of public debate. These included Australia's response to the greenhouse effect and Kyoto, appointments to the ABC Board, the radiation hazard posed by mobile phones and the administration of higher education. Other inquiries involved scrutiny and oversight. They covered such issues as the enforcement of the superannuation guarantee levy, fees on electronic and telephone banking and the fate of the IT strategy in the Australian Public Service.

The survey of interest groups sought to establish their approach, experience and attitudes in four areas: first, preparation for the inquiry; second, their experience of the inquiry itself; third, their reaction to the Senate Committee report, and finally, their overall evaluation of the process. Some of the key findings follow.

Eighty-two per cent of respondents gathered information especially for the inquiry and 69 per cent of respondents undertook fresh research. Eighty-two per cent said they experienced positive learning of some kind or another and/or formed new links to other groups. One important element

involved new information. Most gained new information about the government's reasons for doing things and about the approaches that had been adopted. In addition, groups obtained new information about each other. This is another strong indicator of the potential impact of committees. It points to their capacity to disseminate information among interest groups. Seventy-seven per cent reported their participation to their members. The two most valued attributes of Senate committees were the open and public forum presented by committees and the procedural fairness of inquiries.

Finally, the questionnaire asked respondents whether they would welcome an extension of the powers and role of Senate committees. Seventy-six per cent indicated they would. One comment from the survey was typical: 'We very, very strongly support the bipartisan parliamentary role. The Senate is playing its role.' The participating groups for the most part recognised and supported the role played by the Senate in informing the parliament and the nation and felt that there had been benefits of many kinds in participating in these inquiries. Participants welcomed the opportunity to learn provided by committee hearings.

The head of a peak welfare organisation has, however, pointed to the limitations of inquiries in the present scheme of things:

You do learn a lot from contributing to inquiries, but they are very time consuming and draining and when they lead to nothing much (as the poverty inquiry did, with the Government branding it a political exercise) it is devastating and makes engaging our networks in the next one even more difficult. Increasingly the results of senate inquiries are dismissed. Also there is limited strategic thinking about the inquiries or the inquiry process – we seem to have been doing one every few weeks for the last couple of years. So a more strategic approach to all inquiries would be valuable.⁶

Furthermore, there is virtually no conception among bureaucrats, ministers or parliamentarians of the potential of Senate committees as a medium for strategic policy development and the engagement of interest groups in such matters. Deficiencies in the present system are not recognised. Despite all these limitations, the survey results affirm the potential of parliamentary committee inquiries. The results give strong support for further actions

aimed at building interest groups' understanding of, and engagement in, parliamentary processes. Parliamentary committees are uniquely placed to make 'catalytic' contributions to the exploration of strategic issues and the engagement of interest groups in their development.

Is Political Change a Real Possibility?

How might committees of the parliament become an influential part of the policy-making process? Could they come to play a more influential role in the framing of our national political conversation? The answer is 'Yes' and the means are really quite simple. The Senate is ideally positioned as the primary setting. House and joint committees could also play strong complementary roles. Together, these committees could routinely seek to introduce new issues into the broader public conversations of Australian society. To do this, they need a formal remit. In the case of the Senate, they then need to exercise the latent authority of this putatively very powerful chamber. Indeed, as noted earlier, what is envisaged here is similar to the relationship that existed between the Houses in the period 1901 to 1909, when three not two parties dominated parliament.

To introduce such change in the Senate no constitutional changes are required. All that is needed is a more workable committee structure, adequate funds for committee inquiries, a more imaginative approach to inquiries (e.g. the opportunity to include outside experts on investigative committees) and better procedures and resources for the release and debate of findings. The treasurer could begin by providing new funds for strategic investigative committees or for a standing committee for the future as in the Finnish parliament. Neither of these initiatives should pose political problems for the government of the day. They could be of great benefit to it and to the nation. It would be better still if a standing parliamentary committee responsible for long-term review and analysis were supported by an independent commissioner reporting directly to the parliament. One attractive model could be a commissioner for sustainability with a responsibility to provide information to the parliament and the nation on progress towards the multiple social, environmental and economic goals of a sustainable society.

The changes could be made by one of the major parties when in office, assuming the agreement of the minor parties. A major party might act this

way out of enlightened self-interest. Alternatively, if minor-party support continues to grow, the minor parties could take the initiative. There are many ways in which they could negotiate with the government or the Opposition. They could trade a preference deal for the support of a major party in House of Representatives elections for a real change in the committee structure in the Senate. (Any proposals to alter the voting system in favour of the major parties and to reduce the role of minor parties are only likely to increase public cynicism about the political process – ultimately a dysfunctional outcome for everyone.)

Those used to adversarial approaches may find an attempt to explore the scope for even limited consensus between the major parties impractical or worse. The idea of seeking bipartisan or multi-party agreement, at least on guidelines and principles, and mainly through committee inquiries, might instinctively be rejected as giving too much away. Yet this is one key promise of these changes. Of course consensus will be limited, often partial and often unavailable. This is as it should be. But the notion that we are stuck with the present ritual jousting is defeatist. It inhibits the exploration of imaginative alternatives.

The minor parties too would gain from a more transparent process. Rather than negotiating with the executive behind closed doors, an expansion of committee roles and powers would provide them with opportunities to launch investigations of their own preferred agendas. This would provide assurance to supporters that their policy preferences are being properly recognised in the political system.

Finally and crucially, it is likely that there would be great popular support for these changes. People are sick of tribal political warfare about the strategic issues facing the nation. They are sick of political spin. They want to be properly informed and to have the chance to have a say. The changes outlined could significantly help to reduce popular cynicism about the political system.

The great nineteenth-century liberal Walter Bagehot summarised the case for a powerful role for parliament in the national conversation in terms that are again pertinent:

All opinions extensively entertained, all sentiments widely diffused, should be stated publicly before the nation. We must take care to bring

before the legislature the sentiments, the interests, the opinions, the prejudices, the wants of all classes of the nation ... Any notion, any creed, any feeling, any grievance which can get a decent number of Members to stand up for it, is felt by almost all (citizens) to be perhaps a false and pernicious opinion, but at any rate possible – an opinion within the intellectual sphere, an opinion to be reckoned with ... A great and open Council ... cannot be placed in the middle of society without altering that society. It ought to alter it for the better. It ought to teach that nation what it does not know.⁷

Conclusion

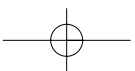
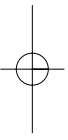
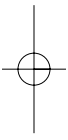
This study illustrates the failure of the current political system to provide the setting for sustained review of long-term trends and their possible social and political consequences. There are inadequacies in research, in technical analysis, public engagement and consultation, and in the way issues are drawn into the formal political system. No single change can redress these deficiencies. Australia needs to invest in each of these areas if it is to have the capacity to respond to new contingencies and persistent trends in an effective way.

Research, technical analysis, monitoring and reporting are the backbones of a good system. There is not, however, the investment in research found in other countries. Informed public opinion is the second essential ingredient for wise public choice. There is not now sustained concern for public education, involvement and debate. Many of the outstanding examples drawn from Australian and overseas experience and described here could provide excellent models for Australia.

Above all, there are major failings in the formal political system. The familiar competitive two-party system is now itself a principal obstacle to the capacity of Australians to exercise wise policy choices. There is minimal capacity for constructive discussion of strategic issues in parliament. There is little capacity to make transparent the bipartisanship that is so patently present between the major parties. There is little capacity to engage interest groups in the consideration of strategic issues. The result is a political structure at odds with our real situation and our real needs.

For genuine debate about the long term to occur, a setting outside the daily parliamentary cut and thrust between the main parties, but within the formal political system, is essential. The potential of the parliament to initiate inquiries into matters of long-term consequence to the nation and to encourage a national conversation about them is not being realised. The establishment of one or more commissions with a long-term focus reporting to the parliament rather than to the government, and a 'strong' parliamentary committee system, particularly one that exploits the latent powers of the Senate, would redress this imbalance. By such means, the present gap between the formal political system and the Australian community could be closed and a historic development of Australian democracy achieved.

All these changes will be in vain if they do not lead to effective action. There is therefore a final requirement – political leadership of vision, courage and conviction.



Notes

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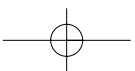
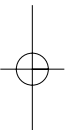
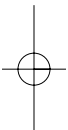
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ACKNOWLEDGEMENTS

The ideas presented here have benefited greatly from the experience and counsel of Michael Keating, to whom the expression 'a contemplative phase' is to be attributed. Dave Marsh has been a stimulating and supportive colleague and friend. Wayne Hooper has also been a great help.

Sarah Bekessy carried out valuable early research on overseas practice with dedication and enthusiasm. Members of the Steering Committee of the Australian Collaboration, especially Megan Mitchell, Ross Tzannes and Mike Krockenberger, made very helpful comments on the text. Finally, Lorine Ligtvoet rescued some earlier drafts from academic obscurity although she is not responsible for lingering failings.

We are also grateful to all those, too numerous to name, who participated in workshops run by the Australian Collaboration at the Australian National University (chaired by Julian Disney) and at the University of Melbourne (chaired by Mark Considine) to discuss themes for this essay. Sid Spindler and Race Mathews subsequently provided other valuable information and comments.

