

**AUSTRALIAN RESEARCH COUNCIL  
ARC CENTRES OF EXCELLENCE  
APPLICATION FORM FOR FUNDING COMMENCING IN 2011**

**CE**

**Project ID:**

(to be completed by the ARC):

**Centre Director:**

**Brown, Alexander J**

Total number of pages contained in this application	
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This Application Form must comply with the requirements of the *ARC Centres of Excellence Funding Rules for funding commencing in 2011*, any content and page limit requirements specified in this form and in the *ARC Centres of Excellence for funding commencing in 2011 Instructions to Applicants*. You can refer to section 14 of the *ARC Centres of Excellence Funding Rules for funding commencing in 2011* for information on submitting and preparing a Proposal Form, particularly section 14.6 for formatting requirements.

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**Part A – Administrative Summary**

**A1. Organisation to administer funding**

**Griffith University**

**A2. Proposal title**

**ARC Centre of Excellence in Federalism and Public Policy Innovation**

**A3. Expression of Interest number (EOI ID)**

**CE11E0004**

**A4. Researcher summary**

List the researchers who will be involved in the Centre, including the Centre Director (CD), Chief Investigators (CI) and Partner Investigators (PI).

Person number	Family name	Title	Initials	Organisation	Role
<i>Leadership Group</i>					
1	Brown	Prof	A J	Griffith University	CD
2	Galligan	Prof	B	University of Melbourne	CI
3	Williams	Prof	G	University of New South Wales	CI
<i>Project Leaders &amp; Program Coordinators</i>					
4	Aroney	Prof	N	University of Queensland	CI
5	Fenna	Prof	A	Curtin University of Technology	CI
6	Beer	Prof	A	University of Adelaide	CI
7	Tiernan	Dr	A	Griffith University	CI
8	Anderson	Mr	G	Flinders University	CI
9	Burton	Prof	P	Griffith University	CI
10	Warren	Prof	N	University of New South Wales	CI
11	Lynch	A/Prof	A	University of New South Wales	CI
<i>Chief and Partner Investigators</i>					
12	Rubenstein	Prof	K	Australian National University	CI
13	Chappell	Prof	L	University of New South Wales	CI
14	Kincaid	Prof	J	Lafayette College, USA	PI
15	Head	Prof	B	University of Queensland	CI
16	Hollander	Dr	R	Griffith University	CI
17	Curran	Dr	G	Griffith University	CI
18	Hueglin	Prof	T	Wilfrid Laurier University, CAN	PI
19	Guest	Prof	R	Griffith University	CI
20	Smith	Prof	C	Griffith University	CI
21	Wanna	Prof	J	Australian National University	CI
22	Phillimore	Prof	J	Curtin University of Technology	CI
23	Gleeson	Prof	B	Griffith University	CI
24	Mawson	Prof	J	Durham University, UK	PI
25	Worthington	Prof	A	Griffith University	CI
26	Grewal	Prof	B	Victoria University	CI
27	Kay	A/Prof	A	Australian National University	CI
28	Twomey	A/Prof	A	University of Sydney	CI
29	Jeffery	Prof	C	University of Edinburgh, UK	PI

**Part G – Other Personnel Associated with the Centre**

Person number	Family name	Title	Initials	Organisation	Role
<i>Deputy Director</i>					
30	Menzies	Ms	J	Griffith University	DD
<i>Centre Board</i>					
31	Greiner AC	Hon	N	Premier of New South Wales (retired)	Chair
32	Williams AO	Ms	H	--	Bd
33	Anderson	Mr	G	Forum of Federations	Bd
34	Banks AO	Mr	G	Productivity Commission	Bd
35	Behrendt	Prof	L	University of Technology Sydney	Bd
36	Hughes	Prof	O	ANZSOG	Bd
37	Parkin	Prof	A	Flinders University	Bd
38	Peters	Cr	M	Inverell Shire Council	Bd
39	Podger AO	Mr	A	Institute of Public Admin Australia	Bd
40	Schreiber	Ms	U	--	Bd
41	Weller AO	Prof	P	Griffith University	Bd
42	Wiltshire AO	Prof	K	University of Queensland	Bd
<i>Associate Investigators</i>					
43	Levy	Dr	R	Griffith University	AI
44	Sanders	Dr	W	Australian National University	AI
45	Kommers	Prof	D	Notre Dame University, USA	AI
46	Ekins	Dr	R	University of Auckland, NZ	AI
47	Crowley	Dr	K	University of Tasmania	AI
48	Sloan	Prof	J	University of Melbourne	AI
49	Hinz	Ms	B	University of Melbourne	AI
50	Alessandrini	Dr	M	University of Tasmania	AI
51	Courchene	Prof	T	Queen's University, CAN	AI
52	Van Acker	Dr	E	Griffith University	AI
53	Althaus	Dr	C	University of Victoria, CAN	AI
54	Brunet-Jailly	Dr	E	University of Victoria, CAN	AI
55	Bakvis	Prof	H	University of Victoria, CAN	AI
56	Vakil	Dr	T	University of Victoria, CAN	AI
57	Butler	Dr	C	Griffith University	AI
58	Dollery	Prof	B	University of New England	AI
59	Eccleston	Prof	R	University of Tasmania	AI
60	Annett	Dr	I	University of Melbourne	AI

**A5. Organisation summary**

Organisation number	Organisation Name	Organisation Type
1	Griffith University	Admin Org
2	University of New South Wales	Collab Org
3	Curtin University of Technology	Collab Org
4	University of Queensland	Collab Org
5	University of Adelaide	Collab Org

6	Flinders University	Collab Org
7	University of Melbourne	Collab Org
8	Australian National University	Collab Org
9	University of Sydney	Collab Org
10	Victoria University	Collab Org
11	Australia & New Zealand School of Government	Partner Org
12	Council for Australian Federation	Partner Org
13	Forum of Federations, CAN	Partner Org
14	Lafayette College, USA	Partner Org
15	Wilfrid Laurier University, CAN	Partner Org
16	Durham University, UK	Partner Org
17	University of Edinburgh, UK	Partner Org

**A6. Summary of proposal**

In a shrinking global society, the ways governments structure their business, make public policy, and achieve social, economic and environmental policy outcomes are rapidly changing. In all multi-levelled governance systems, vital questions include which institutions are needed to fulfil what policy functions, at what spatial level, with what financial resources and collaborative, administrative and democratic capacity. This Centre establishes a unique multidisciplinary, intergenerational concentration of researchers to address the challenges confronting federal and multi-levelled systems in Australia and worldwide. It will rebuild Australia's contributions to governance research globally, and lead Australian debate on institutional renovation and reform.

**A7. Summary of national/community benefit (for public release)**

Australia's three levels of government expend \$461 billion per annum, employ over 1.75 million citizens and account for 23 per cent of national GDP. Their collective capacity to generate and implement innovative public policy, and their efficiency, responsiveness and sustainability, underpin the social, economic and environmental wellbeing of all Australians. Governments and the community recognise the imperative for reform of Australia's federal system to bolster these capacities, but lack a nationally coordinated concentration of independent research expertise in public policy, economics and law to support the necessary institutional renovation and redesign. This Centre provides that focus and assembles that capacity.

**A8. Years for which support is being sought**

Year 1     Year 2     Year 3     Year 4     Year 5     Year 6     Year 7

**A9. Have you submitted, or do you intend to submit, a similar Proposal to any other agency?**

Yes                       No

If Yes, please provide details:

## Part B – Centre Classification and Other Statistical Information

### B1. National Research Priorities

Select up to four National Research Priorities. These are listed in Appendix D of the *ARC Centres of Excellence Funding Rules for funding commencing in 2011*.

	National Research Priority Area	National Research Priority Goal
1	An Environmentally Sustainable Australia	Sustainable use of Australia's biodiversity. Responding to climate change and variability.
2	Promoting and Maintaining Good Health	Strengthening Australia's social and economic fabric.
3	Frontier Technologies for Building and Transforming Australian Industries	Promoting an innovation culture and economy.

### B2. Field of Research (FOR)

	Field of Research (FOR)	Field of Research (FOR) %
1	160510 – Public policy	30%
2	160601 – Australian Government and Politics	20%
3	160603 – Comparative Government and Politics	20%
4	180108 – Constitutional law	20%

### B3. Socio-Economic Objective (SEO)

	Socio-Economic Objective (SEO)	Socio-Economic Objective (SEO) %
1	940203 - Political Systems	40%
2	940204 - Public Services Policy Advice and Analysis	30%
3	940405 - Law Reform	30%

### B4. Keywords

	Keywords
1	Federalism
2	Public policy
3	Comparative politics and government
4	Intergovernmental relations
5	Multi-level governance
6	Constitutional reform

### B5. If the proposed Centre involves international collaboration, please specify the country/countries involved

	International Collaboration Country Name
1	United States of America
2	Canada
3	United Kingdom
4	New Zealand

## Part C – Case for the Centre

### ARC CENTRE OF EXCELLENCE IN FEDERALISM AND PUBLIC POLICY INNOVATION

*We are facing challenges so complex in their causes, so shifting in their natures,... and so radical in the solutions they demand, that they cannot be addressed with business-as-usual thinking. ... They require new, collaborative approaches to policy making across departments, across Commonwealth, State, Territory and local governments. They often require partnerships with the private and community sectors. Increasingly, they also require us to work with governments abroad. Above all, they require innovative, urgent and practical policy thinking – great ideas, but also ideas grounded in the real world.*

Hon Kevin Rudd MP, Prime Minister of Australia, 2009 <sup>1</sup>

*There are few problems in contemporary Australia that a dysfunctional federation doesn't make worse... More than fifty years of increasing Commonwealth involvement in areas of government that were once exclusively the realm of the states means that the federation is broken and does need to be fixed.*

Hon Tony Abbott MP, Leader of the Opposition, 2009 <sup>2</sup>

#### C1. MISSION

A national centre of excellence in public policy, economics and law, providing world's best thinking on improved structures and strategies for federal governance, through pure and applied research into intergovernmental relations, policy innovation and institutional reform.

#### C2. BACKGROUND & SIGNIFICANCE

Australia's three levels of government expend \$461 billion per annum, employ over 1.75 million citizens, and account for 23 per cent of national GDP.<sup>3</sup> This multi-levelled, federal system is responsible for the public policy settings affecting the social, economic and environmental wellbeing of all citizens and communities.

Australia's population, geography, culture, economic development and governance traditions combine to make a federal system of unique significance to the study of governmental institutions globally.<sup>4</sup> However, the nation lacks a coordinated focus for research excellence in the fields of public policy, economics and law, needed to inform domestic and international debate on the evolution and enhancement of multi-levelled governance systems.

In Australia's case, 109 years since federation, there is also a manifest need to concentrate research excellence in support of reform of these fundamental systems. Recently, through the Council of Australian Governments (COAG), unprecedented effort has been given to 'making federalism work',<sup>5</sup> including new strategies for collaboration in regulatory harmonisation, service delivery and evaluation.<sup>6</sup> However crucial questions remain about how best to:

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<sup>1</sup> Hon Kevin Rudd MP, Prime Minister of Australia, Paterson Oration, Australia & New Zealand School of Government Annual Conference, Canberra, 3 September 2009 <<http://www.pm.gov.au/node/6172>>.

<sup>2</sup> Hon T Abbott, *Battlelines*, Melbourne University Press, 2009, p.113.

<sup>3</sup> Australian Bureau of Statistics 2009 – see ABS Series 6248.0 (Employment), 5206.0 (National Accounts).

<sup>4</sup> Brown A J (2004). 'One Continent, Two Federalisms: Rediscovering the Original Meanings of Australian Federal Political Ideas' *Australian Journal of Political Science* 39(4): 485-504; Galligan B (1995), *A Federal Republic: Australia's Constitutional System of Government*, Cambridge University Press.

<sup>5</sup> See ANZSOG Annual Conference, *Making Federalism Work*, 11-12 September 2008 <<http://www.anzsog.edu.au>>.

<sup>6</sup> See Wanna J, Phillimore P, Fenna A & Harwood J (2009), *Common Cause: Strengthening Australia's Cooperative Federalism*, Council for Australian Federation; Tiernan A, (2008) 'The Council for the Australian Federation: A new structure of Australian Federalism', *Australian Journal of Public Administration*, Vol 67 (2) pp 122-134.

- evaluate the effectiveness of these collaborative approaches;
- sustain and extend best practice in intergovernmental collaboration;
- guarantee the efficient implementation of agreed policies and programs, and
- resolve longer term redistributions in roles, responsibilities and resources at each level (national, state, regional and local) of the nation's governance.<sup>7</sup>

These questions are central to solving major challenges across all areas of public policy – as demonstrated by the breadth of areas covered by COAG Working Groups since December 2007,<sup>8</sup> the COAG Seamless National Economy reform program and outcomes of the Australia 2020 Summit.<sup>9</sup> Policy innovation and implementation can be researched sector-by-sector or as generic processes, but the political and institutional dynamics that govern real-world outcomes are just as important – usually more so.<sup>10</sup> Too often the implementation of research investments in other fields is compromised by the *realpolitik* of intergovernmental practice.

At a recent meeting, COAG agreed that ‘significant progress’ was being made on wide-ranging policy reform in the short-term, but that ‘a sustained, collaborative effort would continue to be required’.<sup>11</sup> Indeed the broader history of Australian intergovernmental relations,<sup>12</sup> social expectations and political culture<sup>13</sup> all confirms that more substantial research support is needed, not only to inform this effort, but to do so in a manner that addresses medium and longer term issues of institutional renovation and redesign.

Through the research program proposed below (C4), this Centre answers that challenge. This research will provide a lasting contribution to the governance of Australia, and position a new generation of researchers at the cutting edge of governance research worldwide.

It is especially clear that this requires a new, secure, independently funded research concentration. The scope of Australia's federal problems reflects both historical under-investment in these problems by governments, and the incapacity or unsuitability of other stakeholders to fill this gap. The importance of ARC funding is demonstrated by the fate of Australia's main previous centre, the ANU Federalism Research Centre. This depended on direct contributions from federal and state governments which were terminated 15 years ago, amid intergovernmental tensions. This was the point at which, objectively, research into federalism became most vital.

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<sup>7</sup> See the conclusions of the 2007-2008 Institute of Public Administration Australia Federalism Policy Roundtables: J Wanna (2007), ‘Improving Federalism: Drivers of Change, Repair Options and Reform Scenarios’, *Australian Journal of Public Administration*, vol. 66, no. 3, pp. 275–279; A Podger & A J Brown (2008), ‘Australian Federalism: Rescue and Reform’ *Public Administration Today* 16, 36-41.

<sup>8</sup> Health and Ageing including establishment of the Health & Hospitals Reform Commission; Productivity including education, skills, training and early childhood; Climate Change and Water; Infrastructure; Business Regulation and Competition; Housing; and Indigenous Reform: Council of Australian Governments Communique, 20 December 2007 [http://www.coag.gov.au/coag\\_meeting\\_outcomes/2007-12-20](http://www.coag.gov.au/coag_meeting_outcomes/2007-12-20).

<sup>9</sup> Commonwealth of Australia (2009), *Australia 2020 Summit: Final Report*. Canberra, p. 307.

<sup>10</sup> E.g. Gilmore T N and J Krantz (1991), ‘Innovation in the public sector: dilemmas in the use of ad hoc processes’, *Journal of Policy Analysis and Management*, 10(3): 455-468; Deyle, RE (1994). ‘Conflict, uncertainty and the role of planning and analysis in public policy innovation’. *Policy Studies Journal*, 22(3), 457-473; Ryan N (1995), ‘Unravelling conceptual developments in implementation analysis’, *Australian Journal of Public Administration* 54(1): 65-80; Mackenzie, C (2004), ‘Policy entrepreneurship in Australia: a conceptual review and application’, *Australian Journal of Political Science* 39(2): 367-386.

<sup>11</sup> COAG Communique, 7 December 2009, Brisbane [http://www.coag.gov.au/coag\\_meeting\\_outcomes/2009-12-07](http://www.coag.gov.au/coag_meeting_outcomes/2009-12-07)

<sup>12</sup> Parkin, A & G Anderson (2007), ‘The Howard Government, Regulatory Federalism and the Transformation of Commonwealth–State Relations’ 42 *Australian Journal of Political Science* 295; Anderson, G (2008) ‘The Council of Australian Governments: A New Institution for Australia’s conditional federation’ 31 *University of NSW Law Journal* 493.

<sup>13</sup> Brown, A J (2009), ‘Thinking Big: Public Opinion and Options for Reform of Australia’s Federal System’ *Public Policy* 4(1): 30-50; (2010), ‘Fix the broken wheel of state and give the boot to the knee jerk reaction: results of the second Australian Constitutional Values Survey’, *Weekend Australian* 10-11 April 2010.

### **C3. GOALS AND OBJECTIVES**

Consistently with the mission at C1, the Centre's goal is to inform, drive and support processes of institutional transformation in Australia's evolving federal system, and make equivalent contributions worldwide. The Centre has six overarching objectives:

1. *To undertake highly innovative, transformational research which advances social capabilities and knowledge in institutional innovation, renovation and redesign.*

At their broadest, institutions are stable, valued and recurring patterns of human behaviour.<sup>14</sup> Capacity for innovation, as well as for dealing with change, rests on social capabilities for constructive analysis, debate and decision-making regarding institutional adaptation.

Government cannot provide the knowledge needed to build these capabilities. The Secretary of the Department of Prime Minister and Cabinet, Terry Moran, has recognised the public sector as being good at 'incremental policy improvement', but 'where we fall down is in long-term, transformational thinking; the big picture stuff'.<sup>15</sup> This Centre will supply that thinking, engaging directly with governments and public stakeholders.

2. *To link existing Australian research strengths, and build critical mass with new capacity for interdisciplinary, collaborative approaches to governance system reform.*

Research need in this field has already been recognised by Australian Research Council funding of at least six different Discovery and Linkage Projects in the last five years (total \$1.723 million).<sup>16</sup> This Centre links all these teams, integrating their results with lessons identified collaboratively with the public sector, into a coherent research program.

A shortcoming of previous research has also been its separation into disciplinary fields – politics, policy, administration, finance, economics, law – when all are needed to achieve improvements in governance. This Centre combines these through a blend of established, mid-career and emergent researchers, and current and former policy practitioners.

3. *To build and strengthen networks with major national and international centres in support of the research, and gain international recognition for Australian research.*

The Centre brings together researchers from 22 universities, including institutions in every Australian State and the Australia and New Zealand School of Government which is a cash partner. It combines resources from eight major research centres in the seven institutions making cash commitments towards the programs (Griffith, UNSW, Melbourne, Queensland, Adelaide, Curtin and Flinders Universities). The Centre core is based on a partnership between the Griffith University Federalism Project and UNSW Gilbert + Tobin Centre of Public Law. The Centre structure combines geographic diversity and capacity for coordinated action, engages with eight overseas universities, and provides a more visible platform for Australian engagement with international research communities (see C7 below).

4. *To provide a research environment which attracts and retains leading researchers, research students and postdoctoral scholars, and builds the next generation of researchers.*

Across the eight project streams, the Centre's operations provide for the engagement of 26 full-time doctoral students, 18 postdoctoral fellows and 8 research fellows, as an investment

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<sup>14</sup> Goodin, R E (ed)(1996), *The Theory of Institutional Design*, Cambridge University Press, p.21, following Huntington, S P (1968), *Political Order in Changing Societies*, Yale University Press, p.12.

<sup>15</sup> T Moran, 'Challenges of Public Sector Reform', *Public Administration Today* 19 (April-June 2009), p.9.

<sup>16</sup> DP0666174: *Regulatory Federalism and Public Policy*; DP0666833: *Towards Sustainable Regional Institutions*; DP0986083: *Federalism for the 21st Century*; LP0560613: *Regional Governance for Aboriginal and Torres Strait Islander Communities*; LP0669283: *Cooperation, Competition or Control? Public policy and the use of tied grants in Australian federalism*; LP100100513: *Federalism in Australian schooling*.



in research capacity in this field. The Centre's chief investigators are committed to providing the highest quality supervision to up-and-coming researchers in the area, many of whom will go on to careers in governance-related research and public service capacity-building which are currently either in decline or in need of new investment.

5. *To provide a basis for research into large-scale problems over a longer period of time.*

All project streams address a major research challenge extending beyond the normal 3-5 year timeframe of a large ARC project. As set out in C5 and E1, they combine in turn to form a single research program, in support of reform solutions which may take more than a decade to come to fruition. The Centre will provide a new generation of researchers with a secure base for addressing these vital medium-range challenges, rather than pursuing short-term funding for individual, uncoordinated projects with more limited impacts.

6. *To establish a centre which serves the wider community as a focal point for expert interaction and informed debate between researchers, governments, stakeholders and the general public on important issues of governance reform.*

Four CIs (Brown, Tiernan, Twomey, Williams) were participants in the governance stream of the Australia 2020 Summit, many have high level public sector experience, and all share a commitment to active contribution to public debate.<sup>17</sup> The Centre Board, chaired by the Hon Nick Greiner AC (C6), provides a measure of the Centre's high level engagement with stakeholders (see also C8). All are committed to research grounded in existing political culture, generating viable options for enhancing policy practice and public discourse.

#### **C4. RESEARCH PROGRAM**

As outlined in the Expression of Interest, the Centre's research strategy, led by the Centre Director, Professor A J Brown, will be organised administratively into three programs:

- Policy Innovation: *understanding federal culture and practice* (coordinated by Fenna)
- Intergovernmental Collaboration: *addressing known challenges* (coordinated by Tiernan)
- Constitutional Governance: *sustaining and embedding reform* (coordinated by Lynch).

Within these programs the Centre's activities are organised as eight major projects, each running for the life of the Centre. Together they address the major challenges for reform:

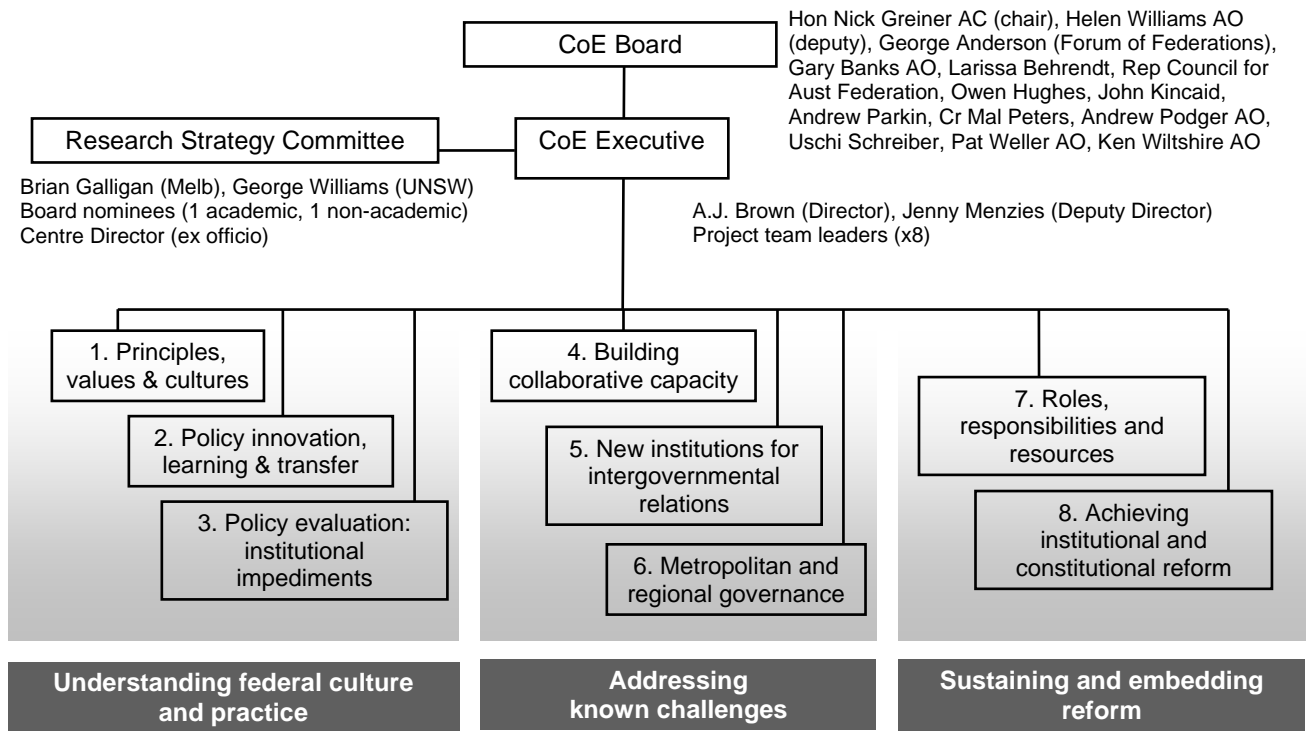
- *Projects 1-3* build new understandings about the current theory and practice of federal governance, including key areas of known practical importance. Emerging results will inform the reform imperatives and possibilities addressed by the remaining projects.
- *Projects 4-6* address large challenges already identified as strategically significant for the evolution of intergovernmental policymaking and implementation, with major benefits for the quality of governance for generations to come.
- *Projects 7 and 8* focus on the financial, institutional and constitutional shifts needed to underpin an improved and evolving system of governance in the longer term. Each begins with known problems but combine with projects 1-6 to guide a new, more productive debate.

Projects 1 and 8 play an important role in the coherence of the program, dealing respectively with the agreed principles guiding reform and processes for achieving it. This integration is reinforced by the governance arrangements described at C5, the Centre Director's direct role in both these projects, and extensive cross-activity between teams. A full strategic plan covering all projects and subprojects has been prepared and is summarised for budget purposes at E1.

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<sup>17</sup> For example, see n.13 above; Williams, 'Change will only come if leaders can agree', *Sydney Morning Herald*, 2 February 2010; Brown, 'Fix the broken wheel of state', *Weekend Australian* 10-11 April 2010.

**ARC Centre of Excellence in  
Federalism and Public Policy Innovation**



***Project 1: Federal Principles, Values and Cultures (Team Leader: Aroney)***

This project will identify the basic concepts, principles and values that underlie the design of modern federal systems; investigate and monitor the bases for these principles in political culture; and assess the extent to which these are reflected in existing institutions and reform options. The principles to be assessed include citizenship and democratic participation; local self-government and subsidiarity; individual and group rights; equality, equity, diversity and inclusiveness; transparency, integrity and accountability; and efficiency and responsiveness.

Five chief and partner investigators will have a primary role as members of this team (Aroney, Brown, Rubenstein, Chappell and Kincaid) with six additional investigators (Hollander, Levy, Sanders, Hueglin, Kommers and Ekins). Subprojects are: *1.1. Conceptual and comparative study of principles for institutional design; 1.2. Measuring and understanding values and culture; 1.3. Gender equality, federalism and public policy; 1.4. Embodying principles and values in design.*

***Project 2: Policy Innovation, Learning and Transfer Across the Federation (Fenna)***

A theoretical benefit of federalism is opportunity for inter-jurisdictional policy learning. This project tests the extent to which ‘laboratory federalism’ occurs, identifying the conditions which facilitate and constrain innovation. Australian case studies will be investigated as ‘action’ research engaging policy practitioners in sharing of experience, augmented by international comparisons. The research will reveal the value of policy autonomy at different levels; factors enhancing policy innovation; and the institutional support needed for knowledge transfer.

Eight chief, partner and associate investigators will participate (Fenna, Hollander, Curran, Head, Hueglin, Chappell, Tiernan and Crowley). Subprojects are: *2.1. Identifying and supporting interjurisdictional policy learning; 2.2. Case studies in policy experimentation and transfer; 2.3. International laboratory federalism; 2.4. Building institutional capacity for policy learning.*

***Project 3: Policy Evaluation: Identifying Institutional Impediments to Reform (Beer)***

This project recognises the importance of evidence-based evaluation of policy implementation, and investigates the institutional factors preventing current governmental structures from achieving accepted policy targets on agreed timetables. It supplements the work of new evaluation agencies such as the COAG Reform Council, which can identify when agreed reforms are not achieving targets,<sup>18</sup> but as yet do not investigate the reasons for these outcomes.

Priority areas for research include population and infrastructure strategy; health, welfare and social services; and Indigenous policy coordination. This research will provide a basis for understanding how current institutions assist and impede policy change and implementation, and inform the development of new capacities and institutional options through projects 4-8. Three chief investigators have a primary role (Beer, Guest and Smith) with six additional investigators (Head, Wanna, Kay, Galligan, Sloan and Hinz). Subprojects are: *3.1. Identifying reform bottlenecks; 3.2. Case studies in institutional complexity; 3.3. Reform solutions.*

***Project 4: Building Collaborative Capacity (Team Leader: Tiernan)***

All federations require structures to enable cooperation across multi-level governance. Given Australia's tendency toward 'executive federalism'<sup>19</sup>, collaboration especially depends on the abilities of political leaders and the quality of their advice and support systems. As the scope and complexity of intergovernmental collaboration have expanded, the backroom skills needed in Australia to manage our federal system have not been systematised or nurtured.

This project analyses where greater investment in collaborative capacity and skills is needed, and how these can most usefully be developed and institutionalised. It will engage policy makers at all political levels, produce practice-based learning, involve a strong comparative engagement with researchers from Canada, and form a particular focus of the Centre's interactions with ANZSOG programs. The project will be led by Tiernan and Wanna, supported by the Deputy Director (Menzies) and nine additional investigators (Anderson, Phillimore, Curran, van Acker, Alessandrini, Althaus, Brunet-Jailly, Bakvis and Vakil). Subprojects are: *4.1. Capacity and skills for intergovernmental coordination and collaboration; 4.2. Systems, cases and models of collaboration; 4.3. Confronting 'soft' barriers and impediments to collaboration.*

***Project 5: New Institutions for Intergovernmental Relations (Team Leader: Anderson)***

The developing roles of COAG, COAG Working Groups, the COAG Reform Council, Ministerial Councils, the Australian Council for Local Government and a plethora of bipartite and tripartite intergovernmental arrangements are indicative of worldwide efforts to overcome fragmentations in government. This project will map past and current efforts, and chart solutions for this changing architecture of intergovernmental relations. It will develop a sustainable system relevant to an integrated national economy, to underpin economic growth and enhance efficiency, equity and opportunity, while preserving federalism's political benefits.

New supports for this architecture will be sub-constitutional and constitutional. The project will draw on preceding projects and inform projects 6-8. Three chief investigators drive this project (Anderson, Phillimore and Galligan) with four further investigators (Menzies, Twomey, Lynch and Burton) playing pivotal roles. Subprojects are: *5.1. Mapping intergovernmental systems; 5.2. New legal, structural and governance models for intergovernmental relations; 5.3. The politics of intergovernmental relations and reform.*

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<sup>18</sup> See e.g. COAG Reform Council (2010), *National Partnership Agreement to Deliver a Seamless National Economy: Report on Performance 2008-09*, Sydney, 23 December 2009 <<http://www.coag.gov.au/crc/reports.cfm>>.

<sup>19</sup> Sharman, C. (1991), 'Executive Federalism' in B. Galligan, O. Hughes and C. Walsh (eds), *Intergovernmental Relations and Public Policy*, Allen & Unwin, Sydney; Painter, M. (1998), 'Managing Horizontal Government: The Politics of Co-ordination' *Public Administration*. Vol 76, pp. 295-311.

***Project 6: Metropolitan, Regional and Local Governance (Team Leader: Burton)***

Australia's regions are the spatial scale at which much policy implementation is targeted, but at which substantial governance deficits exist. Local governance is ever-important to national priorities but suffers ongoing crises of legitimacy, capacity and resources. This project addresses these deficits by focusing on regional planning, policy coordination and democratic engagement, and new institutional frameworks to support it. Extending across urban, rural and remote contexts, the research will focus particularly on the future of metropolitan governance, in line with the urgency – recognised by COAG – of strategic planning systems for Australia's largest cities.<sup>20</sup>

This project will be undertaken by six chief and partner investigators (Burton, Gleeson, Mawson, Brown, Beer, and Smith) and two associate investigators (Dollery and Butler). Subprojects are: *6.1. Filling the metropolitan gap; 6.2. Legitimacy, authority and capacity in local and regional governance; 6.3. Community engagement and regional intergovernmental coordination.*

***Project 7: Roles, Responsibilities & Resources (Team Leader: Warren)***

This project will drive next-generation Australian research into issues and options for funding governance in modern multi-levelled systems. It critically evaluates the state of Australian federal financial relations; explores options for reform of the public financial system; and provides new research into the costs and efficiencies of alternative distributions of functional and operational responsibilities. This research provides a key comparator across the projects, enabling principle and evidence-based reform to be assessed for its financial and economic implications. It will supplement and review the role of the Commonwealth Grants Commission and examine the implications of financial constitutional recognition of local government.

The project is led by a team of six chief investigators (Warren, Worthington, Grewal, Kay, Fenna and Smith) and two associate investigators (Dollery and Courchene). Subprojects are: *7.1. Assigning roles and responsibilities in a federation; 7.2. Tax assignment in the Australian Federation; 7.3. Intergovernmental transfers in a multi-level system of government; 7.4. Evaluating the costs and benefits of federal reform.*

***Project 8: Achieving Institutional and Constitutional Reform (Team Leader: Lynch)***

This project focuses on the institutional and constitutional processes needed to secure principle-driven, evidence-based, politically viable reform to an evolving federal system. It addresses key constitutional problems which already limit even basic collaborative reform, and investigates the institutional and constitutional change implications and pathways for the further reform options identified by the preceding projects.

Throughout the Centre's life, this project will also focus on supporting and facilitating more informed public debate on reform proposals as they arise, both from within the Centre and as advanced by governments and other stakeholders. It will investigate the potential for more comprehensive, informed and democratic reform processes such as advocated by the Australia 2020 Summit and the Council for Australian Federation.

The project is led by four chief and partner investigators (Lynch, Williams, Twomey and Jeffery) with five additional investigators (Brown, Aroney, Rubenstein, Annett and Levy). Subprojects are: *8.1. Referring powers between levels of the federation; 8.2. The constitutional principle of 'cooperation'; 8.3. Institutionalising intergovernmental relations; 8.4. Processes for reform.*

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<sup>20</sup> Council of Australian Governments Communique, 7 December 2009, Brisbane <<http://www.coag.gov.au>>

## **C5. GOVERNANCE, LEADERSHIP AND MENTORING**

The Centre has a strong and efficient governance structure, relying on three mechanisms: the Centre Board, the Centre Executive, and the Research Strategy Committee.

The **Centre Board** is the primary strategic advisory group overseeing the Centre. Chaired by the Hon Nick Greiner AC, former Premier of NSW, its deputy chair is Helen Williams AO, Australia's first woman federal departmental head and Public Service Commissioner. It includes George Anderson, President of the global Forum of Federations and former Canadian Deputy Minister for Intergovernmental Affairs, along with others with high-level experience (see Part G). The Board's functions are described in the chairman's role description (Part G: Person 31). Two members (one academic, one non-academic) will also serve on the Research Strategy Committee.

The **Centre Executive** is led by the Director (Brown), with overall responsibility for the research program and publication, stakeholder and public engagement strategies (Part F: Person 1). He is supported by a proposed Deputy Director (Menzies) (Part G: Person 30), a Centre Manager and other staff detailed at Parts D and E. The Executive is completed by the eight project team leaders, being the lead investigators from universities making cash commitments to the Centre. Outside Executive meetings, the Director, Deputy Director and program coordinators will support the Centre's internal communication and reporting processes.

The **Research Strategy Committee** is the Centre's primary quality assurance process. It is co-chaired by two of the nation's most accomplished governance researchers, Professors Galligan and Williams and includes the Centre Director and two nominees of the Board. The Committee will assess the Centre's project plans against its objectives; provide advice and feedback to team leaders on methodologies, outcomes and timelines; monitor progress of projects prior to release of later-stage project funding; and assist in ongoing coordination of the program.

This governance structure will ensure delivery of world-class research against criteria of theoretical excellence and real-world relevance.

As discussed at C3 (Objective 4), the Centre Director and chief investigators are committed to an environment for the mentoring of all researchers, especially research fellows, postdoctoral scholars and doctoral scholars. Centre recruitment will be a high priority for the Director and will be aimed at attracting and retaining the best national and international talent. All scholars will receive central support from the Centre and opportunities and resources to participate in key events across the Centre, in addition to conventional individual supervision.

All chief investigators are dedicated to a program of research which is: (a) evidence-based, (b) comparative, (c) multidisciplinary, (d) concerned with needs and interactions at all levels of governance, from local to global, (e) citizen and outcome focused, and (f) engaged with current policy practice, public debate and capacity-building needs.

## **C6. INTERNATIONAL CAPACITY AND PROFILE**

As stated at C3, the Centre will provide a new interface for Australia's engagement with international research and policy communities engaged in the transformations of multi-levelled governance worldwide. The challenge of adapting Australia's mature federal system to changing social and economic needs is typical of worldwide shifts in information, power, wealth, social cohesion and community identification.<sup>21</sup> However Australia's historic role as a leader in democratic standards and innovative administration has been diminished, largely through the lack

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<sup>21</sup> See e.g. Blomley, N. K. (1994). *Law, Space and the Geographies of Power*. New York, Guilford Press; Keating, M. (1998). *The new regionalism in Western Europe: territorial restructuring and political change*. Edward Elgar, Cheltenham, UK; Hueglin T O & Fenna A (2006), *Comparative Federalism: a systematic inquiry*. Broadview Press.

since 1995 of such a Centre, with the ability of the international community to access and apply Australian research having inevitably suffered from its discrete and discipline-specific nature.

Solutions that work in Australia's extreme demographic conditions promise to again be globally significant in emerging federal systems. Establishing the Centre as a platform for international comparative analysis will benefit Australian research and re-establish the capacity for Australian researchers to lead governance research worldwide. The Centre's interlocking projects and interdisciplinary expertise will produce coherent high-quality research capable of the broadest dissemination and application internationally.

This will be supported by the international linkages demonstrated on the Centre Board and team – including the active support of the Forum of Federations, a focal point for comparative research into federalism globally, with whom many researchers have existing links. The Board will also include Professor John Kincaid – one of the Centre's eleven international investigators, a world leader in federalism scholarship, and past president of the International Association of Centres for Federal Studies, which the Centre looks forward to joining.

## **C7. OUTCOMES AND LINKAGES**

The primary outcomes from the Centre will be:

1. The creation of a world-class interdisciplinary team, including a next generation of interdisciplinary researchers in governance studies, in collaboration with government and NGO stakeholders, working through a coordinated and calibrated research program to produce solutions to the challenges of 21<sup>st</sup> century multi-level governance;
2. The production of a coherent body of research, grounded in practice and accommodating political, economic and legal perspectives, strategically promoted by the Centre through its governance team, institutional affiliations, and program of public engagement, to generate real options for use by government in policy innovation and systematic reform of Australia's federal institutions and governance mechanisms;
3. Strengthened expert and community debate and discourse regarding the future of federal governance, supporting quality decisions for institutional and constitutional change, and for the ongoing evaluation and development of the nation's political systems.

The Centre will have a large number of outputs, promoting knowledge transfer through its program of workshops, Centre-based publications and wider communication strategies. For impact in government and the public domain, outcomes will be presented in established national and international journals including *Australian Journal of Political Science*, *Australian Journal of Public Administration*, *Federal Law Review*, *Public Law Review*, *Public Policy*, *Publius* and other international journals. The Centre will also produce:

- an annual 'State of the Federation' publication featuring key research findings including those relating to public attitudinal change on governance issues in the federation;
- a coherent series of monographs based on the highest quality outputs across the Centre's eight research projects (*The Federation Press*, Australia's leading publisher on legal and public affairs, has already given in-principle agreement to publish this series);
- a collaborative web platform, such as through Australian Policy Online, to operate as a clearing house on federalism events, articles, debates, research and publications;
- continuing involvement of Centre members in the Council of Australian Federation's *Federalist Paper* series, as topic advisors and contributing authors.

Over the Centre's initial seven years of funding, chief investigators estimate the Centre will produce at least 36 edited books or special journal issues, 15 high quality monographs, and 163 high quality national and international refereed journal articles.

The following represents a summary of proposed performance measures:

<b>Program 1 (Projects 1-3)</b>	<ol style="list-style-type: none"> <li>1. Deeper public awareness of core federal principles and values;</li> <li>2. Stimulated debate on the extent to which federal values are served by governmental institutions;</li> <li>3. Higher appreciation and institutionalisation of factors which facilitate policy innovation across government in federal systems;</li> <li>4. Improved institutional arrangements for enabling executive government to meet policy targets agreed through intergovernmental collaboration;</li> </ol>
<b>Program 2 (Projects 4-6)</b>	<ol style="list-style-type: none"> <li>5. Greater practice-based knowledge on the importance of ministerial advice and support systems to sustain intergovernmental cooperation;</li> <li>6. Development of skills by political and government staff to better facilitate multi-level governance initiatives;</li> <li>7. Consolidated knowledge of past and current intergovernmental arrangements geared towards co-operative public policy solutions;</li> <li>8. Enhanced and streamlined institutional structures for co-ordinated governance in the federation, including at the regional and local levels;</li> </ol>
<b>Program 3 (Projects 7-8)</b>	<ol style="list-style-type: none"> <li>9. More efficient and effective federal financial relations;</li> <li>10. Cost-effective reform of the federal system;</li> <li>11. More effective administrative, legislative and constitutional support to new institutional options for federalism;</li> <li>12. Opportunities for enhanced citizen participation in reform processes;</li> <li>13. Enhanced public debate about governance and participatory democracy.</li> </ol>

The Centre enjoys strong **linkages** with stakeholders in Australia's governance, including State governments through the Council for Australian Federation, a formal partner who will be represented on the Board. The immediate past president of the Institute of Public Administration Australia (IPAA), Andrew Podger AO, will also serve on the Board. Additionally, the Centre will work closely with federal government stakeholders including the Productivity Commission (chair Gary Banks AO is a Board member), member governments of ANZSOG, the COAG Reform Council, and non-government stakeholders such as the Business Council of Australia.<sup>22</sup>

The Board demonstrates our strong commitment to end-user and stakeholder representation. The proposed Deputy Director, Jenny Menzies – a former Deputy Prime Ministerial policy advisor and foundation Secretary to the Council for Australian Federation – will make an especially strong contribution to Centre strategies for political and stakeholder engagement.

The Centre's research will have demonstrable economic, social and environmental benefits for the nation. The costs of existing federal dysfunction are substantial. Bipartisan political support for federal reform reflects the benefits which will accrue across the Australian economy and society. Rigorous, independent, co-ordinated research into federal reform underpins the pursuit of the first three National Research Priorities: (1) An environmentally sustainable Australia; (2) Promoting and maintaining good health; and (3) Frontier technologies and transforming Australian industries – especially the creation of an innovation culture and economy.

Without innovation and renovation in Australia's basic systems for making and implementing public policy, these wider goals will not be achieved. This Centre provides the focus of research excellence and capacity needed to underpin and support this crucial process.

<sup>22</sup> See Business Council of Australia (2006), *Reshaping Australia's Federation - A New Contract for Federal-State Relations*, Melbourne; Business Council of Australia (2007), *A Charter for New Federalism*, Melbourne.

## Summary of key events and research activities

	2011	2012	2013	2014	2015	2016	2017
<b>1 Principles, Values &amp; Culture (Aroney)</b>							
1.1 Conceptual	S[2,7]x	xw	xS	X			
1.2 Measuring	x	X	x	X	x	X	x
1.3 Gender equality	xw		0	xw			xw
1.4 Embodying				xw	x	xS[6,7,8]	X
<b>2 Policy Innovation, Learning &amp; Transfer (Fenna)</b>							
2.1 Identify, support	xw[1,7]	x	S	w	S	w	S
2.2 Factors, conditions		xw	x	X			
2.3 Comparative			x	x	wX		
2.4 Institutional capacity					wx	X	x
<b>3 Policy Evaluation: Identifying Institutional Impediments to Reform (Beer)</b>							
3.1 Reform bottlenecks	xw	X	x				
3.2 Analysing complexity		xw	x	xS[4]	X	x	
3.3 Reform solutions				x	x	wx	X
<b>4 Building Collaborative Capacity (Tiernan)</b>							
4.1 Capacity & skills	X	xS	x				xS
4.2 Systems & cases	X	x	xw[5,7,8]	X			
4.3 Confront soft barriers				xS[3]	x	x	
<b>5 New Institutions for Intergovernmental Relations (Anderson)</b>							
5.1 Map system & coop	x	wX	x	x	X		
5.2 Legal, struc & gov		x	S[4,7,8]	x	S[7,8]x	x	
5.3 Politics of reform			X	xw	X	X	xS[8]
<b>6 Metropolitan, Regional and Local Governance (Burton)</b>							
6.1 Filling the metro gap	xS	x	x	X			
6.2 Legitimacy, authority		x	w[7]	xS[8]	X		
6.3 CEng & IGCoord	x	x	x		X	S[1,7,8]X	x
<b>7 Roles, Responsibilities &amp; Resources (Warren)</b>							
7.1 Assign roles & resp	x	xw	X	X			
7.2 Tax assignment	w[1,2] x	xS	wx	x	wX		
7.3 Intergovt transfers			xw[4,5,8]	X	w[5,8]	x	X
7.4 Costs & benefits		xw	xS[6]	x	X	w[1,6,8]X	
<b>8 Achieving Institutional and Constitutional Reform (Lynch)</b>							
8.1 Referring powers	x	X					
8.2 Const principle 'coop'	x	x	X	x			
8.3 Institutionalising IGR		x	X	x	X		
8.4 Processes for reform			S[4,5,7] x	xw[6]	S[5,7] xw	xw[1,6,7]	S[5]X

## Legend

S symposium

W workshop

[] joint symposia/workshops between projects

x desktop research, data collection, interviews, fieldwork

X as above plus major writing up &amp; publication phases

Arrows indicate primary results/information flows between projects.