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Municipal Wards in Victoria, 1982-1999

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Introduction

Up until the election of a Labor government in Victoria in 1982 changes to the role, structure and functions of local government had been minor, slow and incremental. However since 1982 there have been a number of radical changes in local government, not the least in the structure of local government electoral boundaries. The aim of this paper is to use mainly government reports, legislation and Hansard to chronicle the development of the municipal electoral system in the last 20 years, and to highlight local government’s vulnerability to major policy shifts following a change in the party of government at the state level. Victorian politics in the last two decades of the twentieth century consisted essentially of two periods: a Labor government in much of the 1980s, and a coalition Liberal and National Party government for much of the 1990s. The main body of the paper is structured around these two periods.

The paper begins with a background to the origins of the municipal ward system in Victoria. It then looks in depth at the major structural changes that occurred during the Labor years of 1982-1992. The 1989 Local Government Act was the culmination of major debates in the government and community that completely refashioned the old electoral boundaries and processes. The paper discusses the most significant issues such as the move to universal franchise at local level, the adoption of a 10% tolerance rule for ward populations, triennial elections, ward sizes and the number of allowable wards in municipalities.

An attempt by the Labor government for municipal amalgamations was thwarted by the opposition but when the Coalition parties came to power in 1992 they radically reformed local government boundaries. The paper identifies the focus of the Kennett reforms as a process of remaking local government in the image of corporate firms. It then analyses the Kennett reforms of 1992-1999 and the impact they had upon the electoral processes at local and ward level. The paper concludes that the election of the Bracks Labor government in 1999 has once again brought with it a new focus for local government suggesting that local government in Victoria is constantly at the whim of the state government.

Background

The origins of Victorian municipalities go back to the establishment of the Melbourne Market Commission in 1841. It was also the start of a ward system because any town with a population of 4000 or more had to be divided into wards for the purpose of electing commissioners. With a population of 4500, Melbourne was divided into four wards. The following year Melbourne officially became a town, and the powers of the Market Commission were transferred to Melbourne Corporation. The existing four wards were used for the first election, in December 1842, four members being returned from each. Thus, the local government system (including wards) pre-dates the establishment of the State of Victoria by almost a decade.

The 1850s and 1860s saw a ‘rapid spread of municipal institutions throughout Victoria’, encouraged by the availability of relatively generous subsidies. The Municipal Institutions Act 1854 permitted the establishment of local government in urban areas, and the Road District and Shires Act 1863 did the same for rural areas. The urban and rural systems were brought together under the Local Government Act 1874, and it and subsequent amending legislation were consolidated into the Local Government Act 1903. Under the 1903 Act, municipalities could choose to be either ‘unsubdivided’, or subdivided into not more than eight wards (in urban areas) or ridings (in rural shires).

Like local government itself, subdivisions have been significant in two areas: service provision and community representation. This paper concentrates on representation, but some brief comments regarding service provision are appropriate.

Section 248 of the Local Government Act 1903 required that a subdivided council had to make sure that ‘at least one-half of the net income of the municipality … be apportioned among the subdivisions in proportion to the amount of general rates
received therefrom... The amount so apportioned to each subdivision shall be expended in each subdivision'. This system of 'ward accounting' can be seen as a reflection of the desire by ratepayers to make sure that as much as possible of what they paid in rates was spent in their immediate area—this at a time when infrastructure development was very limited, and at least 80 per cent of municipal revenue was generated locally, with around 60 per cent from rates.  

During the course of the twentieth century, the ward accounting requirement began to impede the efficient management of many municipalities. For example, in a municipality with a heavily industrialised ward, there was 'a substantial advantage to being able to use the income from general rates anywhere in the municipal district'. However, it was not until 1980 that amending legislation repealed the provisions of the Local Government Act relating to ward accounting. The move was supported by the Labor Opposition spokesman, who suggested that such provisions 'have had their day, as municipalities have been saying for the past 25 years'. From then on, wards and ridings were exclusively electoral subdivisions.

Neither the parliamentary discussion nor the 1903 Act itself provide any direct explanation of the electoral rationale behind the creation of wards and ridings—perhaps the sixty-year history of the concept in Victoria made such explanation unnecessary. More generally, the Advisory Council for Inter-government Relations notes that a ward system is seen as the way to ensure 'a spread of representatives ... to keep local representatives close to the people and to increase the possibility of true personal representation'.

In the Victoria of 1903, 'true personal representation' obviously depended on face-to-face contact, and achieving that was not always easy. For example, because of the very poor road conditions in one shire, the 'monthly council meetings were always timed for the full moon so that councillors could get home afterwards'. However, despite the likely goal of a spread of representatives, there was no legal requirement that a councillor live or work within his ward. Moreover, true personal representation was compromised by the legal requirement that there be multi-member wards and ridings, a characteristic common throughout Australian local government. As in most states, in Victoria each subdivision had to return three councillors. This was to ensure that, with annual elections and three-year terms, every year in each subdivision there was one council seat up for election.

In 1903 edition of the Victorian Municipal Directory shows a total of 208 municipal areas in Victoria, of which 167 were divided into wards and ridings, and 41 (mainly small towns) were unsubdivided. Over three-quarters of a century later, the local government structure was very similar: there were 209 municipalities, including 179 subdivided and 30 unsubdivided. Indeed, the Board of Review of the Role, Structure and Administration of Local Government in Victoria characterised the municipal system as 'ossified'. However, the next two decades would prove to be a time of considerable municipal change.

**Labor government, 1982-1992**

In April 1982, a state election resulted in the first ALP government in Victoria for 25 years—though its legislative program was restricted because it virtually never had control of the Legislative Council. One of the new government's first tasks was to reform the Victorian electoral system which, like several other state systems (most notoriously in Queensland under Premier Jo Bjelke-Petersen), divided the state into metropolitan and non-metropolitan zones, and weighted the electorates in each zone to favour rural areas. Population changes had further accentuated the imbalances so that by 1980 the population of the largest metropolitan seat in each House was about 40 per cent more than the smallest rural seat.

The main justification for zoning was originally that the political clout of rural producers should reflect their major economic importance rather than their minor demographic importance. Later, the main supporting argument was based on the difficulty of representing a geographically large rural electorate. The same basic arguments were subsequently used in a local government context.

Because of the geographical distribution of party support, it is not surprising that 'the Coalition parties ... have been the mainstay of the weighting of electoral divisions to favour rural areas'. The incoming Labor government lost no time in changing the electoral system to outlaw zoning and the associated rural over-representation. Instead, each Legislative Assembly electoral district, regardless of its location, had to have an enrolment within 10 per cent of the average enrolment.

The new ALP government also lost no time in embarking on a program of local government reform. As early as July 1982, the Local Government (Board of Review) Act was passed to establish the Local Government Commission. The
Commission's role was primarily to advise the Minister on alterations to the external boundaries of municipal districts—to drastically reduce the number of local authorities. However, reform of internal boundaries was also on the government's agenda, with section 24G(g) of the Act specifying 'that the number of electors in each proposed subdivision wherever possible does not vary by more than 5 per cent from the average number of electors for all the subdivisions within the municipal district'. The five per cent margin is surprising, considering the 10 per cent variation permitted at State level. At no point in the Parliamentary debate was the lower figure specifically justified.

The issue of differences in representation ratios between wards and ridings had been raised earlier in \textit{Local Democracy in Victoria}, a research report commissioned by the Bains Board of Review. John Halligan found that there were 'extraordinary disparities' between electoral divisions in a 'considerable proportion' of municipalities.\textsuperscript{19} For example, in the majority of a selection of councils, 'the voters roll of the largest ward is more than double that of the smallest'. Justifications for these local electoral imbalances in many respects parallel those used at state level—the importance of different levels of ratepayers’ contributions, and the difficulties of representing a large, sparsely populated electorate.

The traditional emphasis on ratepayers' contributions to local government finances is very evident in the legislation. Section 71 of the Local Government Act 1906 restricted local government franchise to ratepayers, and provided for plural voting based on the rateable value of the property. For example, borough ratepayers responsible for property rated at less than £50 had one vote; those with property rated at between £50 and £99 had two votes; and those with property rated at £100 or more had three votes. Nearly half a century on, owners or occupiers of property rated at over £50 per annum constituted under 30 per cent of the electorate but were 'given power by plural voting to exercise 50 per cent of the votes'. At the other end of the scale, 'the property qualification … disqualifies half the Victorian adult community from direct influence on municipal affairs'.\textsuperscript{20} Plural voting remained in Victorian local elections until 1968.\textsuperscript{21}

However, it was not until 1983 that everyone who was on the Legislative Assembly roll was also eligible to vote in municipal elections. This resulted in an increase in the number of voters by approximately 30 per cent.\textsuperscript{22} In addition, ratepayers who lived (and voted) elsewhere were also able to vote in the ward where they owned or occupied rateable property.\textsuperscript{23} This extension to the adult franchise was brought about in part by the Coalition Opposition’s fear of 'a council being either wholly or substantially composed of non-ratepayers … making decisions that affect ratepayers and spending ratepayers’ money'.\textsuperscript{24} This extension to adult franchise was by no means of minimal importance: 'Approximately 20% of municipal electors are absentee owners or occupiers of rateable property. In some municipalities this figure is much higher'.\textsuperscript{25}

The idea that some ratepayers should have more electoral clout than others—the latter-day equivalent of plural voting—was the line taken by several Opposition speakers in the Parliamentary debate on the Board of Review Bill. For example, Pat McNamara (later to become leader of the National Party, and Deputy Premier under Jeff Kennett) commented that in the shire in which he was a councillor, the two ridings outside the main township were 'over-represented on a population basis, although that certainly is not the case when one relates representation to the value of rates… [A]nd that is something that ought perhaps to be taken into account, because the local contribution that funds the council is the rate revenue'.\textsuperscript{26} Alan Hunt, the Minister for Local Government during much of the 1970s, was even more forthright:

local government has a two-fold role. Local government originally provided services to property; it still does to a large extent. Services to people have been superimposed upon the services to property, yet the revenue base is still largely a property tax. The new criteria move away from recognition of the rating base, move away from the realization that a large part of the work of local government is in providing services to property, and the property values and the rates they produce are entitled to be taken strongly into account in determining where boundaries should be drawn.\textsuperscript{27}

The second argument used to justify local electoral imbalances related to the difficulties of representing a large, sparsely populated electorate. Of particular concern were those shires with a significant proportion of the electorate living in a central town. In such a geographical situation, speakers envisaged two highly unsatisfactory spatial patterns, which can be characterised as the 'doughnut' and the 'cartwheel'. A 'doughnut' pattern would result when a riding in a central township was surrounded by rural ridings. However, because roads generally radiate out from the central township, to see some of their constituents councillors would have to travel long distances from home to the urban centre and then out again.

An example of a 'cartwheel' pattern was outlined in the Parliamentary debate as follows:

The town of Morwell has a population of about 18,000 people and the entire municipality has a population of about 25,000. The shire currently has five ridings and if the municipality is to be divided in the manner proposed, it will probably be on the basis of a cartwheel type of subdivision with the apex of each triangular riding being in the city of Morwell.\textsuperscript{28}
The argument was that such elongated ridings would be difficult to serve. Travel distances could be almost 100 miles according to Bruce Evans, member for Gippsland East.\textsuperscript{29} And riding boundaries would cut across several communities of interest, making the riding difficult to represent: ‘I have been aware of tension between rural areas and the town’, notes John Delzoppo with measured understatement.\textsuperscript{30}

As a result of the reaction by rural Opposition MPs, the Bill was changed. Rather than the five per cent variation applying to all municipalities, instead it was restricted only to ‘a borough, town or city’—in other words, it excluded shires. And even in urban areas, an Opposition amendment led to the inclusion of an important qualifying phrase: ‘that the number of electors in each proposed subdivision \textit{wherever possible} does not vary by more than 5 per cent’ (s. 24G(g), emphasis added).

After the 1985 state election and the return of the Cain Labor government. Jim Simmonds became Minister for Local Government, and Stuart Morris was appointed as the Chairman of the Local Government Commission. A major goal was to reduce the number of municipalities, an issue supported in the 1979 Bains Board of Review \textit{Report}, and one which the Premier was keen to promote. At the time, a specific number of councils was never publicly announced, but much later Stuart Morris noted that: ‘I felt the appropriate number [of councils] was about one hundred. This pleased Cain. He saw the matter in terms of efficiency of government’.\textsuperscript{31}

The combination of Simmonds and Morris did not prove effective at persuading local government on the merits of council amalgamations. Morris later described Simmonds as the ‘least competent Minister’ in the Cain ministry, ‘a union official with little knowledge or understanding of local government’.\textsuperscript{32} And Morris was described by his successor as Local Government Commission Chairman, Russell Badham, as the man who ‘didn’t understand what he was doing’.\textsuperscript{33}

Within a year, Jim Simmonds was being lampooned as the ‘Minister against Local Government’, and Stuart Morris was being escorted into Commission hearings under police guard.\textsuperscript{34} Local government amalgamations became a major political issue, and after the ALP was ‘trounced’ in the municipal elections of August 1986, the Premier defused the political situation by announcing that any local government amalgamations would be totally voluntary.\textsuperscript{35} It marked the end of any concerted attempt to implement any major restructuring. Consequently, the Local Government Commission turned its attention from external to internal boundaries.

In 1984, as part of a review of local election procedures, the Local Government Department prepared a research paper that gave a detailed breakdown of the variation in voter totals between wards and ridings in all subdivided municipalities.\textsuperscript{36} In December 1983 only about one-fifth of all 678 subdivisions had voter totals that were less than 10 per cent away from the average for the municipality. Among cities, just over one in three wards were within 10 per cent of the municipal average; less than one in five wards were within the 5 per cent range stipulated in the 1982 legislation. Among shires, only about one in six ridings were within 10 per cent of the average for the municipality. At the other end of the scale, over one quarter of all rural ridings were 50 per cent or more away from the municipal average. These tended to be in shires which had one riding based a central urban area surrounded by several sparsely populated rural ridings. To give the most extreme example, nearly half of the population of Kyneton Shire lived in the town of Kyneton, with the rest dispersed across the other five ridings.

In October 1986, the Minister announced a review of internal boundaries ‘to ensure that voters in municipal elections are equally represented’.\textsuperscript{37} His letter about the review was sent to all councils, a move which led the Parliamentary Opposition to suggest that the Minister was ‘thumbing his nose at a decision of this Parliament’, which specifically excluded shires from the five per cent variation provision.\textsuperscript{38} Some rural councils publicly voiced their opposition to the review. For example, Romsey Shire Council, where the urban ridings were four times larger in population than the rural ridings, declared in a letter to the Minister: ‘Whatever may be the merits of the so-called “equality of votes” principles for other tiers of government ... local government must be concerned to ensure that areas of different interests (such as farming interests of the rural areas and the business interests of the town areas of a shire) have a fair chance of representation’.\textsuperscript{39}

However, the Municipal Association of Victoria backed the policy for more equal representation. In an editorial in the \textit{Australian Municipal Journal} headed ‘Internal boundaries: time for some rough equality’, the MAV noted that ‘The gerrymander in Queensland is nothing like the inequality in representation that exists in some Victorian councils—it’s much worse here’.\textsuperscript{40}

The Association applauded the more conciliatory approach taken by the Local Government Commission, noting that it was aiming at only ‘rough equality’: the LGC Chairman had made it clear that a discrepancy of 20 per cent was acceptable in rural areas, and that there was ‘room for flexibility in applying the five per cent maximum discrepancy’ in urban areas.\textsuperscript{41}
MAV noted that ‘Much of the fear of internal subdivision stems from councillors who would face re-election’, especially as the ‘number of councillors is also likely to be reduced in many cases’.42

This last point is an important part of why the process of reviewing internal boundaries did not go smoothly. There quickly developed a perception in local government that the review was as much to do with reducing the number of wards and ridings as it was with making them more equitable.43 Reducing the number of electoral subdivisions in turn meant reducing the number of councillors, the Local Government Act still specifying three councillors per subdivision. Looking back on his time as Minister for Local Government, Simmonds acknowledged that this was his aim, noting that ‘better quality decisions are possible in municipalities with fewer councillors’.44

The Local Government Commission undertook its own detailed analysis of voting figures. It found that 155 of 210 councils had wards or ridings that ‘demonstrated an electoral imbalance of greater than 10% of voters above or beneath the mean number of electors per subdivision’.45 As a consequence, during 1987-88, 115 councils were re-subdivided.46

However, related attempts by the Commission also to reduce the number of subdivisions caused considerable disquiet in some municipalities. In particular, Geelong City Council objected to a proposal by the Commission to reduce its wards from five to four, and mounted a successful Supreme Court challenge to the validity of the subdivision. The judgement had statewide implications. As one commentator noted in a Municipal Association of Victoria publication:

Most councils were constituted using a similar process as the one adopted by the Government in attempting to resubdivided the City of Geelong. Does this now mean that all those councils are invalid? Does it mean that all decisions made by those councils are similarly invalid?

There followed further challenges by other municipalities, with the Supreme Court deciding in October 1988 that the resubdivisions of Geelong, Corio and Kyneton were all invalid. As a consequence, the government had to take the highly embarrassing step of drafting special legislation and putting it through a parliament in which they did not have control of the Upper House. This was done late in 1988 with, not surprisingly, a new Minister for Local Government.47 The ensuing legislation, the Local Government (Validation) Act 1988, was aimed at the 134 ‘affected municipalities’ whose recent subdivisions were in legal doubt.

The period from 1986 to 1989 also saw the development of a new Local Government Act, the first consolidated municipal legislation since 1958. The process started early in 1986 when a Working Party of the Local Government Act developed a draft paper largely based on the 1979 Bains Board of Review report. The process concluded in November 1989 (with a state election in between) when the Local Government Act 1989 came into operation. It included several changes that affected electoral subdivisions.

First, and most minor, was the change in nomenclature. The long-established distinction between ridings in shires, and wards in boroughs and cities was abandoned, with the term wards being used for all municipal electoral subdivisions. However, some rural councils continued to use the term ‘ridings’ when referring to electoral areas.

Second, the Local Government Act 1989 also brought municipal electoral procedures in line with those at State level, specifying a 10 per cent maximum variation in the size of ward electoral rolls within every subdivided council area, including shires. In addition, at least every six years section 220(1)(b) required each subdivided council to conduct a review of ward boundaries to see whether they were ‘fair and equitable’. Apart from the limitation on the variation in voter numbers between wards, the 1989 Act listed no other criteria that councils should take into account when re-drawing ward boundaries. However, Office of Local Government advice to councils directed them also to use factors specified in legislation related to State electoral boundaries, including physical geography, communications, community or diversity of interest, and likely population changes.48 If the review found that boundary changes were needed, the council ‘must apply to the Minister’; if the council decided that boundary changes were ‘not desirable it must notify the Minister and give public notice of the decision’ (s. 220(2)).

The third and most significant change to the Local Government Act was related to the frequency of elections and its impact on the number of councillors in each ward. As noted earlier, traditionally local elections were held every year, with the annual retirement of one-third of council members. This system was strongly supported by municipal councils, mainly on the grounds that it ensured continuity of policy, with no more than one-third of new councillors being elected in any year.49 However, the Board of Review recommended that elections for the entire council be held every three years.50
The Board argued that triennial elections made councils much more accountable to their electors, particularly in subdivided areas. For example, in councils with wards and ridings ‘there is usually no opportunity for the public to evaluate councillors in relation to each other’. This was because each of the three councillors in a subdivision came up for re-election in different years, and elections in other subdivisions had separate electoral rolls.

In addition, annual elections traditionally often resulted in sitting members being returned without facing an election. Indeed, ‘Many councillors have never contested an election, and more have fought no more than one, thereafter being routinely returned unopposed’. This was particularly the case in a subdivided council because, with just one council seat up for election in each ward, potential candidates were less likely to stand, seeing little chance of success against a long-term sitting member. Indeed, in a submission to the Local Government Commission, one unsubdivided municipality suggested that in some rural subdivisions representation was seen as ‘an unimpeachable inheritance’.

The Board of Review’s recommendation on triennial elections had Parliamentary support, and thus for the first time the Local Government Act allowed local councils the option of holding triennial elections. In doing so it ended the long-standing stipulation that there always be three councillors in each ward. Three councillors per ward was still the legal requirement for those municipalities that retained annual elections; but in municipalities with triennial elections, section 10(2) of the 1989 Act required only that ‘there must be at least 1 Councillor to represent each ward’. Triennial elections were introduced in 1990 by a handful of municipalities.

As a consequence, it became possible for there to be wards of different sizes within the same municipality—some electing a single councillor, some two, and others three or more. Providing that the representation ratios did not vary by more than 10 per cent, any combination of ward sizes was theoretically possible. The Office of Local Government later noted that varying ward sizes allows for smaller geographic communities to be separately identified with their own ward, even though other communities are much larger.

One electoral reform flagged by the Bains Board of Review, and strongly supported by the ALP government was a change in the way votes were counted. Since 1935 the only legally possible system in municipal elections was majority preferential voting. This system was uncontroversial in the majority of elections during the next half century because the legal requirement for annual elections and three-member wards or ridings meant that municipal elections were virtually always for a single member.

However, when majority preferential voting is used in multi-member constituencies ‘it strongly favours the party or group ticket, often out of all proportion to voter support. Additionally, the people who cast their vote for the candidate who happens to be first elected have in reality two votes, or even three’. The reason for this is that in multi-member elections, once a candidate has a majority of the votes, the first preference votes for all the other candidates are then put back into their original piles, and the second preferences of the successful candidate (e.g. A) are distributed between them. When another candidate (e.g. C) has more than 50 per cent of the total, the first preference votes for all the remaining candidates are again returned to their original piles, and the third preferences of A and the second preferences of C are then distributed. The process is repeated until all seats are filled.

The clearest examples of the unsatisfactory nature of majority preferential voting in multimember constituencies are the elections for the Australian Senate in the 1930s and 1940s. The system resulted in wild swings, the winning party each time claiming between 84 per cent to 100 per cent of seats, despite polling no more than 55 per cent of votes. The system was replaced with proportional representation in 1946. The same type of electoral result also occurred at the local government level. For example, the 1980 municipal election in the City of Doncaster and Templestowe showed that ‘There is no doubt that the “preference game” determined the … results’. For example, in one ward ‘One successful candidate who took second place on a “progressive” ticket polled 3% of the primary vote, yet was comfortably returned … after distribution of preferences. The leader of the opposing ticket in the same ward polled 34.68% of the primary vote, but failed to secure sufficient preferences to gain a seat’.

Historically, multi-member elections were limited to the small minority of unsubdivided councils, and to councils where there was a spill of all positions (as in the case study above, where there had been a reallocation of all ward boundaries). But with the introduction of triennial elections and wards of varying size in 1989, multi-member elections became much more common.

The ALP adopted proportional representation as its preferred voting system for multi-member municipal elections in 1984. Before, during and after the introduction of the Local Government Act 1989, it attempted to replace majority preferential
voting with proportional representation voting in multi-member constituencies. For example, in April 1987 Jim Simmonds supported its introduction, noting that it ‘reflects the views of voters far better than any other electoral system’. 61 Three years later, another Minister for Local Government, Maureen Lyster, highlighted the drawbacks in maintaining exhaustive preferential voting: it ‘produces grave anomalies under which a “ticket” of candidates can achieve representation which is quite disproportionate to its share of the total vote and thereby makes for more unrepresentative outcomes’.

However, on each occasion the Opposition parties came out against the system, using the largely unsupported argument that the ALP was using proportional representation as a means to encourage party politics in local government. For example, Roger Hallam, soon to be the new Minister of Local Government, noted that the National Party ‘is adamantly opposed to proportional representation because it could expect to see party politics introduced into local government to a degree far greater than is the case today’. 63 Because the Coalition parties controlled the Legislative Council, the ALP government’s proposed change to the municipal voting system did not become law.

**Coalition government, 1992-1999**

Evolutionary changes to the municipal system came to an end with the landslide election in October 1992 of a Liberal-National Party government led by Jeff Kennett. The new administration had firm control of both Houses of Parliament, and was intent on making major changes to local government without the difficulties experienced by previous ALP governments. Consequently, in their first year in government they introduced the Local Government (General Amendment) Act 1993—an understated title for legislation which was to transform the Victorian municipal system.

The purpose of the amending legislation was ‘to establish a Local Government Board and to provide a process for reviewing the structure of local government’. 64 Mindful of the legal quagmire Jim Simmonds had found himself in, the new Minister for Local Government, Roger Hallam, noted in his second reading speech that the Bill was ‘intended to preclude the Supreme Court from hearing any proceedings brought against the board, its members or staff, or the Minister in respect of any review... The government has inserted that clause having regard to the frequent use of litigation in recent years by councils as a means of frustrating boundary change’.

Moreover, the 1993 amending legislation included a catch-all section, ‘Powers to make Orders’ (s.220Q), which gave the Minister a wide range of unfettered powers, including a number relating directly to wards. For example, the Minister could ‘divide a municipal district into wards’, ‘re-establish a municipal district as an un-subdivided municipal district’, ‘alter the boundaries of wards’, ‘reduce the number of wards’, ‘alter the number of Councillors assigned to a Council or each ward’, and even ‘give a name to, or alter the name of, a ward’. Responding to the Minister’s second reading speech, the ALP’s Pat Power quotes a local councillor as saying ‘This is the most draconian piece of legislation I have seen’.

Following Local Government Board reviews during 1993 and 1994, the number of municipalities in Victoria was reduced from 210 to 78. 65 When established, all the new authorities were initially run by state-appointed commissioners during what the Minister for Local Government called a ‘transition stage’ intended to provide ‘an opportunity to ensure the new councils were well set up.

One of the issues that each group of commissioners had to finalise was the voting procedure to be put in place for the election of the first council members: whether the municipality was to be unsubdivided or divided into wards; and, if divided, the number of wards and the number of councillors in each. Following the commissioners’ deliberations, most councils in the metropolitan area were based on single member wards; outside Melbourne, municipal electoral arrangements were more varied, being divided almost equally between single-member wards, multi-member wards, and no wards. The first major round of elections for the amalgamated councils was held in March 1996, and all but one of the new councils were in place by March 1997.

Not only was the number of municipal areas drastically reduced, but there was also a much greater emphasis on the idea of local government as a business, and local councillors as directors. Indeed, Galligan sums up the ‘Victorian discourse of local government’ during the Kennett period as one ‘dominated by managerialism and economic rationalism’.

For example, in a report on the roles and functions of councillors, the Local Government Board noted that the ‘primary role of councillors’ is ‘determining policy, setting objectives and establishing the strategic direction of council’.

The Local Government Board recognised that councillors also had a representative role—but the perceived secondary nature of this role was highlighted by the Board’s recommendation that the minimum size of councils be reduced from nine to five,
and that the maximum size go down from 15 to 12.\textsuperscript{72} Of course, the recommendation was made after there had been a major reduction in the number of local authorities. Thus, during the Parliamentary debate on the Local Government (Elections) Bill, an Opposition spokesman suggested that five to 12 councillors

is too low, particularly when the size of municipalities is increasing in terms of both the geographical area they cover and the vastly different communities found within them... The government sees the role of councillors as being similar to that of a board of directors, which allows the officers to get on with the day-to-day running of the show. The Labor Party believes councillors are the elected representatives of the community and that it is a retrograde step to reduce the number of councillors given the diversity of communities and the council amalgamations.\textsuperscript{73}

The combined impact of council amalgamations and reductions in council size had a marked effect on representation ratios. Before amalgamations, the representation ratio was one councillor to just over 2000 constituents; after the amalgamations, the representation ratio quadrupled to over 8000—more than twice the ratios in New South Wales and Queensland.\textsuperscript{74}

Surprisingly, there was no concerted attempt during the Kennett era to try and reduce the importance of wards, even though they sit rather uncomfortably in a board of directors model of local government. In fact, electoral reform was outside the formal terms of reference of the Local Government Board when drawing up their report on the roles and functions of councillors. Reflecting on what he ‘would have done differently’ during his period as Minister for Local Government, Roger Hallam commented that:

I am also sorry that I did not push harder on the question of ridings or wards. I have been a fervent advocate for the concept of an unsubdivided municipality on the grounds that this brings a corporate view to the council table and thus addresses the issue of parochialism and small ‘p’ politics which has long bedevilled local government.\textsuperscript{75}

Hallam’s ideal is illustrated by Cr David Smith, who was one of just five people elected to the first council of the unsubdivided Strathbogie Shire. Smith supported the small size of the council, suggesting that the more councillors there are, the ‘greater the risk of factions’, and the easier it is for some councillors to cause ‘mischief’. He also supported the lack of wards in the shire, believing that it helped to achieve ‘a truly unified council’ by minimising ‘divisive parochialism’. Indeed, looking at local government more generally, he felt it was ‘unfortunate’ that wards continued to be used in the new municipal structure.\textsuperscript{76}

What Minister Hallam did do was to diminish the significance of wards in the City of Melbourne, the municipality responsible for the Melbourne central business district. The existing council was effectively dismissed by the new State government during its first year of office, and commissioners were appointed. Introducing legislation in Parliament for the election of a new City Council, the Minister commented: ‘The government is committed to putting in place structures most suited to the needs of our capital city. As in many other states, special arrangements apply to capital city councils’.\textsuperscript{77} According to the Minister, one of the main aims was to ‘encourage greater participation by the corporate sector in elections’. The Opposition referred to this as ‘out-and-out election rigging’.\textsuperscript{78}

The ‘special arrangements’ included a completely new approach to the Victorian municipal electoral system, called dual voting. With dual voting, each elector casts two votes, one for a ward councillor, and the other for municipality-wide district councillors. Thus, following the March 1996 election, Melbourne City Council was made up of: (1) four ward councillors who were elected in the usual way from four wards; and (2) five district councillors who, as in unsubdivided areas, were elected by the entire municipal electorate. However, unlike in any other municipality, in the City of Melbourne proportional representation was used to elect district-wide councillors. Jim Gifford, the MCC’s Governance Projects Coordinator, gave the following rationale for the new system:

The dual system was adopted in an attempt to find a balance between the needs of local communities and the governance needs of a capital city. It was considered at the time that while the ward based system was satisfactory for providing representation of local needs, it did not satisfy the needs of a city that had civic, economic and cultural significance for a much wider community.\textsuperscript{79}

However, despite the claim that dual voting was a special arrangement for the City of Melbourne, in 1997 the Local Government Act was amended to enable the Minister to impose dual voting on any municipality.\textsuperscript{80} It was made clear in the Minister’s second reading speech that he intended to introduce dual voting for the next election of Greater Geelong City Council. It had been established only in March 1995, but within two years there was ‘considerable bad feeling’ between it
and the State government. Instead of 12 councillors based in 12 wards, there were to be nine councillors: four ward representatives, and five representing the municipality as a whole.

Not surprisingly, the Parliamentary Opposition branded the proposed change partly as an attempt by the Minister 'to get a council of his choosing', and partly to give councils 'the signal that they will be punished unless they do as they are told'. This line of thinking is supported by the Minister's decision in 1999 to extend dual voting to Nillumbik Shire, one of the smallest outer suburban municipalities, whose council the State government had dismissed in 1998. A new council consisting of five ward and four district councillors was elected in March 1999.

Into the twenty-first century

It is clear from the above case study that during the last two decades of the twentieth century state government in Victoria displayed considerable enthusiasm in involving itself in municipal electoral affairs. Is this likely to continue into the first decade of the twenty-first century?

One important influencing factor was the degree to which the state government of the day had control over both Houses of Parliament. None of the successive Labor governments between 1982 and 1992 had a majority in the Upper House, and were thus much more constrained than the subsequent Kennett governments which did control both Houses. The State election of September 1999 resulted in the surprise election of an ALP government. But it was a minority government, governing with the support of three Independents in the Lower House; in addition, the Opposition parties still controlled the Upper House.

Consequently, the basic aim of the Bracks government during its first term of office was to consolidate its position so that it was in a better position to win outright control of the Legislative Assembly at the next election. One aspect of this consolidation process was to develop a good relationship with local government. By far the most important task was to abolish compulsory competitive tendering, which had required councils to tender out at least half of their economic activity. This had particularly affected smaller rural councils, which had no choice but to award work to organisations that submitted the lowest tender. These were often large groups from outside the municipality, thus leading to local unemployment. As early as December 1999 the new Minister for Local Government announced in a media release that 'compulsory competitive tendering is dead', to be replaced by a 'Best Value' scheme that 'symbolises the start of a new inclusive era for local government in this state'.

The issue of wards played only a minor part in the Minister's agenda. However, one area of reform concerned dual voting. Given the history of the introduction of the system, it is not surprising that local government was highly critical of dual voting. Thus, following municipal representations to the new State government, both Geelong and Nillumbik used dual voting only for a single election before reverting to a standard ward structure. Following yet another State government review, dual voting was also abolished in the City of Melbourne. Instead it became an undivided municipality, though its special status was reflected in the fact that it became the only Victorian council to be elected on the basis of proportional representation. However, more general changes to the municipal system were stymied by the Opposition-controlled Upper House, and the Local Government (Update) Bill lapsed with the calling of a State election for November 2002.

It is only since the landslide November 2002 election, that the ALP has had control not only of the Victorian Lower House (with 62 of 88 seats), but the Upper House as well (with 25 of 44 seats). A new local government Bill will be introduced during the first session of the new parliament, and it is clear that its passage will be much less rocky than the earlier proposed legislation. Most significantly, proportional representation is virtually certain to become the voting system used in multi-member municipal constituencies—more than twenty years after its adoption as ALP policy. Other ward-related issues flagged in the earlier bill are also likely to be implemented. These include the extension of the six-yearly reviews of electoral processes to include all municipalities, divided and subdivided; and the requirement that the reviews be done by independent electoral commissioners. Already announced is a change to ensure that all municipal elections are held on the same day.

The conciliatory stance taken by the previous Minister for Local Government during the first term of office of the Bracks government has resulted in a generally positive relationship between the two levels of government, and it is likely that these ongoing changes will be generally accepted at the municipal level. However, a recent interesting exchange shows that the potential for conflict is not far beneath the surface.

One of the first announcements of the new Labor government was that it was going 'to formalise the place of local
government in the Victorian Constitution ... as an equal partner with its own particular role to play'. However, within two days of the ministerial news release, the Age newspaper reported that the state government is 'at loggerheads' with the Victorian Local Governance Association over the implications of the legislation. According to the new chief executive of the VLGA, Andrew Rowe, the legislation was a 'huge win' for local government: 'It means that we can never go back to the dark days when a whole sector of government was swept away by the decisions of another level of government'. On the other hand, according to one unnamed government source, 'nothing has changed'; the state government still has the power to 'make any laws it considers necessary' for local government. It seems clear that Rosemary Kiss was correct when she said that 'local governments have been, and continue to be the creatures of state governments'.

Notes:

[2] Wards were first used in Australia to select local government councillors in the election of Sydney City Council in November 1842. The earliest Australian municipality, the Corporation of the City of Adelaide, did not use wards for its first election in 1840 (Adelaide City Archives, personal communication, 20 January 2003).
[10] Gifford & Lonie, Handbook, 14. The word his is appropriate here because, according to section 52 of the Local Government Act 1903, 'No female, no uncertificated and undischarged bankrupt or insolvent, and no person attainted of treason or convicted of felony or perjury or any infamous crime, and no person of unsound mind ... shall be capable of being or continuing a councillor of any municipality'.
[14] The Electoral Provinces and Districts Act 1974 specified that for the Lower House, the Legislative Assembly, there be an average of 28,000 electors in each Melbourne district, and an average of 24,500 elsewhere. Figures for the Legislative Council were 112,000 in Melbourne and 80,000 elsewhere. See: Australian Bureau of Statistics, Victorian Year Book 1981 (Cat. No. 1301.2) (Melbourne: ABS, 1981), 94.
[19] Halligan, 'Local democracy in Victoria', 15
[36] Victoria. Local Government Department Information Service, Municipal Electoral Units and Community Representation in Australia and New Zealand (prepared for the Electoral Procedures Review Committee, Publication No. 3), (Melbourne: Local Government Department, 1984). The detailed statistics in the report (Appendix 3) are based on dividing the total number of voters in a municipality (e.g. 40,000) by the number of wards or ridings (e.g. 4) to give a municipal subdivision average (e.g. 10,000). The actual number of voters in each ward or riding is then expressed as a percentage of this average figure (e.g. a ward with 5000 voters scores -50%, a ward with 15,000 voters scores +50%). In total, the report includes details of 678 subdivisions across 182 councils. In addition, there were 29 unsubdivided council.
[41] MAV ‘Internal boundaries’, 98.
[49] 177 of the 191 councils that took part in the consultative seminars held by the Bains Board of Review disagreed with the idea that ‘All members of a municipality should retire together every third year instead of one-third of the members retiring annually’ (p. 246). Among ‘predominantly rural shires’ (i.e. not metropolitan councils or non-metropolitan urban councils), 99 of 103 disagreed with triennial elections.
[53] In 1936 ‘only 22 per cent of the municipal vacancies were contested’. (See Davies, Local Government in Victoria, 23.) In 1976-78 the comparable figure was 35 per cent. (See Halligan, ‘Local democracy in Victoria’, 7.) In 1992 it was 44 per cent. See: Victoria. Office of Local Government, Municipal Election Results, August 1992 (Melbourne: Office of Local Government, 1992), 7.
[56] VOLG, Setting New Internal Boundaries, 15.
[64] See Local Government (General Amendment) Act 1993, s. 1(a).
[69] The exception was the Shire of Melton, where in a referendum voters chose to retain commissioners for a further two years. However, the Victorian Local Governance Association believed that the question put to voters in a referendum ‘was totally misleading because there was no talk about the option of a democratic election’. See: Enrica Longo, ‘Commissioning a little Switzerland’, Age Metro, 24 March 1997, p. 4.
[72] VLGB, Roles and Functions of Councillors, 33. Before 1989, the permitted range was 6-24.
[80] Local Government (Miscellaneous Amendment) Act 1997 (No. 76 of 1997).
[84] Leading the suspended Mayor to re-use a phrase from the 1980s, and label Rob Macellenn as ‘the Minister against local government’. See: Karen Lyon, ‘Council suspended for internal fighting’. Age, 14 October 1998, 7.
[85] Except for a very brief period in 1985 when a tied election result was decided in the ALP’s favour by drawing a name from a hat. However, the Court of Disputed Returns ordered a by-election, which resulted in the seat going to the
Coalition, and the ALP losing control of the Upper House.


[87] On 24 July 2001, the Age newspaper reported that ‘The number of candidates was an Australian electoral record. The metre-long councillor ballot papers took three days to count. It created further headaches for the Australian Electoral Commission last night when the computer was unable to exclude the last candidate and distribute preferences because 10 of the 97 candidates were equal last, with one vote each. The count proceeded manually’ (p.4). In addition to the seven councillors, a Lord Mayor and Deputy Lord Mayor were elected in a separate ballot.


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