

**The Asian Crisis means we need major change for Australia - if not,  
we need to destroy the Federal System of Government as we now know it -  
and start again!**

*The Melbourne Convention - Federation: into the Future*

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**Presented by**

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**Roy Morgan Research**

It is now 100 years since our founding fathers decided Australia was best served by a Federal System of Government - surely they did not envisage a political system of:

- government held to ransom by minority groups (remember in a year the Pauline Hanson Movement will be joining in opposition the “Minority Party Club”!);
- a taxation system which benefits the cash society and other tax cheats (ask a tradesman for two quotes (i) for payment by cash, (ii) payment by cheque!);
- parliamentarians and public servants rorting the public purse with tax free perks and their “fringe benefit tax” being paid by the government<sup>1</sup>;
- a “political” judiciary; and
- Canberra - Australia’s greatest self-made disaster - move it now to Sydney - they deserve each other!

Australia needs change and Australians want to have more say in important Government decisions.

I have spent the best part of my life measuring public opinion and I believe measuring public opinion is extremely important.

In a major international study conducted in twenty-four countries around the world between 1995 and 1996 Roy Morgan Research found Australians **more** than any other nation (except Finland) said the most important role of Government is “**Giving people more say in important Government decisions**”. (See Appendix II.)

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<sup>1</sup> Morgan Poll No. 2986 conducted April 26/27, 1997 showed that only 9% of Australians rate politicians as “high” or “very high” for ethics and honesty. (See Appendix I.)

So what do we as Australians want and believe about what is needed for Australia?

Consumer Confidence (as measured by the Roy Morgan Consumer Confidence Rating) correlates with changes in GDP. (See Appendix III.) Interestingly, consumer confidence is still high despite the Asian crisis.

Although the public at large may not have factored in the Asian crisis, the vast majority (90%) of Australia's business leaders and professionals believe Australia will be worse off as a result of Asia's economic downturn. However only 37% believe their business will be worse off. (Roy Morgan Research survey published in February 3, 1998 Australian Financial Review - See Appendix IV). (I am reminded of an earlier poll in which 70% of Australians claimed to drink less than the average.)

In preparation for this conference, we surveyed the Australian people and asked their opinion of the appropriate role of Federal Government Vs State Governments.

### **Federal Vs State - Roy Morgan Research Survey**

Australians, in total, are fairly evenly divided on who should take responsibility for most areas of Government - the Federal Government (46%) or the individual State and Territory Governments (39%) with 15% undecided.

When Australians were asked whether the Federal or State/Territory should be responsible for 16 different areas of Government, large majorities named the Federal Government for defence (92%), immigration (91%), the tax system (83%), the legal system (79%), Aboriginal issues (75%), technology and communications (73%), social welfare (67%), health (61%), industrial relations (60%) and mining (59%).

Opinion was more evenly divided on unemployment (55% Federal cf 39% State), education (53% Federal cf 43% State), primary industries (47% Federal cf 47% State) and the police (42% Federal cf 53% State).

Large majorities named the State Government for tourism (60%) and community services (67%).

(Details of how the States viewed these issues are in Appendix V.)

The interesting but somewhat disconcerting thing about all these opinions is that they are finally inconsistent.

Just before my father, Roy Morgan, died in 1985 he was asked why measuring public opinion was important.

His answer, which I agree with, was in three parts as follows:

*“Firstly, to stop journalists from claiming to be able to write ‘The public demands, etc.,’ when they don't know what public opinion is on that particular subject.*

*Secondly, Socrates stated the central ‘core’ of a problem as a question. This forces people to face the problem. Public opinion polls not only do this, but also make sure that (by publication) the public and journalists know the problem and the public's attitudes towards the issue (as percentages). This forces our leaders and the public to recognise the real problem and hopefully consider it.*

*Thirdly, publishing several times a year reasonably accurate percentages for voting intention. This created a continuous 'election atmosphere', rather than a phoney atmosphere created by so called 'leaders' and journalists."*

Today, politicians need to ask themselves whether they can blindly accept public opinion on complex matters or whether they should follow the advice of former Prime Minister Sir Robert Menzies who, in his second Dunrossil Memorial Lecture on March 12, 1968, spoke at length about public opinion polls (see insert). He made the following pertinent point:

*"A political leader inevitably reads the published polls. He will learn much from them. But he is no leader if he is persuaded by them to follow a course which he would otherwise not approve. He will do better on appropriate occasions to say - 'Here is a popular error; I must do my best to correct it!' "*

And Sir Robert Menzies, in a letter to my father of April 4, 1968, said: *"Nobody knows better than I do that the endemic disease in politics is fear of public opinion."*

*"We live in a world of mass-movements, in which public-opinion polls are for so many a quick and easy way of finding out what other people think, and therefore, for the sake of conformity, how they should think. Public opinion polls disturb me greatly; not because I question their accuracy or their integrity, but because of their inherent limitations. The appeal is from Philip Sober to Philip Drunk; from individual judgment and responsibility essential to civilisation, to superficial mass judgment; to finding out 'what people want'.*

*I have an old-fashioned lawyer's prejudice in favour of ascertaining the facts before pronouncing the judgment, and therefore pay little attention to kerbstone opinions.*

*A political leader inevitably reads the published polls. He will learn much from them. But he is no leader if he is persuaded by them to follow a course which he would otherwise not approve. He will do better on appropriate occasions to say - 'Here is a popular error; I must do my best to correct it!'*

*The danger to which I have referred, of the overwhelming of individual judgment by mass opinion, is one which tends to be increased in the new age of the computer. The quick and accurate mathematical machine threatens to become a sort of 'witch-doctor'.*

*The human brain and the human spirit are still the creative elements without which true human progress will be arrested."*

Sir Robert Menzies, Dunrossil Lecture, March 12, 1968

Almost 100 years ago our founding fathers set about creating a country which had the potential to be economically viable and geographically equitable. The wealthy "gold" State of Victoria subsidised the poorer States in return for protection of Victorian trade.

Today the aim for Australia is the same as it was 100 years ago - but almost everything else is different - so the means need to be different.

Australia today needs the same clear and well articulated vision for the future, as our successful enterprises have. We might articulate a vision for Australia something along the lines...

*“Australia seeks to be a healthy economic unit, with low levels of unemployment and a reasonable standard of living for all, taking our place with the best in the global arena.”*

If this were our vision then clearly we must agree to:

- fix taxation (82% of Australians want the taxation system reformed either with or without a GST - 86% of business leaders and professionals want **major** tax changes. See Appendix VI and VII);
- fix work practices;
- settle the Mabo debate;
- move Canberra to Sydney - now; and
- relocate Federal Government Departments to major capital cities; and on a rotation basis holding each session of Federal Parliament in each of the State and Territory capital cities. (More Australians agree than disagree with these views. See Appendix V.)

But these are really only just getting our house in order before we take our place in the global arena.

And if politicians are in doubt (as they seem to be), they should take note that the people want them to deal with the real issues. (See Appendix VI.)

The real question today is **not** whether the State and Federal Governments are **willing** or **able** or **brave** enough to try to make the much needed change but **whether they will succeed**.

The Asian crisis means we need **major** change for Australia - if not, we need to **destroy** the Federal System of Government as we now know it - and start again!

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