Abstract

Greater policy coherence and creating and maintaining institutional arrangements to address sustainability challenges is a necessary step towards future prosperity at local, regional and national levels. However, governing for sustainability requires the harmonising and integration of social, economic and environmental imperatives. This paper will present the findings of a PhD study which examined ways of governing for coherence and sustainability in a regional context from a national government perspective over the period 1996-2007, using Australia as a case example. The research shows both strengths and weaknesses of current approaches and develops a model to demonstrate the value of pursuing greater policy coherence at regional levels of governance. A key outcome of this modelling is a policy and implementation framework which responds to developments in governance, incorporating both horizontal and vertical joining up of governance and offers the potential for a more consistent approach to regional governance in Australia.

Context of research

The context for this research is grounded in the challenges facing non-metropolitan, rural and remote areas in Australia in recent decades, such as: the need to create long-term viable and sustainable primary industries yet still protect the environment (Gray and Lawrence, 2001); a decline of the family farm and the need for off-farm employment, decreasing local employment opportunities and the move of young people to larger urban centres (ISRD, 2002); and the loss of community infrastructure and government services (Sorenson, 2000; Lawrence, 1995). In recent years, there has further been an increasing focus on rural and remote Australia as with the disadvantages faced by Indigenous peoples. Other factors providing a context for this study include globalisation and technological change, the competing nature of regions and markets (ABS, 2006) and Sorenson, 2000), the move away from Keynesian interventionist government toward managed market settings, structural adjustment, changes in the terms of trade, the introduction of the National Competition Policy in 1995, and the introduction of the sustainable development agenda (Cheshire and Lawrence, 2005, Gray and Lawrence, 2001). There is also a growing concern of metropolitan large cities becoming ecologically unsustainable which points to creating a more appropriate environment to enable non-metropolitan regions to thrive (Gray and Lawrence, 2001).

For a number of years there has been ongoing debate regarding the Australian Federal Government’s role on issues of national importance and the devolution of decision making to local and regional levels in many public policy areas (NSW Farmers’ Association and Griffith University, 2006). For a federation such as Australia the most challenging policy choices faced by governments are those that cross traditional constitutional and political boundaries between the Australian national and sub-national governments. In an attempt to address many of these challenges, since 2004 the ‘whole of government’ (WOG) concept has been promoted as the means for public administration of the future (Commonwealth of Australia, 2004).

These combined challenges present the need to create and sustain institutional arrangements which will support greater coherence in regional governance and hence provide an important starting point for the research. The outcome and contribution of the research provides regional governance modelling which aims to achieve enhanced policy coherence and sustainable outcomes for regional communities within a Federal Government context. Also included is a proposed policy implementation framework of the modelling.

Research question and propositions

The research question for the study is:
Does the Australian Federal Government’s approach to regional governance deliver policy coherence and sustainable outcomes? If yes, how? If no, how could it be better enabled?

The propositions are:

1. Regional governance arrangements by the Australian Federal Government since the mid 1990s have become increasingly fragmented and lack enhanced strategic direction.
2. This increasingly complex situation created confusion for a range of stakeholders and local communities in fulfilling their roles, expectations and outcomes, even when agreements were negotiated formally with super-ordinate governments.
3. A number of different policy making approaches to regional governance were established by all levels of government which typically lacked integration and coordination.
4. The Australian Federal Government attempted to apply a WOG approach to various regional policies and programs to enhance policy coherence.
5. Given the level of success with current approaches by the Australian Federal Government to regional governance it is necessary to more clearly define and understand factors contributing to the effectiveness of regional governance.
6. A response to this need, and one which has been developed through this study, is a PCM comprising four dimensions (localism, legitimacy, logistics and performance).
7. In turn the PCM provides a useful, if imperfect, tool to assess the success or otherwise of key regional governance initiatives from 1996-2007 by the Australian Federal Government.

**Conceptual framework**

The central issue to emerge in the study is that of policy coherence for the practice and sustainability of regional governance. As set out in Figure 1 this focus emerged from five key components of analysis and led to the development of a model to test extant approaches to regional governance in an Australian Government policy framework. The four dimensions of localism, legitimacy, logistics and performance emerged from the five key components of analysis as contributing to and shaping coherence.

**Figure 1: Defining the problem and dimensions that contribute to and shape policy coherence**

Source: schematic based on the research process and concepts developed during the study

Some of the key points to emerge from the first key component of analysis reflect that over time political and administrative controls have become more decentralised, creating a complex web of networks and hierarchies and producing a level of competing values so that a coherent policy direction has become more difficult to achieve (Peters, 2005). The sustainable development agenda and the need to address the full
range of economic, social and environmental systems have further created complex policy issues (Wiseman, 2005). The second component of the framework examined regional governance approaches by the EU and the UK. These countries embarked on a modernisation pathway of governance characteristic of multi-level power sharing, joined-up government, a setting of strategic and longer term policy agendas (Strategic Policy Making Team, 1999) and a focus on evidence base and cooperative collaboration rather than inter-governmental and inter-agency competition (Hooghe 1996:18 in Benz and Eberlein, 1999:329). The third component of the framework examined regional governance in an Australian Federal Government context since WWII with a focus on the period 1996-2007. The fourth component comprehensively examined regional initiatives in the spatial areas of NSW and the Riverina region. An examination of initiatives in other jurisdictions was also undertaken to gain an understanding of the synergies between jurisdictions. The fifth component involved consultation with stakeholders at the Federal, NSW State and Riverina regional and local level to gather views on approaches by the Australian Federal Government (pre-November 2007 Federal election) to regional governance and suggestions for improvement.

Methodology

The research for the study was based on the ‘interpretive’ methodology of social enquiry through a grounded theory approach. Such an approach emphasises building a theory and capturing the complexities of social phenomena rather than starting with a theory as the driving force of research (Grix, 2004).

The overall design of the enquiry comprised an extensive desk based literature review and qualitative data gathered from two rounds of consultations with stakeholders at the Federal, state, regional and local level. The first round of consultation comprised in-depth interviews and the second round comprised presentations on research findings and focus groups, as noted above. Two spatial case studies were selected comprising NSW and the Riverina region within NSW, which involved examination of the regional governance machinery in these two spatial systems. The literature review and Round One consultations informed the development of a PCM for regional governance comprising four dimensions: localism, legitimacy, logistics and performance. A set of criteria was further developed under each dimension. Figure 2 presents the PCM, dimensions and criteria.

Figure 2: Policy Coherence Model
Care was taken to minimise potential risks by developing a comprehensive research design, constructing and operating under research protocols and in making transparent the processes of data collection and analysis. The approach adopted aimed to ensure that the results of the research have integrity and credibility. It is acknowledged in this study that the research undertaken has been conducted with a level of personal experiential knowledge. The researcher held a practitioner degree of intimacy with the bureaucracy involved in the Federal Government’s role in regional governance. The researcher also spent several years working within the local government sphere in the Riverina and South East regions of NSW which relate to selected spatial case studies of the study.

PCM: an assessment tool

As mentioned above, the PCM emerged from five key components of analysis. It was also applied as a tool to assess the success or otherwise of four key regional governance initiatives that were introduced by the Australian Federal Government from 1996-2007: Natural Resource Management Programs (NRM), Sustainable Regions Program (SR), Regional Partnerships Programme (RP) and the Indigenous Affairs Arrangements (IAA). The evidence from the formal reviews of each initiative, comprehensively examined in the literature review, was used as a baseline for the assessment. Each of the four dimensions of the PCM comprised a set of four criteria and associated indicators which were used for the assessment process. To indicate the strength to which the reported experience in the formal reviews corresponded with the criteria of the PCM, the rule used was: where one indicator of each dimension was considered to be aligned with the formal review and evaluation findings, a low level of assessment was allocated; where two indicators of the dimension were considered to align, a medium assessment was allocated; where three to four indicators of the dimension were considered to align, a medium-high assessment was allocated; and if all four indicators were considered to align, a high assessment was allocated. Table 1 provides a summary table of the assessment of the initiatives using the PCM as a tool.

Table 1: Summary of assessment

<table>
<thead>
<tr>
<th>Policy/program</th>
<th>Year Introduced</th>
<th>Localism</th>
<th>Legitimacy</th>
<th>Logistics</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NRM</td>
<td>2000</td>
<td>M-H</td>
<td>M-H</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>SR</td>
<td>2001</td>
<td>M</td>
<td>M</td>
<td>M</td>
<td>L</td>
</tr>
<tr>
<td>RP</td>
<td>2003</td>
<td>M</td>
<td>M</td>
<td>M</td>
<td>L</td>
</tr>
<tr>
<td>IAA</td>
<td>2004</td>
<td>M</td>
<td>M-H</td>
<td>M</td>
<td>L</td>
</tr>
</tbody>
</table>

The validity and reliability of the PCM is further supported by the findings from other reviews. For example, there are a number of themes under the PCM’s dimensions that are evident in other studies and have cumulative validation. The PCM dimensions have also shown reliability in that they have been replicated in the formal different forms of governance at different times (Sarantakos, 1993). A second process to contribute to this testing and validation involved Round Two consultations comprising focus groups. This was undertaken to further explore some of the issues in the first consultation phase and to test the PCM with regard to how it could be transformed into a policy and implementation framework for regional governance within the Australian Federal Government.

Policy and Implementation Framework

Using the Riverina and NSW as a basis of the study, the PCM has been transformed into a Federal Government policy and implementation framework (see Figure 3). This process drew upon the evidence gathered from the examination of the strengths and weaknesses of both the overseas modelling and the findings from the official reviews of the selected Australian Federal Government regional initiatives; and data gathered from the focus group discussions in the second phase of consultations.

Conclusion

The literature reviewed and data gathered in this thesis strongly supports the theory that a coherent approach to policy making comprises the integration of social, economic and environmental values, requires coordinated action of all levels of government and networks, is participative and has more potential to achieve sustainable outcomes and future prosperity. Achieving greater policy coherence demands
sustained efforts to improve policy integration across levels of government, and to ensure consistency in the choices made by the various stakeholders. The literature and data also show that a coherent approach to policy making and implementation is one that is supported by strong central leadership and political support.

The study illuminates that policy coherence as it relates to regional governance in a Federal Government framework in Australia has not been previously comprehensively addressed. The significance of the findings is evident in the creation of the PCM in a regional context within the Australian Federal Government policy framework. While some components of the PCM have been adopted based on some aspects of governance approaches in an overseas context, such a model does not exist in Australia. In this way, the PCM has been developed specifically to suit the Australian experience, situation, practice and existing policy and administrative frameworks.

The study has further significance in that the PCM has been progressed to include examples of how it could be transformed into a policy implementation framework. The proposed framework aims to enhance the ability of regions, states and territories and the nation as a whole to develop a more strategic, robust and sustainable future. Should the current approach by the Australian Federal Government to regional governance continue, concerns will further grow regarding the future of our towns, cities and regions and, therefore, the nation.

References


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Strategic Policy Making Team (1999), Cabinet Office, Chapter 2; 2.4 at www.nationalschool.gov.uk/policyhub/docs/profpolicymaking.pdf
