

TOAST TO THE UNIVERSITY OF SYDNEY – 18 OCTOBER 2016

by Professor Anne Twomey

A journalist once told me that he could never mention the word ‘Constitution’ in an article because his editor said it gave him the MEGOs (‘my eyes glaze over’). The only time the Constitution can appropriately be mentioned in polite company is in connection with ‘the vibe’ thereof and sending something to the pool room. On that basis, I thought tonight I would head straight to another contentious, but relevant, subject, for which I may have to give you a trigger warning – ‘federalism’.

Bucking the trend in the rest of the world towards the devolution of power, Australians tend to be relentlessly centralist in their views. You can scarcely open a newspaper without seeing a letter asserting that government would be much cheaper and more efficient if we got rid of the states. But is this actually true? Some years ago, with Professor Glenn Withers from ANU, I wrote a paper setting out the evidence on the issue. The results may surprise you.

Intuitively, you’d think that if you cut out the States and had a unitary system of government, you would have fewer public servants. The evidence shows the reverse. The size of the public-sector, on average, is 11% higher in unitary states than federal states. Why? Because centralisation causes them to become bloated, unaccountable, inefficient bureaucracies. Public expenditure, as a share of GDP is also 13% higher on average in unitary systems than in federations. If one were to apply this to Australia, in 2006 figures, the cost of running government would have been \$44 billion greater, if Australia had a unitary system rather than a federal system.

Not only is it cheaper and more efficient for a governmental system to devolve power, rather than centralise it, but it leads to better outcomes for the people. Services are customised to their particular needs, because one size does not fit all. A classic example comes from the period when the Commonwealth Government ran the territories, before self-government. When a new hospital was needed in Darwin, the bureaucrats in Canberra ordered that the same plans be used as for the Canberra hospital. They thought this was more efficient than designing a new building. So they built in Darwin a hospital specifically designed to cope with snow – including snow caps on the windows and a moat for snow drainage! Needless to say, it had not been built to cope with tropical weather or cyclones. Moreover, it did not suit the needs of its clients. The Royal Commission into Aboriginal Deaths in Custody made damning findings that Aboriginal people were dying because they refused to go to a highrise enclosed hospital. When new hospital buildings were built under self-government, they were constructed to meet the climate and the needs of the local people.

Federalism allows for the equal representation of different groups of people, with different interests, regardless of their number. Tasmania has the same number of Senators as New South Wales, just as Rhode Island has the same number of Senators as California. Why? Because all groups should have a say in their governance, whether they are weak or powerful in numbers or finances. To exclude them from representation in governing bodies, simply on account of their size, would be wrong.

What does this have to do with the University of Sydney? Quite a lot. In recent years, there has been relentless centralism. The central bureaucracy grows, while staff and functions are

stripped away from the Faculties, in the name of an illusory efficiency and the drive for a 'uniform student experience'. Those who study federalism know that it is not actually efficient. It will end up costing more and the staffing numbers will blow out.

At the same time, the student experience, while uniform, is diminished in quality by having to deal with generalists who are unable to cater for the particular needs of students from different faculties. Having a uniformly poor student experience of the administration is not more beneficial than having specialist staff in each Faculty who can cater for different student needs. We see Faculties being reduced to 'Schools' simply because they are small in size, losing their rights to representation on university governance bodies.

We see dysfunctional centralised systems, such as the special consideration system, which forces academics to choose between two untrue statements, because there are no other options given by the electronic system, and which forces them to make uninformed and inappropriate decisions because the electronic system does not provide the necessary information on individual circumstances.

We see the specialised pages for each University library wiped out, replaced by a completely useless uniform library page, so that students and staff have to waste 15 minutes flicking through different levels of web-pages to find the information that was originally all on the one starting page for the relevant library. Who seriously thought that could possibly be a better outcome? Being uniformly bad is not better than being different and useful. The list goes on.

One of the great ironies is that the University is constantly advocating diversity – and doing very good work in the field, as Professor Belov will discuss. We encourage and support diversity in our students, which is to be applauded, but then impose strict uniform policies on our faculties and schools, ignoring the benefits of diversity and requiring uniformity of experience. The key factor in running a federation is being able to work out when centralisation and uniformity is needed, and when diversity and devolution should be encouraged. Yes, it was stupid for the Australian States to use different rail gauges. But no, it is not stupid to have different policies on a large range of other things, as this permits experimentation, innovation, customisation and a ratcheting-up effect, where the States and the Commonwealth learn from and adopt the successes of each other. Surely, as a University, we can be sufficiently sophisticated in our internal governance, to be able to work out when uniformity is needed, but also the benefits of devolving power and permitting diversity, flexibility and the representation of the big and the small?

I ask you now to stand and raise your glasses in a toast to the aspiration of a diverse, thriving, innovative, flexible University of Sydney.