

THE 'MOST UNDEMOCRATIC MUNICIPALITY IN AUSTRALIA'

Changes to the Franchise and Electoral Arrangements of the Melbourne City Council 1938 – 2011.

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According to Halligan and Wettenhall, Australian local government has evolved through five stages with the most recent involving 'substantial reforms and a general renaissance'.¹ At the same time, 'centralising measures' have eroded the autonomy of local councils' in the form of intervention in the planning and development process and absorption of responsibilities.² Case studies of a major institution such as the Melbourne City Council (MCC) offer scope for assessing the character of these reforms. In changes implemented to the MCC's constitution and electoral machinery, especially, it would appear that we have witnessed a recasting of the institution. The effects of which have set it apart from the State's other local government institutions, diminishing its representative character. Undoubtedly, there are some who see this as a good thing. But it is interesting that those who would see local government as less 'political' have themselves been highly political in achieving these ends. It remains to be seen how much further a flight from politics the MCC will be expected to undertake or whether a political renewal of metropolitan local government is possible at some later date.

The degree of unanimity or disinterest that now prevails among leaders of both major political parties in Victoria with respect to the changed character of this institution is unprecedented. This may be reflective of local government's standing in general. Many contemporary observers and the politically engaged dismiss it as a tedious necessity at best and at worst a resource-consuming irrelevancy. Yet local government remains a stepping-stone for the politically active. It attracts considerable community involvement and few would deny that it has its interested parties. A large measure of media attention and persuasive power attaches to the office of Lord Mayor of a capital city like Melbourne.

A narrative of the electoral changes to the MCC over the past three decades offers the scope for insight into the forces at work and the interplay of *realpolitik* behind the supposedly apolitical veneer that is the common representation of local government in Australia.

1938 – Start of the Modern Era

For nearly one hundred years Melbourne and Geelong councils had been regulated by special legislation, mostly separate from the general-purpose local government legislation enacted for Boroughs, Towns, Cities and Shires throughout the rest of Victoria. In 1938 a government led by Country Party stalwart (Sir) Albert Dunstan held office with Labor support.³ The MCC had been instrumental in the defeat of the 1936 Greater Melbourne Council (GMC). Labor and non-Labor governments since 1900 had at various times supported consolidation of metropolitan local government with a GMC with the London County Council the preferred model of Labor and urban Liberals but opposed by Conservatives. The Melbourne & Metropolitan Board of Works (MMBW) had been since 1893 the federal body beholden to representatives of the municipalities undertaking common works for the metropolis. Melbourne had been divided into different local government areas since the 1850s. A bill to reconstitute the MMBW in 1937 was rejected as the

GMC bill in disguise. The government then turned on the MCC intending to bring the Council's procedures more in line with the Local Government Act. Reforms proposed included the abolition of aldermen and the introduction of preferential voting together with other alterations to the franchise. The MCC defended plural and non-occupying voting but not the office of alderman, which the Melbourne and Geelong Corporations Act, 1938, abolished.⁴ A consequence was a reduction of councillors from 32 to 24. Councillors were then faced with either accepting a dramatic reduction in their numbers or a subdivision of wards to provide for additional councillors. Labor wanted a subdivision of wards. Its MCC representation was negligible, being confined to three councillors from Hopetoun ward (based on North Melbourne) but a subdivision of wards promised an increase. A plan formulated and proposed by the Lord Mayor, (Sir) Arthur Coles, was accepted in 1939. Council numbers were increased, by one. This was achieved by having eleven wards, each with three councillors, in place of eight wards each with an alderman and three councillors.

The three new wards were Batman (comprising three city blocks bounded by Elizabeth Street, Lonsdale Street, Swanston Street and the Yarra River), Hoddle (bounded approximately by Queen Street, Lonsdale Street, Elizabeth Street and the Yarra River) and Hotham (the North Melbourne and west Parkville parts of the former Hopetoun ward). The new ward boundaries were drawn on a one vote-one value basis, as distinct from one voter-one value basis. Plural voting continued, however.

| Annual value (£) | | |
|-------------------------|--|-----------------|
| 1 vote | | Under 50 |
| 2 votes | | 50 to under 100 |
| 3 votes | | 100 or more |

| Ward Rolls in 1939-40 | | |
|------------------------------|--------------------|---------------------|
| Ward | Votes ⁵ | Voters ⁶ |
| Albert | 5355 | 2500 |
| Batman | 5226 | 2034 |
| Bourke | 5468 | 2753 |
| Gipps | 5374 | 2264 |
| Hoddle | 5581 | 2156 |
| Hopetoun | 5426 | 4122 |
| Hotham | 5280 | 4059 |
| La Trobe | 5338 | 2355 |
| Smith | 5371 | 3953 |
| Victoria | 5603 | 2811 |

The 1938 Act meant that elections would be in August instead of November. Also that there would be a one-off new start to MCC elections with all sitting councillors required to compete against each other for all councillors positions, after which the principal of yearly rotation would return. The most significant outcome of the 1939 elections was an increase in Labor representation. With twenty-three councillors Non-Labor still had a majority of thirteen (a situation that was to remain virtually unchanged for the next thirty years). But non-Labor councillors were now prompted to organise to ensure their dominance of key committees and their hold over the vital position of Lord Mayor. A new dimension of 'political cohesion and party discipline' was introduced with high calibre Labor councillors of the likes of Arthur Calwell MHR, W.P. 'Bill' Barry MLA, Tom Hayes MLA and Les Coleman (later MLC).⁷ The Non-Labor Group became a known entity reflecting the influence of old style conservative business-oriented power brokers such as James Ferguson, Harold Luxton, Sir Thomas Nettlefold, and Sir George Wales.

In 1951 another Labor-supported Country Party administration of J.G.B. McDonald presented a Greater Melbourne Bill that proposed the abolition of all the metropolitan municipalities, also the MMBW, and their replacement with a ratepayer elected GMC. The legislation failed by one vote in the Legislative Council. The Labor Party split of 1954 then impacted on Labor's aspirations for control of the MCC equally as in the State Parliament. The advent to power of (Sir) Henry Bolte's Liberal Party the following year removed the spectre of any major threat to the MCC from a GMC or further legislation amending its franchise or electoral procedures. But a GMC remained part of Labor policy until the 1970s. Meanwhile the shock defeat at the 1954 elections of Cr Sir George Wales and Non-Labor's name change to the Civic Group in 1955 confirmed generational change. New councillors were, by comparison with their predecessors, progressive businessmen and urban professionals, men who were more responsive to the city's changing commercial needs.⁸

Full Enfranchisement of Women and Company Votes

In 1966, an amendment to the Local Government Act (1958) entitled spouses to apply for enrolment in respect of his, or her, place of residence.⁹ Women who owned or leased rateable property had been entitled to be enrolled since 1896. The trend for husbands and wives to jointly own or lease property had seen more women placed on the voters' rolls.

Female suffrage was a reality but the absence of some spouses from the rolls because title or lease deeds were in the names of the men looked artificial, or worse. As if to counter-balance this, the Act was amended to also make it compulsory for companies to appoint persons for enrolment – compulsory, as opposed to voluntary enrolment, would presumably garner more company votes and this was seen as a desirable thing by an MCC ruled by business interests.¹⁰ The plural-voting scale was adjusted also. Plural and multiple voting based on the ownership and valuation of property had been a feature of MCC elections since 1863, although the inflation of money values saw this undermined. Most voters now had two or three votes.

| | Annual Value (£) | |
|---------|-------------------------|-------------------------------|
| | <u>Old Scale</u> | <u>New Scale¹¹</u> |
| 1 vote | Under 50 | Under 100 |
| 2 votes | 50 to under 100 | 100 to under 200 |
| 3 votes | 100 or more | 200 or more |

The Carlton based Smith and Victoria wards of the MCC saw a new breed of councillor. The first of these was John Campbell King who rode his bicycle from door to door campaigning, with the surprise result that he defeated an established Labor candidate in Victoria Ward. Others who followed included lawyers Peter Druce and Andrew Richards, architects Robert Peck and John Mitchell and shopkeeper, John Ridgeway (Smith); and in Victoria ward, teacher Eddie Beacham (a member of the ALP's Socialist Left faction), landscape gardener Malcolm Cameron, Richard Malone and John Blake. The new generation councillors and their complement of supporters reflected the changing demographic character of the inner suburbs, the youthful and professional takeover of formerly working-class and decayed areas known as 'gentrification'.¹²

Abolition of Plural Voting

Two years after the adjustment of the plural-voting scale the Government conceded that it was a lost cause. The Minister told Parliament that a survey in 1967 showed that over the whole of Victoria sixty four per cent of voters had three votes, twenty nine per cent had two votes and only seven per cent had one.¹³ The Opposition Labor Party supported the Government's proposal to abolish plural voting. The Country Party also, but expressed concern that if full adult franchise were granted in relation to municipal elections 'politics would enter into local government'.¹⁴ The

Local Government Act (1958) was amended only as late as 1969 to the effect that every voter should have one vote.¹⁵

The MCC's ward boundaries were the same in the 1970s after an interval of nearly three decades. They had been drawn around numbers of votes, not the numbers of voters on the ward rolls as they were in 1838-39. With the abolition of plural voting in 1969 the widening range of the actual numbers of votes was brought into sharper focus. In the inner city wards property consolidation and the amalgamation of small business had lessened the number of rateable assessments and hence the numbers of voters. In Hopetoun Ward the construction of flats by the Housing Commission had increased the number of voters. The range of voters on the rolls for various wards in 1971 was thus:

| <u>Ward</u> | <u>No. voters¹⁶</u> |
|-------------|--------------------------------|
| Hoddle | 1674 |
| Batman | 1836 |
| Gipps | 1931 |
| Hotham | 4858 |
| Hopetoun | 6514 |

A business oriented Hoddle ward vote was worth four Hopetoun ward votes. Some councillors considered that something like plural voting was still needed. Batman Ward, in 1978, with only 1547 voters had net annual valuations of \$14 million. The ward at the city's east end (La Trobe with 2345 voters) had net annual valuations of nearly \$23 million. The west-end Lonsdale Ward (2146 voters) had \$30 million in valuations. Hopetoun Ward might well have 7638 voters, but it had under \$7 million in valuations.¹⁷ The value of property did not match the ward's voting strength and this, rather than the disparity of voters, was presented as the critical discrepancy.

Up until now the Civic Group had maintained a clear majority. However, with this new debate over ward boundaries under way the Civic Group's influence was under threat. The notion of full democratic representation of the wards was one that conservative minded councillors remained unhappy with. A compromise was struck. In May, 1979, the number of wards was reduced from eleven to eight, and the number of councillors from 33 to 24. In the previous scheme there were three wards in the central business district and three more shared between the CBD and the docklands. The new scheme reduced the business community's circle of influence from six wards to three: that meant three out of eight. There were also uncertain electoral outcomes in the East Melbourne/South Yarra (Albert) ward and in a new Bourke ward that extended across the municipality taking in West Melbourne, part of North Melbourne and South Carlton. The enrolment numbers for 1979-80 were as follows.

| <u>Ward</u> | <u>Voters.¹⁸</u> |
|-----------------------------------|-----------------------------|
| Albert (E. Melb., S. Yarra) | 5825 |
| Bourke (W. Melb., S. Carlton) | 4450 |
| Gipps (City, east end) | 2808 |
| Hopetoun (Flemington, Kensington) | 7687 |
| La Trobe (6 inner-city blocks) | 2723 |
| Lonsdale (City, west end) | 2810 |
| Smith (Parkville, S. Carlton) | 6992 |
| Victoria (Carlton N.) | 7488 |

Usually when a full re-subdivision occurred as in 1938 all sitting councillors go out of office. The Parliament passed an Act to finesse the process: only councillors in the old wards whose terms expired in 1979 would go out of office in 1979 and those whose terms ran to 1980 and 1981 would see out those terms. The new three-member wards would be filled one councillor at a time at the annual elections to be held in 1979, 1980 and 1981.¹⁹ The pain of losing office could then

be strung out over three years. The business community no doubt hoped it could find candidates sufficiently inclusive of business and residential interests in the interim. The portents, however, were not good.

Difficulties: the Rogan Plan, St Kilda Road and Lobby Groups

An accumulation of other difficulties impacted on the Council's standing with Government. In 1967 the Town Clerk, Frank Rogan submitted his report, 'the Rogan Plan' to the Council, recommending the amalgamation of Melbourne with seven of its contiguous municipalities. The report split the Civic Group. Cr Maurice Nathan supported it as a strategy for better inner-urban government but another leading Civic Group member Cr Leo Curtis deduced that the addition of Labor, resident voters would overwhelm the business community's electoral influence and opposed it. A modified proposal for amalgamation with only Fitzroy, Collingwood, South Melbourne and Port Melbourne went to the Local Government Advisory Board but was rejected.²⁰ Municipal amalgamation – in effect, a Greater Inner Melbourne authority – would have enabled more effective planning controls. Four councils between the Yarra River and High Street, Prahran were administering St Kilda Road. Office development along the tree-lined boulevard brought welcome additions to municipal rates in South Melbourne but created a high-rise tail for the city that detracted from the CBD as a compact business centre. A stronger inner urban planning authority may have been better able to withstand the controversy over plot-ratio controls proposed in the mid 1970s for the mixed-use areas adjoining the CBD.

The metropolitan planning authority was the MMBW. It tackled the St Kilda Road problem with Amendment No.18 to its planning scheme in 1970. The amendment had two parts: lower plot ratios for St Kilda Road and Royal Park; and the redefinition of 'floor area', whereby lift areas, stairs and plant rooms were to be included in the calculation. The effect was to lower the yield for developers when maximum plot ratios were calculated. Somewhat unexpectedly, the investment and real estate industries ignored the gallant attempt to save St Kilda Road's boulevard and mansion landscape and attacked the floor-space change, estimated to wipe ten to fifteen per cent off the value of CBD property. Within a few days the local industries had copied New South Wales and set up a Victorian chapter of the Building Owners and Managers Association (BOMA now the Property Council of Australia). The MCC that had lost the contest for stronger urban planning in the 1960s in 1970 found itself saddled with a lobby group with influence that would reach into its meeting rooms.²¹

Just at the time when the Council was coming under pressure from the property industry on the one hand and democrats seeking more equitable voting on the other, it was also in dispute with the State Government over funding of the underground rail loop. In 1960 when the loop was barely formulated legislation was passed putting forty per cent of the cost on ratepayers of West Melbourne, Central Melbourne, South Carlton and Fitzroy as the predicted beneficiaries of the loop.²² The MCC succeeded in having its impost reduced after fifteen years of lobbying to twenty-five per cent (1970) – but applying to all of its area – and finally to ten per cent (1975). Its final case rested on several grounds: the unfairness of including North Carlton and Parkville, which had no railway stations; the proposition that the loop was really a metropolitan facility; the argument that CBD businesses already had two lots of rates (Council and MMBW), State Land Tax, which was by far the greater burden, and the impost for the loop was an extra rate burden; and the obvious conclusion that more of the cost of the loop should come from State (land tax) revenue. Labor parliamentarians took the point for residential areas, but preferred to take a greater contribution from the supposedly wealthy CBD voters. The leader of the National Party opposed the reduction from twenty-five to ten per cent and disparagingly concluded that the Lord Mayor had outmanoeuvred Premier Hamer. Liberal-supporting CBD interests sent a strong

message with hints about future fund-raising. Neither the remarks nor the outcome endeared the MCC to parliamentarians.²³

Decline and Dismissal

A Labor-Independent alliance held power in the MCC chamber in 1978-79, and election results maintained that position.²⁴ In August next year the Carlton-based local newspaper the *Melbourne Times* reported on election eve that the rumoured appointment of a State Government administrator in place of the Council had produced a new coalition of councillors, with business interests in control.²⁵ The coalition aimed at installing as Lord Mayor former Labor councillor, Jack Woodruff, known as 'Developer Jack' for his strong support for commercial building activity. Woodruff was elected Lord Mayor and three dissident Labor councillors were excluded from membership of the Council's four committees.²⁶

Within months Labor councillors were censuring the Lord Mayor. In December, 1980, events unfolded rapidly: the *Herald* newspaper urged the sacking of the Council, Cr Richard Meldrum did likewise, and the press revealed the existence of a report on supposed corrupt practices at the Council's tree nursery at Wandin. No criminal charges were ever laid but the allegations provided the pretext for dismissing the Council as announced on 23 December by the Minister, Digby Crozier.²⁷ Premier Hamer's position as party leader was under threat from younger dissidents, Ian Smith and Jeff Kennett, and needing to appear more 'decisive' he acted. Sacking the Council did not save his leadership, however, and tarnished his small 'L' Liberal image. Shortly afterwards, Hamer was replaced by his deputy, Lindsay Thompson, as Liberal leader and Premier.

A residents' group, Melbourne Voters' Action, was formed. Its spokesperson, Winsome McCaughey, would later become a Councillor and Lord Mayor. Some telling allegations were made about the sacking. The *Melbourne Times* claimed property developers were buying up options for sites all over town in anticipation.²⁸ Melbourne Voters' Action asserted the 'real reasons' for the sacking of the Council:

It is now clear that the final step in the present restructuring, the reduction of the council to 24 in August [1981], will mean the council will be controlled by the ALP and the residents. To keep faith with big business, Hamer simply cannot allow that.²⁹

The Government was not united on the sacking of the Council and the National Party's leader, Peter Ross-Edwards, was particularly critical.³⁰ Hamer had himself sought a compromise but Liberal party power brokers, frightened of the prospect of a weakened Government looking even weaker, dissuaded him. The Minister, Digby Crozier, was unwavering.

In 1981 the Government enacted legislation to replace the elected Council with three appointed Commissioners. As well as running the Council, the Commissioners were required to recommend new external boundaries for the MCC (having regard to the importance of the CBD), advise on changes to the Council (on the assumption that the Lord Mayor would be popularly elected) and advise on widened powers and responsibilities for the Lord Mayor.³¹ The Commissioners assumed office on 28 April, 1981.³² The then Leader of the Opposition, Frank Wilkes, indicated that a Labor government would dismiss the Commissioners at the earliest opportunity.³³

By the time of the sacking of the Council there had also been six years of debate over the MCC Strategy Plan that Premier Hamer had in 1971 requested, when Minister for Local Government, with the MCC the authority responsible for implementing it. Also, the Melbourne Chamber of Commerce that wanted clearer and stronger planning guidelines for urban renewal.³⁴

Complications included a strong input from residential – now identified as ‘gentrified’ – interests and a conservative plot ratio of only 1.5 for non-residential land in the mixed-use areas that adjoined the CBD (West Melbourne, North Melbourne and South Carlton). The Chamber did not mind the low plot ratio because it shored up land values in the CBD. This put it in a temporary alliance with inner residential interests. But members of BOMA and its allies were deeply hostile. Some had laid out on speculative land purchases and long-standing owners sensed retirement benefits or redevelopment potential slipping away.³⁵ On other counts the Chamber was unenthusiastic about the Council’s failure to complete the City Square because of an industrial ban on the demolition of the Regent Theatre, tardiness in concluding and implementing the Strategy Plan, and an imbalance between rates and spending in residential and CBD wards (a concern shared by BOMA).³⁶

New Wards and a Re-elected Council

Twelve months after the Commissioners were appointed the State Government was defeated and Labor came to office led by John Cain jnr. on 8 April, 1982. The new Government moved to reinstate the MCC and on 25 May the Minister for Local Government brought in a Bill to reinstate an elected Council.³⁷ The Bill that became the Melbourne Corporation (Election of Council) Act 1982 contained several innovations. All residents (aged 18 or more) enrolled on the Legislative Assembly roll would have a vote in council elections. The supremacy of property interests was laid aside – as local government was funded by the Commonwealth, as well as by rates, all taxpayers were entitled to be enrolled. Unnaturalised residents could enrol, subject to specified residency periods. Non-resident owners and occupiers – that is, most business people – were no longer automatically enrolled. They had to fill in application forms, the same as companies that enrolled voters to act on their behalf. The business community’s voting power would be lessened to the extent that its potential voters neglected to fill in the form. Joint owners and occupiers could enrol only one voter.³⁸ There would be six wards, each with three councillors, and all would have the same three-year term, not retiring in rotation. Election Day would be a Saturday, not Thursday.³⁹ Although presented as enabling legislation significant changes were made countering tradition and the concerns of previous generations.

Two weeks after the Act became law the boundaries of the six wards were announced. The CBD was divided into three parts, each part joined to a residential or mixed-use component. The boundaries were widely criticised. The *Melbourne Times* reported ALP sources that said the Minister for Local Government, the former leader, Frank Wilkes, ‘went it alone’ with the boundaries.⁴⁰ With a Labor Party victory overall the likely result, Labor MCC pre-selections assumed significance. Factional heavyweights became involved. Two well-regarded potential Labor candidates, both former councillors, were overlooked for pre-selection and a third former councillor, Richard Malone, was given the unwinnable third position on the ticket for Princes (North Carlton) ward. When nominations closed there were fifteen Labor candidates and twenty-four independents. The latter group included Winsome McCaughey, who forfeited her ALP membership, Trevor Huggard, a prominent building conservationist professional from North Carlton and an architect Lorna Rolfe in Parkville.⁴¹

The results of the election on 4 December revealed Labor gained only one of the three positions in Flagstaff ward, where its plum candidate, lawyer Linton Lethlean – expected to be Lord Mayor – failed to get elected. Winsome McCaughey topped the ward’s primary vote. In Princes Ward, where Richard Malone had been put third on the ticket, Labor won only one position. The final tally was nine Labor councillors and nine Non-Labor or independents.⁴² By its heavy-handed actions Labor forfeited much of the electoral goodwill it should have received as a consequence of its recent parliamentary victory and the popular reinstatement of the Council. Shortly before this the Minister for Planning assumed planning approval powers over major building developments in the central city area. Although presented as an action aimed at curbing the outgoing commissioners or short-term measure to cover an inexperienced elected council, the

move proved anything but temporary. Seasoned observers then considered whether the building industry's loss of influence, as a consequence of the long-standing erosion of business interests and through the amendments made to Council's ward boundaries, could be rectified by other means.⁴³

The MCC now had eighteen councillors, risking tied votes in the chamber. In 1983 the election of the Lord Mayor had to be decided by the drawing of lots. Labor drew the lucky spot, and Cr Kevin Chamberlin was elected. This could have been avoided by having an unequal number of councillors, 21 instead of 18, or seven wards instead of six. Fortuitously, the ward boundaries needed to be redrawn because the variation in enrolments was too great.

| <u>Ward.</u> | <u>Voters.</u> ⁴⁴ |
|---|------------------------------|
| East (City east end, E. Melb., S. Yarra) | 9125 |
| Flagstaff (N. Melb., City west end) | 7407 |
| Park (Parkville, part Flemington) | 6296 |
| Princes (Carlton N.) | 8563 |
| University (Carlton S., part City) | 6110 |
| West (part Flemington, Kensington, docklands) | 7523 |

Seven new wards were drawn for the 1985 election. The franchise was also changed. When the Government sought to extend the MCC franchise to all of Victorian local government, the Upper House (where Labor did not enjoy a majority) amended the Bill by restoring the automatic enrolment of non-resident (business) voters. The Government accepted this amendment. However, it overlooked making it compulsory for companies to enrol voters, leaving the situation optional.⁴⁵

This still left an amount of guesswork in the drawing of boundaries, as the number of company enrolments could not be calculated from rateable assessments. The central city area and North Melbourne were each given its own ward. This was effective on 1 April, 1985.

| <u>Ward.</u> | <u>Voters.</u> ⁴⁶ |
|--------------|------------------------------|
| Central | 6226 |
| East | 7218 |
| Hotham | 6130 |
| Park | 6891 |
| Princes | 7033 |
| University | 7067 |
| West | 6145 |

The elections in 1985, 1988 and 1991 were contested in these wards. In the Council chamber Labor and non-Labor councillors remained evenly balanced, with the three independents (Huggard, McCaughey and Rolfe) being returned and holding the balance of power. The test of their influence was the annual election of the Lord Mayor. A non-Labor Lord Mayor was elected in 1985-86, and deals were struck to return alternate independent and Labor Lord Mayors over the next four years. The sequence, which included the Council's first two female Lord Mayors ran: Trevor Huggard, Lecki Ord (Labor), Winsome McCaughey and Bill Deveney (Labor). The first three were avowed conservationists.

But the political situation did not improve for Labor, with the administration of, first, John Cain, in difficulties leading to his resignation in 1990 and, second, that of his successor as Premier, Joan Kirner, headed clearly for electoral oblivion. Melbourne residents and business interests were now, if anything, even less inclined than before to support any party-affiliated candidates. Organised campaigns in Park and West Wards dislodged two Labor councillors. Non-Labor councillors then had a majority over both and Labor and the independents in the MCC.⁴⁷

Turning the Tide for Business

During December, 1991, and January, 1992, two influential lobby groups published their visions of a reformed Melbourne City Council. The Building Owners and Managers Association (BOMA) and the Melbourne City Chamber of Commerce each advocated a smaller-sized municipality with varying amounts of residential areas removed. The Chamber's case was that the subsidisation of residential services by Central City ratepayers was 'grossly inequitable,' claiming that seventy five per cent of the MCC rate income was contributed by central city ratepayers in 1991-92.⁴⁸ Further, eighteen councillors represented six residential wards and only three councillors represented the City ward.⁴⁹

BOMA and the Chamber differed only on how much of the residential areas should be severed. BOMA wanted only the docklands as far west as the Moonee Ponds Creek kept, along with Southbank, the Botanic Gardens, East Melbourne and Carlton South. Flemington, Kensington, North Melbourne, Parkville, North Carlton and South Yarra would be excised. The Chamber wanted a stronger non-resident rate base, ridding the MCC of more of East Melbourne and Carlton South, but keeping all of the docklands. Southbank was omitted. Both proposals amounted to drastic surgery.⁵⁰ In addition, the Chamber advocated that the Council should have seven members elected at-large by all voters, abolishing wards altogether. The councillors would still elect the Lord Mayor, but the Chamber wanted a two-year term.⁵¹

The Opposition leader, Jeff Kennett, had announced reduction of Melbourne City boundaries as Liberal policy in the 1988 election campaign. With an election due in October, 1992, and the State Labor Government's prospects not good.⁵² Attempting to reposition the MCC as politically neutral, the MCC through its Chief Executive, Elizabeth Proust, and Corporate Manager, Andrew Friend, prepared a discussion paper. Its most memorable phrase was that inner Melbourne was over-managed and under-led, which was a reference to the multiplicity of municipal and statutory bodies that ran inner Melbourne.⁵³ The document was referred to as a Green Paper, meaning it was a discussion paper. But as issues crystallised a White Paper was published that invested more effort in addressing the complaints made by BOMA and the Chamber of Commerce.⁵⁴ It recommended the number of councillors be reduced from twenty-one to eleven, a recognition of the positions taken up by BOMA and the Chamber, and falling in with the notion that the Council should behave less like a political entity and more like a company board.⁵⁵ The poor participation of non-resident ratepayers in elections needed to be rectified and it recommended that their enrolment and their voting should be compulsory. This would boost the business vote. The supposed imbalance of spending in residential as opposed to business wards would be rectified and it was recommended that CBD rates be spent only in the CBD and on the upkeep of major parks and gardens (they were a key factor in tourism).

The White Paper's most radical proposal was the idea of two voters' rolls and separate groups of councillors elected from each of the rolls. There would be six councillors elected by residential voters, on residential ward rolls, and five councillors elected by commercial (non-resident) voters on a single municipal-wide roll. No figures or ratios were supplied in the paper distributed to councillors on the Friday before the Council meeting to be held on the coming Monday evening. At least one councillor had thought to ask the vital question. The answer was that about 5000 residents' votes and about 3200 non-residents' votes would elect a councillor. After extensive debate the MCC endorsed the paper on 1 June, 1992.⁵⁶

Much effort had gone into devising a scheme that might appease the business community but the uneven dual franchise would be a fatal flaw. Labor Minister, Caroline Hogg, condemned the proposal. But the Opposition shadow minister, Roger Hallam, indicated consideration would be given to the Council's ideas.⁵⁷ Within a few weeks residents' organisations had opposed the 'two-tier gerrymander' and the *Melbourne Times* reported a

majority of councillors now either opposed the idea or would rescind it in favour of a better plan.⁵⁸ Within weeks five councillors were reported to be circulating a motion for rescission of the councils' decision on the White Paper. Later, even the Chamber of Commerce condemned the proposed franchise as an affront to democracy. In any case, it offered no guarantee of CBD councillors being elected as the five non-resident councillors could be made up of small shopkeepers, absentee residential landlords and factory owners from Carlton, Kensington and North Melbourne.⁵⁹ The Chamber's view underscored that the business community was not unified. Indeed, it was conceivable that the numerous tenant shopkeepers and small business people in the CBD might vote differently from property owners and the so-called "big end of town."

The Council Fractures but a CBD Council is Avoided

The Liberal National Party coalition was elected to government on 6 October, 1992. The MCC compiled a third report, focused solely on devising an acceptable franchise. This time the job was given to MCC Corporate Manager, Eric Howard. The franchise comprised at that time:

- automatic enrolment of residents from the State Legislative Assembly Roll;
- automatic enrolment of non-residential rate payers, either a sole trader or one member of a partnership; and
- voluntary enrolment of one voter by a rate paying company.

The Town Clerk suggested that partnerships and companies could be likened to residential households for the purpose of the franchise. As the average household had only slightly fewer than two voters, the same number could be justified for a business partnership or a company. If this was accepted, and enrolment made compulsory, then estimated enrolments would grow accordingly.

| | Current | Proposed | Increase |
|---------------------------|---------|----------|----------|
| Resident voters | 30653 | 30653 | nil |
| Company voters | 2667 | 11308 | 324% |
| Other non-resident voters | 9495 | 11659 | 23% |

The paper contained options for ward arrangements or for a "two-tier" council. It was approved by the council and released for consultation. But the Chamber of Commerce was insufficiently impressed. The paper was weighted back towards business, but not necessarily towards CBD interests.⁶⁰

The non-Labor majority had elected a former teacher, Cr Des Clark, representing the ward covering East Melbourne and South Yarra, as Lord Mayor in 1992-93. Councillor Clark appeared to have the prospect of a second term, but had alienated some councillors. An unusual alliance of central-city ward councillors, Labor councillors and 'Progressives' fielded a compromise candidate, the Carlton restaurateur, Cr Allan Watson, who defeated Clark. Immediately, non-Labor Councillors called for the State Government to investigate the Council's future and the spurned Clark predicted that the MCC did not have a future.⁶¹

In September, 1993, it was reported that both BOMA and the Chamber conceded that a CBD council was a flawed, short-term, fallback position, but that unlike a Greater Melbourne Council it was politically achievable. A metropolitan-wide GMC had not been mooted seriously as a solution to the city's administrative problems since the Bains report of 1979.⁶² The idea of expanding, rather than contracting, the MCC to make it, in effect, a Greater Inner Council might have been possible, had conservative and business interests not been so absorbed with excluding citizens from the political entity. Irrespective of the powerful interests enshrined within its boundaries the CBD was an area insufficient to provide the institutional weight necessary for a

municipal government.⁶³ Up to a third of BOMA's board was reported as now disagreeing with a CBD council. The Minister, Roger Hallam, was now understood to not favour a CBD council.⁶⁴ Perhaps the unworkability of a CBD council as discussed in the 1992 Green and White Papers and agitation by academics and critics had gained a hearing.

Premier Kennett announced a 'compromise' on 28 September, 1993. The Council's boundaries were to be reduced by the severance of Carlton North, the Housing Commission area west of Melrose Street, North Melbourne, Flemington and some of Kensington. Most of North Melbourne, Carlton, Parkville, East Melbourne and South Yarra were to stay with Melbourne City Council. Southbank, the Docklands and part of Flemington Racecourse were to be added to the MCC area.⁶⁵ The restructure was not referred to the Local Government Commission, specially established to set new Council boundaries throughout Victoria, but was to be enacted by Parliament.

New External Boundaries and the appointment of Commissioners

Within two months the City of Melbourne Act 1993 was assented to, providing for the new boundaries and for the replacement of the councillors by four commissioners who took office on 18 November.⁶⁶ The Act also provided that the municipality would have four wards, each returning three members when elections occurred, and companies would be compelled to enrol two voters, instead of one which remained the case for the rest of Victoria.⁶⁷ The Act contained a surprise. The Melbourne City Chamber of Commerce had complained about CBD rates not being spent in the CBD. Sydney's CBD council had recently had fallen recently to residential voters because the business community had registered a weak electoral turnout.⁶⁸ As if acknowledging that possibility, section 18 provided for the Minister for Local Government to direct that the council spend a specified per centage of its revenue on works and services benefiting a specified part of the municipality. In other words, the business community might get two bites at the cherry: if it could not win a majority of the elected positions on the Council it would have another way of ensuring that more rates were spent in the CBD. While Melbourne's Commissioners were in office, the Government legislated for Councils to have the option of conducting elections solely by postal voting. The Labor Opposition spoke against the legislation.⁶⁹

The Council Commissioners task was now to propose an electoral system for the forthcoming elections. In January, 1995, they appointed consultants John Ridley (former State Liberal Party Director), Leo Hawkins (former State Liberal Party Secretary) and Rob Barfus (former Executive Director of the Municipal Association of Victoria), in partnership as Clifton Consulting Services. There was to be no public consultation but discussions occurred with the Chamber of Commerce in 1994.⁷⁰ The proposed electoral arrangements were published in March, 1995. They included a two-tier Council, comprising four single-member wards and a whole-of-municipality district returning five councillors. Council management had proposed such a system several years previously, but sitting councillors had rejected it. The costs of campaigning for a district position was considered at the time would favour well-financed candidates and discriminate against local candidates of limited means. Former councillors now condemned the proposal, although one observed that it evened up the ledger between commercial and residential groups.⁷¹

The Ridley Report

News of the consultants, Clifton Consulting Services, and their work came about two months after their report, dated 14 November, 1994. Their existence until then had been unknown, if not secret. The report ranged over several topics, including the Council's perceived role as a board of directors. It reflected changing attitudes to the role of government at all levels, and a terminology and approach popular with the administration of premier Kennett, which meant dismantling the apparatus of state socialism in Victoria, outsourcing services and privatising public utilities.⁷²

There was a perceived need for government to move away from being a primary provider (of works and services in the case of the MCC) to becoming more of a facilitator through adoption of supposedly more sophisticated models of regulation and governance. David Osborne and Ted Gaebler's *Reinventing Government* (1992) provided much inspiration and also the mantra of 'steering not rowing'.⁷³ The report embraced the idea of community and statutory committees, and an annual general meeting of "shareholders" (ratepayers). It also discussed options for the elected council:

It could be twelve as under the existing legislation with one from each ward and eight elected at large,⁷⁴ the Lord Mayor having a casting vote. There is some preference for a smaller council with an uneven number i.e. nine members. We suggest:

- four (or five) alderman [*sic*] elected at large by a preferential voting system
- four single member ward councillors.

A comment was made on the desirability of having councillors elected at large.

The election at large of at least half the Councillors will tend to encourage a focus on city-wide issues and reduce the likelihood of candidates running on parochial issues. The smaller Council will enhance the value of membership. A focus on strategic issues should appeal to leaders of vision and encourage candidacy from people of appropriate calibre.

The consultants did suggest that elections 'at large' might deny some people the opportunity for candidacy and offered to investigate public funding of election campaigns and campaign expenditure limits. Nothing along these lines emerged when the legislation was debated.⁷⁵

In April, 1995, the Government introduced one of the regular bills for revision of the Local Government Act 1989. The changes as they were intended to apply to the MCC were supposedly part of a far-reaching strategic reform of local government in Victoria.⁷⁶ In provincial metropolitan centres such as Geelong, Bendigo and Ballarat, local government units were consolidated. The contrast with Melbourne, which had portions hived off and remained fragmented, was marked. Over half the text of this Act for all of Victorian local government comprised franchise and enrolment arrangements solely for the MCC. Whereas the consultants had proposed no change to the franchise, the bill recognised that more than mere legislative compulsion was needed to get companies to enrol voters: accordingly, if companies neglected to take up the enrolment option the roll compiler would enrol the company secretary and a director. Failure to vote by either would incur a \$100 fine. Where two or more candidates were to be elected for the municipality as a whole or district, the election would be by proportional representation.⁷⁷ The legislation also implemented the consultants' and the commissioners' recommendation for four single-member wards and for five councillors to be elected by the municipality as a whole.⁷⁸ All the machinery was thus in place for an election in 1996: a nine-member council, to be elected by postal voting; and with compulsory voting for a company enrolled for the ward of wards in which the company had rateable property. Every voter had to cast a vote in the district election and in the ward or wards in which he or she was enrolled.

The wards were Domain (East Melbourne, South Yarra and Southbank), Flagstaff (Docklands, Kensington, North Melbourne and West Melbourne), Hoddle (central business area) and Universities (Carlton and Parkville).⁷⁹ When the rolls were settled, the wards approximated each other.

| | |
|-----------|----------------------------|
| Domain | 11016 voters ⁸⁰ |
| Flagstaff | 10754 " |

| | | |
|--------------|-------|---|
| Hoddle | 10289 | “ |
| Universities | 10937 | “ |

In October, 1995, five months after the Act for a nine-member Council was passed, the business community announced the formation of the 'Melbourne First' group. It had seventeen members, with seven reported to be members of the Liberal Party.⁸¹ In January, 1996, Melbourne First announced its team for the March election, nine persons in all. In addition to those candidates, there were eight others for the district election, four others for Domain ward, five others for Universities Ward and six others for Flagstaff Ward.

The results were less than what the business community had hoped for. None of Melbourne First's ward candidates was elected and it won only two of the five district-wide positions. The plain-talking retired international (but Australian born) automobile executive Ivan Deveson was elected Lord Mayor for three years but he was soon distancing himself from Melbourne First. Deveson's popularity and business backing meant he was a safe choice but the business community's strongest hold on the MCC was probably the Minister's power to supervise rate expenditure in the central city area.

The successful candidates in the district-wide election were the two Melbourne First candidates, Deveson and Carillo Gantner, former councillor John So (an advocate of a CBD council), Peter McMullin and David Bardas (ex-Sportsgirl proprietor, later to resign mid-term). The successful ward candidates were Malcolm Ritchie (Domain), former Councillor Lorna Hannan (Flagstaff), former Councillor Wellington Lee (Hoddle) and Rosemary Stott (Universities).

The Council's administration published an assessment of the postal-vote election.⁸² It concluded that the voter participation rate was better than in 1991 with the following figures.

| | |
|----------------------------|-----|
| Resident participation | 66% |
| Business (excl. companies) | 61% |
| Companies | 67% |

But the conclusion was erroneous. In 1991 resident voter participation was seventy six per cent.⁸³ The business sector's 1991 participation was forty two percent, but postal voting in 1996 was much simpler for the business voter than voting in person or by post in 1991.⁸⁴ Essentially, comparisons between 1991 and 1996 for the business sector were invalid, but for the residents' vote postal voting had not improved the turnout. It had dropped by thirteen per cent.⁸⁵ A possible contributing factor was postal ballot papers going astray in the mail.⁸⁶

Labor Back to Power

By 1999 the Kennett government had been replaced by the Bracks Labor government. The MCC electoral issue was now less pressing, perhaps because it was anticipated the Labor government would deliver more congenial planning decisions. The election in March, 1999, brought in an unexpectedly divided council. Peter Costigan, an unsuccessful Melbourne First candidate in 1996, had been elected and was one of three nominees as Lord Mayor. Although completely inexperienced as a councillor, he was elected on the second ballot.⁸⁷ Costigan did not take things quietly, however. A long-serving councillor, Wellington Lee, sought to overthrow him, amid claims of abuse of expenses, improper use of the Mayoral and hire cars and travel expenses. Then came revelations that Universities ward councillor Rosemary Stott/Daniel was not attending council meetings. A breakdown in relations between the Lord Mayor and the Chief Executive Officer then emerged. The council might have had a triple "A" credit rating from Standard and Poor but it was an object of gossip and ridicule.⁸⁸

Sensing that some overhaul was required and seeking for this to be apolitical the Council engaged a panel comprising ex-Labor Premier Joan Kirner, Baptist Minister and former Mayor of St Kilda (1993-4) Tim Costello and the former Liberal Minister for Local Government, Alan Hunt. Advised by the Victorian Local Governance Association, the panel submitted an analysis and recommendations on 18 December 2000. The Minister, Bob Cameron, had previously expressed concern but announced that as soon as the report was delivered he would bring in legislation terminating the MCC's period of office and would order a new election. Members of the panel and the wider local government community expressed dismay. The Minister indicated his agreement with the panel's recommendation to abolish district councillors elected at large. He also rejected the idea of a popularly elected Lord Mayor.⁸⁹ The move was interpreted as a sacking (the third in eighteen years) but the Council continued in office for another five months pending the passage of the City of Melbourne Act 5/2001. Then, contrary to the Minister's statement in December, 2000, the Act provided for the popular election of Lord Mayor and Deputy Lord Mayor (the 'Leadership Team') and abolition of ward councillors. All councillors would be elected at large, representing the whole Council area. The previous two-tier system of four ward councillors and five district councillors had won little support. The idea of district councillors had been advocated in numerous reports and council debates by senior bureaucrats, supporters of proportional representation, various elected persons and the Clifton report. It was believed to be an antidote for parochialism and would provide for big-picture vision. Assuredly, ward councillors had taken up local concerns often to the annoyance of managers not across their subject areas, but there was little evidence presented of ward councillors' incapacity to grasp big picture issues. The successful and acclaimed 1985 Strategy Plan offered prime supporting evidence for that proposition. But the business sector had won two out of five of such positions in 1996. So it came to pass. The Opposition Liberal Party, but not the National Party, supported the legislation.⁹⁰

Election of the district councillors by proportional representation led to Senate-style ballot papers, with candidates grouped in teams. A seemingly straightforward idea now turned cancerous. Provision was made for Commonwealth Senate-like "above the line" voting whereby putting "1" above a group of candidates signified a vote for the group's how-to-vote ticket. Opting for full postal voting meant that a book of how-to-vote tickets had to be mailed to each voter, along with a voter's handbook, ballot papers and a separate book of how-to-vote tickets for the Leadership Team. The accompanying literature came to 170 printed pages, sixty of them with repetitive images of ballot papers with differently arranged voting preferences for the groups of candidates.⁹¹ Anticipating that a complex ballot paper can be filled in "below the line" – there were 97 candidates for district positions in 2001 – allowance was made for ballot papers only nine-tenths completed or with other defects that would normally make them informal.⁹² The extra work entailed in counting these manually is time-consuming, but modern computerised counting lead to extraordinarily complicated and costly programming, testing and program validation. Feedback from voters was much as could be expected: bewilderment that so much paper was needed just to elect a council, and disappointment that despite the paperwork they had no ward councillors.⁹³

The contest for Lord Mayor and Deputy came down to a contest between Peter Shepherd (footwear retailer) and John So (an incumbent councillor and owner of restaurants). Both spent heavily on their campaigns and were the focus of media attention. Mail-outs to voters and shop-window posters involved a costly saturation campaign. Shepherd conceded he had spent \$365,000.⁹⁴ With a primary vote of about fifteen per cent, John So was victorious after the distribution of preferences.

Conduct of the 2001 election, involving nearly 64,000 voters, was contracted out to the Australian Electoral Commission. But the MCC or another council were theoretically available. Melbourne's complex electoral procedure set it apart – there was in effect only a sole provider for the 2004 election, the Victorian Electoral Commission. The tendered price was between \$630,000 and \$730,000, depending on the number of candidates with much of the cost for printing and postage for the mail-out to voters.⁹⁵ If attendance voting had been chosen the tendered cost

would have been lowered by between \$80,000 and \$180,000.⁹⁶ Boroondara Council with ten single-member wards had a VEC contract costing \$325,000 for 2004.⁹⁷ Complications did not end there. Whereas postal voting by application enabled the voter's signature on the postal-vote return envelope to be validated against the signature on the application form, no such validation was available with full postal voting because there was no application form. Furthermore, if the signature on the envelope was Peter Pan it would most likely pass, because such a person might have lawfully completed the vote and signed the declaration on the envelope for a voter who was blind or otherwise disabled.⁹⁸ Admittedly, this applied throughout all of Victorian local government.

The 2004 election attracted 107 candidates, comprising 21 two-person teams for the positions of Lord Mayor and Deputy, and 165 for the seven councillor positions. Allied with the incumbent Lord Mayor's team was the Melbourne Living team of three councillor candidates. Early predictions put the incumbent John So at a disadvantage as most mayoral candidates directed preferences away from him. But a strong united campaign by So and Melbourne Living saw them secure a majority (5) of the positions on the Council. Several factors contributed to this result. So was portrayed as an underdog, emphasised by the revelation that several other mayoral candidates were, in effect, 'stooges', directing their preferences to a lead candidate who, co-incidentally, owned properties rented to or occupied by the so-called stooges. Although So fielded a dummy team himself (Governing Melbourne), his campaign seemed less outrageous and probably a "tit for tat" operation. Secondly, So was prepared, once again, to mount a well-financed campaign.⁹⁹ The third factor in So getting elected involved support from local Federal and State Labor Parliamentarians, Lindsay Tanner and Bronwyn Pike, the pair justifying their stance in curiously uncritical and even negative terms to the effect that the MCC had not been in the news lately.¹⁰⁰ A few days before the close of the poll the former Liberal local government minister, Alan Hunt, said that So had restored community respect for the Council and deserved a second term.¹⁰¹ Only John So and Katharine Ng as previous serving councillors survived the election.

Overview 1994-2004

During then period 1995-2004 the MCC electoral system became costlier, more cumbersome and, in the opinion of many voters, more disappointing. This was because of a lack of ward councillors who provided direct contact for their concerns. The change to electing only district councillors in 2001 perplexed many, although undoubtedly some members of the business community were satisfied. A successful election campaign now involved mail-outs to all voters in the city rather than to only those citizens and ratepayers of a ward, with the attendant high cost a barrier to participation, particularly to small business people and residents. A *realpolitik* evaluation of the changes wrought to the MCC franchise suggests an absolute and undiminished determination on the part of business interests to remove the local and intimate elements of political life from the MCC – and no small measure of their politics as well. To achieve this, the State government intervened with strategies that have no counterpart with any other local government area across the State. The Labor Party that was formerly a partisan participant in MCC elections endorsed this trend. This is worthy of a separate study but a number of interim speculative suggestions are offered. The rejection of ALP candidates by voters after the reinstatement of the Council by the Cain Labor government in 1983 may have produced a 'backlash' in disinterest or even contempt on the part of the party machine for the MCC and inner metropolitan local government. Another is the 'New Labor' trend to seek political advantage by cleaving wholly to the wishes of powerful business interests where core concerns are not directly involved. The evidence is that by this stage Labor had abandoned any desire to play an active role in the MCC.

The promotion, too, of economic growth had become an imperative for Labor figureheads equally as for their non-Labor counterparts. The most visible indicator of this being cranes on the central city skyline. Nowhere else were they more visible. In addition, there were potential consequent donations to the party, although these would be kept at arm's length. Powerful real estate and

property interests preferred to have the MCC rendered powerless and compliant in the face of developmental planning initiatives sponsored now mainly by the State government. Ward politics that could be tolerated and even celebrated in smaller municipalities across the State involved too great a risk to progress for the central city and its immediate surrounding precincts. Liberal and Labor thinking on the politics of the inner city were now as one. But even with a transformed institution and all the cards in their hands, well-funded business candidates might still not win a majority on the Council. Residents may once have been the bane of business and notably the property industry. But it was ironic that prosperity in the property business throughout the 1990s depended on converting under-used and second-class CAD buildings to residential apartments. The development industry spread resident voting throughout its heartland as a consequence. So much so that even a CAD Council as mooted by business and property interests in the early 1990s could not now overcome such influence. Population censuses recorded a threefold increase in residential persons in central Melbourne and Southbank between 1996 and 2001.¹⁰² Add the hundreds of small businesses, café proprietors and tenants and large property owning and development interests are outvoted hands-down on the numbers.

Directly Elected Dissatisfaction

In 2007 after having been for many years a State Government responsibility the large Docklands development west of Spencer Street reaching to the Railway Canal was added to the MCC area. Flemington and Kensington and the adjacent Melrose Street area were returned also.¹⁰³ This saw the addition of more than 9000 potential voters resulting from boundary changes. In the same year a coalition of residents and business associations (CoRBA) called on the State Government to initiate a full review of council elections before the elections due on 29 November 2008. This followed on MCC motions to this effect passed by the Finance and Governance committees but voted down by the So team caucus or the Lord mayor's casting vote at full Council. CoRBA asked that the review address a range of issues. These included:

- The abolition of postal voting and a return to attendance voting on the grounds that the postal system as practised is open to abuse and cannot be audited.
- The reinstatement of a ward system of representation or the dual system of district and ward councillors.
- Review of the direct election of Lord Mayor by popular vote.
- Abolition of the deeming provision of the City of Melbourne Act that accounted for 11.88 per cent of total voters but 55.56 per cent of total corporate representation. The MCC was the only Australian municipality to have such a provision.
- Amendment of the company nominee provision of the Local Government Act to be not only either a director or secretary, but also a shareholder of the company.
- A requirement that all candidates for election to Council be on the voters roll for at least two years prior to nomination, the intention being to prevent stooge candidates running purely to assist another candidate.
- Abolition of "above-the-line" voting to allow voters to number the square up to the number of councillor vacancies (seven), for their vote to be considered valid.
- Amendment of the legislation to allow a voting entitlement only for properties with a capital improved value in excess of a specified amount, thereby avoiding the situation where properties such as a stand alone car space could provide for up to four voting entitlements.

The Opposition Local Government spokesperson on Local Government, Jeanette Powell, supported the call for a review of MCC elections. The State Government was disinclined to conduct any electoral review but it moved to prevent car park and boat mooring voters.¹⁰⁴

John So served two terms as Lord Mayor, from 2001 to 2008. The job as he saw it was to boost Melbourne's tourism and hospitality interests of which he was a part. A well-financed MCC-

based public relations machine supported him. Hong Kong-born So's happy manner and Chinese ethnic background drew attention to a valued local community of Chinese origin of long standing and the multi-cultural and Asia-friendly city that Melbourne was now seeking to become. His popularity reached a peak during the Commonwealth Games in 2006. He was hailed as having achieved "the Australian Dream" and was voted "World Mayor" in an international contest designed to raise the profile of city mayors world-wide.¹⁰⁵ Meanwhile, the public tolerated his inarticulate speech and reluctance to engage on a variety of issues. Public adulation proved fickle, however, and So did not run for a third term. Among the candidates mooted in 2008 was former Liberal Premier Jeff Kennett who despite showing initial interest did not run.¹⁰⁶ The City did get a former Liberal State leader Lord Mayor in Robert Doyle. The Labor Government of John Brumby appointed Doyle chairman of the hospital body, Melbourne Health, in 2007 following his resignation from parliament in 2006, knowing full well his potential to embarrass the new Liberal leader, Ted Baillieu. Coming to the job with no local government experience and a reputation for strong-headedness, Doyle revealed a willingness to re-engage in debate about the city. This has not extended to electoral and franchise matters, in which he has proven to be a defender of the status quo, joking approvingly in an interview with ABC radio presenter Jon Faine that direct election of the Lord Mayor must be a good thing as it got him elected. Critics have claimed that with presidential-style direct election the office can only be won by the candidate with the biggest campaign budget, regardless of ability, probity and other qualities.¹⁰⁷

The Labor Government led by John Brumby was defeated by a narrow margin in November 2010. While metropolitan crime and public transport were factors in the Liberal/National coalition's victory under Liberal leader Ted Baillieu issues of inner city governance were not. Broad questions of the structure, role and function of metropolitan local government received less attention in debate than in previous State election campaigns. In May 2011 the new Minister for Local Government, Jeanette Powell, discharged one commitment when she announced the Victorian Electoral Commission would conduct a review of the MCC's electoral structure. Among the concerns cited were whether the number of councillors was adequate for the City's needs and whether the area should be subdivided into wards or the status quo remain with the whole area serving for electoral purposes. In October 2011 when the residents of North Carlton moved to re-join the City of Melbourne the question of North Carlton's reunification was not included in the VEC's brief, this initiative requiring a separate panel to be convened at the Minister's direction under the Local Government Act.¹⁰⁸

Conclusion

For more than a generation Victorians have become used to the increased involvement of the State government in the central city. Maybe it is true that central city affairs are too important to be left to local government. Yet there is an argument that as a tier of representative government the MCC should develop and implement policy in its territory. It maintains at considerable expense to the ratepayers a planning department and a large bureaucracy. Important planning decisions in the central city rest with the State's planning ministry, nevertheless. Significant development applications outside the CAD can also be "called-in" for a decision by the Minister at any time. The Victorian Civil and Administrative Tribunal (VCAT), successor to the Planning Appeals Board, is another body with a history of frustrating MCC planning initiatives. Should we be surprised? More than any other unit of local government, the MCC has a sword of Damocles hanging over its head. Section 8 of the City of Melbourne Act states that the Premier can convene a meeting, which *must* be attended by the Lord Mayor or Deputy Lord Mayor to consider any matter concerning major projects, social and environmental policies or other relevant matters. Neither it seems can we expect much support for a more *laissez-faire* approach on planning matters from the present Minister, Jeanette Powell. In 2001 she offered the opinion that this section of the Act 'clarifies that from time to time there will be interference from the government in the running and operation of the City of Melbourne Council.'¹⁰⁹ On another occasion she read into Hansard correspondence from the Victorian Local Governance Association stating, in part, that

the City of Melbourne Bill is 'little more than an agency agreement by which the state government ensures that the Melbourne City Council complies with and adheres to state government policy objectives.'¹¹⁰

The oppressive provisions of the City of Melbourne Act are further reinforced by recent operations of the electoral machinery, which newspaper commentary has condemned. The 2004 campaign, in particular, was 'dogged by dummies and dirty tricks'; and the direct election of the Lord Mayor, brought in by the Steve Bracks led Labor government in 2001, was "slammed across the political spectrum."¹¹¹ A local paper, the *Melbourne Times*, claimed the MCC elections to have been 'shambolic [with] ...excessive complexity, stooge candidates [and that the] high cost of campaigning have turned the election into a "circus".¹¹² Former local government minister, Alan Hunt, put it more politely when he urged a complete review of nominating and voting.¹¹³ The State Government proposed an impossible to enforce clampdown on dummy candidates in 2005 by banning how-to-vote cards, and prohibiting candidates criticising the performance of incumbent councillors.¹¹⁴ Other less visible, but continuing, impacts of the changes on the governance of the institution have occurred. Most obvious of these has been the abolition of wards. Rather than encouraging a more global awareness of citizens' needs the abolition of wards has reduced councillors' connection with their constituencies. The same sensitivity to citizens' welfare may not be so apparent when one is responsive to all of them at once. Many ratepayers wonder also just who their representative is. Triennial elections, too, that remove a majority of serving councillors – and exhausted or disillusioned councillors who decide not to renominate – lead to a turnover of elected representatives that was not evident with annual elections and a rotation by election of a third of councillors each year. With every year an election year there was a healthy "on your mettle" anxiety for someone – that quality is absent for three years out of four in the present council. A high turnover every four years creates a Council comprised of under-experienced (and under-salaried) councillors who are always on the "back foot" in relation to permanent salaried management who, ever disposed to ascendancy, possess a clearer professional grasp of the issues and the decision-making process.

The contests and issues that are part of the continuing life of the city and this institution have been masked and blurred and the rights to representation that citizens enjoy elsewhere have been diminished. The delegation of powers and functions of the Council to management dates from the time of the Commissioners and is their enduring legacy. Councillors now neither steer much nor do they row. They are figureheads merely. That the councillors and the Lord Mayor do enjoy a symbolic power there can be no doubt and from time to time they may be influential. But it seems a waste and a pity that the MCC's representative order is such a pretence; and that the opportunity for the development and exercise of legitimate authority is so hindered at this local level. The City of Melbourne Act places the Council, *vis a vis* the Parliament, in precisely the situation that an extended study of the history of the two levels of government would suggest the Parliament has always wanted – one of dominance and subservience. In this respect, one is reminded of the dictum that there are no permanent issues in politics, only permanent interests. The purpose of this paper has been to reveal those interests. They are revealed by a study of the local authority and its relations with government at state level, particularly through the evolution of its electoral machinery. Labor leader and last MCC Alderman, Arthur Calwell's damning description of the MCC as the 'most undemocratic municipality in Australia' still has some resonance today.¹¹⁵

¹ Halligan, J and Wettenhall, R (1994) 'The Evolution of Local Governments' *Australian Local Government Handbook*, AGPS, pp. 77-87.

² Halligan & Wettenhall, loc.cit, p.84.

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- ³ See Lennart Jacobsen, 'A group of minnows walking through a forest: the non-Labor Group in the Melbourne City Council, 1939-1955' B.A. (Hons) thesis, Department of Historical Studies, Monash University, 2000; David Dunstan, 'A Twentieth Century Postscript', *Governing the Metropolis: politics, technology and social change in a Victorian city 1850-1891* Melbourne University Press, 1984.
- ⁴ S.8, Melbourne and Geelong Corporations Act 1938, No. 4574.
- ⁵ Block plan with numbers hand-written on it, Survey Office, Melbourne City Council.
- ⁶ *City of Melbourne Voters' Rolls*. Hopetoun, Hotham and Smith Wards were mainly residential working class. Victoria Ward was North Carlton. Albert Ward was East Melbourne and South Yarra. Other wards comprised business, manufacturing or mixed-use areas.
- ⁷ Jacobsen, op.cit., pp.19-20.
- ⁸ See David Dunstan and John Young, 'When "Clown Hall" was really Town Hall: The Melbourne City Council in the 1960s' in Seamus O'Hanlon and Tanja Luckins (eds) *Go! Melbourne in the Sixties* Circa, Melbourne Publishing Group, 2005, pp.203-217.
- ⁹ s. 3, Local Government Act 1966, No. 7495.
- ¹⁰ s. 4, Local Government Act 1966, No. 7495.
- ¹¹ s. 3, Local Government Act 1966, No. 7495.
- ¹² Logan, W.S. (1985) *The Gentrification of Inner Melbourne*, St Lucia, Queensland, 1985; Dunstan, David (2004) 'Local Government' in Peter Yule, Peter (2004) ed. *Carlton: a History*, Melbourne University Press, p.397.
- ¹³ *Victoria Parliamentary Debates, Legislative Assembly*, 22 April, 1969.
- ¹⁴ *Victoria Parliamentary Debates, Legislative Assembly*, 6 May, 1969.
- ¹⁵ s. 2 (b), Local Government Act 1969, No. 7835.
- ¹⁶ *Voters' Rolls, City of Melbourne*, 1970-71.
- ¹⁷ *City of Melbourne Handbook, 1978-79*, Melbourne City Council.
- ¹⁸ *Voters' Rolls, City of Melbourne*. Bourke Ward, once held by non-Labor councillors, had changed in 1976 when the unendorsed Labor councillor Linton Lethlean defeated the ageing incumbent businessman, Leslie Fox.
- ¹⁹ City of Melbourne (Re-Subdivision) Act 1979, No. 9274.
- ²⁰ *Age* 14 June, 12, 13, July 1967.
- ²¹ *Age* 30, 31 July, 1 August, 1970.
- ²² City of Melbourne Underground Railway Construction Act 1960. S.6.
- ²³ *Victorian Parliamentary Debates* (Legislative Assembly): 29 October 1970, p. 1477; 18 November 1970, pp.2085, 2123-25, 2139; 25 November 1975, pp 9027-10, 9189-92.
- ²⁴ *Melbourne Times*, 8 and 15 August, 1979.
- ²⁵ *Melbourne Times*, 6 August, 1980.
- ²⁶ Councillors Chamberlin, Malone, and McAlpine; *Melbourne Times*, 13 August, 1980.
- ²⁷ *Age* 24 December 1980, pp.1,4,10.
- ²⁸ *Melbourne Times*, 4 February, 1981. There had been long public debate over the council's 1976 Strategy Plan that limited plot ratios to 1.5:1 in the mixed used areas next to the CBD. Developers wanted better yields. See Hay, P.R. et al eds. (1985), *Essays on Victorian Politics*, Warrnambool Institute Press, essay 8.
- ²⁹ *Melbourne Times*, 18 February, 1981.
- ³⁰ *Victorian Parliamentary Debates Legislative Assembly*, 1 April 1981.
- ³¹ ss. 3, 9 and 10, Local Government (City of Melbourne) Act 1981, No. 9525.
- ³² *Victoria Government Gazette*, No. 37, 6 May, 1981.
- ³³ *Melbourne Times*, 29 April, 1981.
- ³⁴ Logan, W.S. (1985) *The Gentrification of Inner Melbourne*, pp.171-2.
- ³⁵ Logan, *The Gentrification of Inner Melbourne*, pp.244-49.
- ³⁶ *Commerce News* September 1978 (Melbourne Chamber of Commerce).
- ³⁷ *Victorian Parliamentary Debates, Legislative Assembly* 25 May, 1982.
- ³⁸ ss. 5 and 7. Act No. 9525.
- ³⁹ ss. 4, 22-24, Act No. 9525.

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- ⁴⁰ *Melbourne Times*, 28 July, 1982.
- ⁴¹ *Melbourne Times*, 15 September, 1982.
- ⁴² *Melbourne Times*, 15 September, 17 November and 8 December, 1982.
- ⁴³ "The Government, through the City of Melbourne (Central City) Interim Development Order, has established firm guidelines for new development in the City": statement by the Minister, *Land Use and Development Strategy* (December 1984).
- ⁴⁴ *Voters' Rolls, City of Melbourne, 1983-84*.
- ⁴⁵ s. 3, Local Government (Municipal Council Elections) Act 1983, No. 9871.
- ⁴⁶ *Voters' Rolls, City of Melbourne, 1985-86*.
- ⁴⁷ *City of Melbourne Handbook* and personal recollections.
- ⁴⁸ *Creating a New Central City Council*, Melbourne City Chamber of Commerce (A division of the Victorian Employers' Chamber of Commerce and Industry), December, 1991, p.4.
- ⁴⁹ *Creating a New Central City Council*, p.5.
- ⁵⁰ Summarised in *The Future of Central Melbourne*, Committee for Governmental Reform in Central Melbourne, March, 1993.
- ⁵¹ *The Future of Central Melbourne*.
- ⁵² *Age*, 17 August, 1991, p.3.
- ⁵³ *Central Melbourne: Options for Effective City Government*, City of Melbourne, February, 1992.
- ⁵⁴ *Central Melbourne: Proposals for Effective City Government*, City of Melbourne, June, 1992.
- ⁵⁵ Personal recollection.
- ⁵⁶ Personal recollection. (Later published versions of the paper included the figures (pp.99-100), as there was no point in suppressing them.)
- ⁵⁷ *Melbourne Times*, 3 June, 1992, p.1.
- ⁵⁸ *Melbourne Times*, 24 June, 1992, p.1.
- ⁵⁹ *Melbourne Times*, 27 July, 1992, p.1.
- ⁶⁰ *Melbourne Times*, 16 December, 1992.
- ⁶¹ *Melbourne Times*, 18 August, 1993.
- ⁶² *Board of Review of the Role, Structure and Administration of Local Government in Victoria* (Chairman M.A. Bains) *Final Report*, Government Printer, Melbourne, 1979.
- ⁶³ See also May, Andrew ed. *The Living Heart: images and prospects for central Melbourne* Monash Publications in History No. 15, Melbourne 1993.
- ⁶⁴ *Melbourne Times*, 1, 8 and 15 September, 1993.
- ⁶⁵ *Age* and *Melbourne Times*, 29 September, 1993.
- ⁶⁶ Actually, not all four commissioners were able to attend the swearing-in ceremony and a few days elapsed before all assumed office (personal recollection).
- ⁶⁷ ss. 14 and 15.
- ⁶⁸ *Melbourne Times*, 15 September, 1993.
- ⁶⁹ M. Leighton MLA, *Victoria Parliamentary Debates*, vol. 421, Assembly, p.1765.
- ⁷⁰ *Melbourne City Leader*, 16 January, 1995.
- ⁷¹ *Melbourne City Leader*, 6 March, 1995.
- ⁷² See Costar, Brian and Economou (1999) Nicholas *The Kennett Revolution: Victorian politics in the 1990s*, UNSW Press, Sydney.
- ⁷³ Osborne, David E. and Gaebler, Ted (1992) *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, Reading, Massachusetts, Addison-Wesley Pub. Co.
- ⁷⁴ That is, councillors elected by the whole municipality as a single district.
- ⁷⁵ Clifton Consulting Services (1994) *Achieving Capital City Focus: the Customer Service Model*, 14 November. The report was not released by the Council and remained so despite a freedom-of-information enquiry by a local newspaper. In early 1998 the official response to an enquiry was that the report did not exist. The corporate manager who was given Andrew Friend's papers upon his resignation as Chief Executive stated in August, 1998, that the report had not been seen. In September, 1998, a copy was found and supplied to the co-author JY.

⁷⁶ On the Kennett government initiatives for local government in general see Kiss, R (1999) "Local government to local administration: the new order" in Costar and Economou (1999) *The Kennett Revolution: Victorian politics in the 1990s*, pp. 110-121.

⁷⁷ Local Government (Further Amendment) Act 1995, Part 3.

⁷⁸ Local Government (Further Amendment) Act 1995, Part 3, s. 23.

⁷⁹ *Victoria Government Gazette*, 30 November, 1995, p. 3355.

⁸⁰ *City of Melbourne Voters' Rolls, 1995-6*.

⁸¹ *Melbourne Times*, 25 October, 1995.

⁸² *1996 Elections Post Election Review*, City of Melbourne, p.36.

⁸³ *1992 Elections Post Election Review*, City of Melbourne, p.27. (The author of the 1992 paper supervised the authorship of the 1996 review.)

⁸⁴ In 1991 a voter, including business people, could vote in person on election day; or at a Town Hall voting place before election day ('pre-poll voting'); or by filling in an application form for a postal vote, having the ballot paper mailed and mailing back the vote.

⁸⁵ There was a similar result reported for Yarra City Council elections (formerly Collingwood, Fitzroy, and Richmond Councils), reported in *Melbourne Times*, 25 March, 1996.

⁸⁶ *Melbourne Times*, 11 December, 1996; 5 March, 1997; Personal experience.

⁸⁷ *Bulletin* (Sydney), 6 August 1999.

⁸⁸ *Age* 19 December, 2000.

⁸⁹ *Age* 19, 20 December, 2000; "A Way Forward": *Report of the MCC Facilitation Panel* 18 December, 2000.

⁹⁰ *Age* 5 April, 2001.

⁹¹ *Melbourne City Council Elections* Riley and Ephemera Collection, State Library of Victoria.

⁹² City of Melbourne Act 5/2001, clause 12 of schedule 1.

⁹³ Unpublished post election survey commissioned by the MCC (2001)

⁹⁴ *Melbourne Times*, 20 October 2004.

⁹⁵ Report to the Council's Corporate Services and Governance Committee, 11 February, 2004.

⁹⁶ "Attendance Voting" comprises pre-poll voting, postal voting by application and voting on election day. Postal voters would be faced with candidates' mail-outs, but it is likely that fewer candidates would nominate because they would have to finance their own mail-outs, which can be got for just the candidates' deposit under full postal voting.

⁹⁷ *Progress Leader* 30 August 2004, p.16.

⁹⁸ *Local Government Act*, 1989, Clause 2 of Schedule 3.

⁹⁹ *Age* 12,14 November 2004.

¹⁰⁰ *Melbourne Times* 6 October, 2004.

¹⁰¹ *Age* 24 November 2004.

¹⁰² Australian Bureau of Statistics cat 205.2 recorded 6373 residents in Central Melbourne (including tourists and visitors) in 1996; 21,650 in Central Melbourne and Southbank in 2001.

¹⁰³ City of Melbourne Act, 2001, S.5A.

¹⁰⁴ This included the following groups: Carlton Residents Association Inc; Docklands Residents Association; EastEnders Inc.; East Melbourne Group Inc; Hardware Precinct residents and Tenants Group; Docklands Chamber [of] Commerce; Kensington Association; Melbourne South Yarra Group Inc.; North and West Melbourne Association; Collins Street Precinct; Melbourne Business Council; Residents Rights; Yarra Park Association, Melbourne 3004.
http://corba.org.au/CORBA/DEMOCRACY_files/CoRBAPosition.pdf [Accessed 31 October 2011].

'Moor is Less in City Election Overhaul', *Age* 10 June 2008.

¹⁰⁵ http://www.worldmayor.com/results06/wm_winners06.html [accessed 31 October 2011].

¹⁰⁶ 'And So, has the time come for mayoral change', *Age* 27 July 2008.

¹⁰⁷ *Age* 15 March 2009; personal recollection October 2010 (DD);
http://corba.org.au/CORBA/DEMOCRACY_files/CoRBAPosition.pdf [Accessed 31 October 2011].

¹⁰⁸ *Age* 24 October 2011, 8. The VEC is to operate under sections 219B-0 of the Local Government Act, 1989. A panel for the reunification of North Carlton would operate under sections 220 A-T.

¹⁰⁹ *Victorian Parliamentary Debates Legislative Assembly*, 5 April 2001, p. 726.

¹¹⁰ *Victorian Parliamentary Debates Legislative Council*, 3 May 2001, p. 563. See also 'Is So the Mayor who can't say no?' *Age*, 7 November 2004.

¹¹¹ *Age*, 20 November 2004.

¹¹² *Melbourne Times*, 24 November 2004.

¹¹³ *Age* 24 November 2004.

¹¹⁴ *Age* 13 July 2005.

¹¹⁵ See Colm Kiernan, *Calwell: a personal and political biography*, Thomas Nelson (Australia), 1978, p.52.