

Reforming 'Sydney global city': Mapping enduring sites of institutional conflict

Bligh Grant

Centre for Local Government, University of Technology Sydney

Bligh.Grant@uts.edu.au

Roberta Ryan

Centre for Local Government, University of Technology Sydney

Roberta.Ryan@uts.edu.au

Alex Lawrie

Centre for Local Government, University of Technology Sydney

Alex.Lawrie@uts.edu.au

Abstract: *Local government in New South Wales (NSW) Australia presently faces the prospect radical consolidation alongside the implementation of metropolitan-wide governance structures. The pervasive modernity of these processes has been couched in the rhetoric of the need to achieve 'Global City' status such that Sydney can compete with other regionally-based centres. However, these narratives neglect the historically repetitive nature of these conflicts. Following from an account of the city's early attempts at metropolitan governance, this discussion examines 'Sydney Global City' as it is portrayed in the advocacy literature exemplified by the work of the increasingly influential lobby group, the Committee for Sydney. We then provide an account of contemporary processes of state-local relations toward consolidation and metropolitan governance. We argue that former iterations of attempted reforms are instructive, particularly in directing attention to the institutional sites of conflict away from the economic reductionism of the 'global cities' narrative.*

Key words: Metropolitan governance, municipal amalgamation, state-city conflict, Sydney global city.

1. Introduction

Unlike many of its counterparts in Europe, North America and Asia, the Sydney Metropolitan Region (SMR) has never been governed as a single municipal entity. Arguably, what most people think of as Sydney – the sprawling metropolis stretching from the foot of the Blue Mountains in the West to the beaches in the Northeast and Southeast – remains a metropolitan region that at present comprises approximately 41 Local Government Areas (LGAs). As an element to this, the City of Sydney first incorporated in 1842 under the *New South Wales Constitution Act 1842* (Bains and Miles 1981: 130) and now centred on the Central Business District (CBD) constitutes a small fraction of what is now a conurbation of almost 5 million people (SGS 2009).

Historically, the absence of a single governing structure for Sydney has been deemed problematic, particularly in the period 1898-1915. Contemporaneously, this perceived inadequacy has again reached a climax. This has been marked with a reforming zeal for consolidating many LGAs, alongside renewed attempts to establish a planning authority for the greater Sydney region. In this paper we argue that this reforming zeal and the public

policy agenda that it has engendered is being driven in large part by the 'global cities' discourse, in particular the perceived requirement for Sydney to be internationally competitive within the Asian hemisphere in the 'Asian Century' (see, for example, Australian Government 2012). However, we suggest that perceived of only in these terms, attempts to achieve sustainable governing structures for Sydney will continue to falter.

The paper itself is divided into five main parts. Section two provides an account of the attempts at achieving metropolitan-wide, 'Greater Sydney' governance before 1932. Section three fast-forwards to the present and examines Sydney within the contemporary 'global cities' advocacy literature, in particular the work of the 'Committee for Sydney'. Section four examines the institutional sites of conflict in the present drive for metropolitan reform, culminating in the attempt to institute a Greater Sydney Commission (PDE 2015; 2014). We observe that the shepherding of public policy toward amalgamation alongside the grasping for a Greater Sydney authority conforms rather eerily to earlier iterations of the same and that the problematical nature of these processes seems likely to play out in similar ways. By way of conclusion section five explores the similarities and differences between the two generations of reform processes, arguing that we ought to be cognisant of the interests represented at particular sites of institutional conflict rather than accepting that local government reforms are merely problems of coordination.

2. Sydney: early attempts at municipal reform

The early history of municipal development in the Sydney region is defined by two salient features. First, recalcitrance by the European inhabitants to assume any responsibility for local service provision: The desire of the British Government to transplant a colony-wide system of local government proved to be a 'grandiose and ideological scheme' (Bowman 1981: 235). Simply stated, the residents of the colony of NSW, who, if they weren't convicts or former convicts, had nevertheless by necessity enjoyed an intimate relationship with the colonial government, remained outside incorporated areas that nevertheless could be formed quite readily under the 'permissive system' that dated from 1858-1906, instead allowing the colonial government to provide their basic services (Baines and Miles 1981: 131).

Second, after a basic, faltering system of local government had gradually built up under the *Municipalities Act 1858*, toward the closing years of the 19th century particular interests sought the incorporation of a greater metropolitan government dating from 1898. According to Baines and Miles (1981: 136) the confluence of a pragmatic desire to rationalise municipal services, overlain by the aforementioned political ideals gave rise to '[T]hree distinct movements in the Sydney metropolitan area – larger municipalities on the grounds of economy or political motives, county councils on the English model and the creation of a single metropolitan authority. Further, while '[a]ll were termed "Greater Sydney" movements ... only the third was of any significance'; with the concept of a metropolitan region a central driving concept motivating subsequent public policy:

The theory behind the Greater Sydney movement was that the metropolitan area was a distinct region with considerable social and economic unity and should be governed as a separate entity (Baines and Miles 1981: 136).

According to Bains and Miles (1981: 136) the first impetus toward metropolitan government for Sydney can be dated from 1898-1900: '[S]chemes were drafted at the city and suburban council level to amalgamate Sydney with contiguous suburbs' These plans were countered with alternative proposals – drafted by council aldermen who stood to lose their positions with the ensuing abolition of their areas – for a two-tiered ('federal') system of city government. Yet the plans faltered: Bains and Miles (1981: 136) commented that '[t]he supporters ... were so opposed in principle that the movement was quickly deadlocked'.

The second attempt dated from 1912 with the introduction of a Bill in the NSW Legislative Assembly by the (then) McGowan Labor Government for a popularly elected convention to decide on the form of a greater Sydney authority. The Bill was never passed due to the Legislative Assembly not accepting amendments of the Legislative Council. The impasse centred on the perceived illegitimacy of such a convention whereby its members would be drawn from a parliamentary rather than municipal franchise. Following from this legislative impasse, the next year – 1913 – A Royal Commission 'recommended a bi-zonal or hybrid unitary-federal scheme embracing fifty-three local units [where] an inner zone containing [the City of] Sydney and twenty two suburban municipalities was to be completely unified [and] outer zone units were to be federated' (Baines and Miles 1981: 137). The plan was to consecutively incorporate units from the outer to the inner zone as they developed over time, with a completely unified area the eventual result. However, according to Baines and Miles (1981, p. 137) the resultant Bill of 1915 was not vigorously prosecuted through the Parliament due to the seriousness of the war situation and the fact that the Labor Party was divided over the issue of conscription.

The third attempt at metropolitan government was again pursued by the Labor Party, this time by the Lang Government from 1931. This iteration envisioned the consolidation of sixty-nine local government units to the west of Sydney into twenty-eight municipalities under the umbrella of the Cumberland County Council (then 4,000 square miles with a populous of 1,600 000) alongside the creation of a Greater Sydney Council, with the latter again based upon a federal design. Again the reforms foundered, again on 'city-suburban disagreement on a suitable form', with internal wrangling in the Labor Party and the sacking of the Lang Government being contributing factors (Baines and Miles 1981, 137).

It is instructive to note that while the mooted reforms for Sydney described above failed to proceed, events across the young nation had borne out that municipal reforms in the direction of city government were not impossible. The cities of Melbourne and Geelong had previously reached what Baines and Miles (1981, p. 131) labelled 'status as successful municipalities' by the mid-1850s, just after the State of Victoria was created in 1851 (for an account of this, see Bowman 1981). Brisbane achieved metropolitan-wide government in 1925 (again at the hands of reforming Labor governments, who in 1922 also abolished the upper house of the Queensland legislature (Grant, Dollery and Kortt 2015)). Thus, in the intrinsically competitive context of Australia's developing federalism Sydney was, comparatively speaking, struggling with metropolitan government. We will resume our account of this struggle for in due course. For now, we examine the 'Global City' thesis with respect to Sydney contemporaneously.

3. Sydney Global City

Fast-forwarding to the present day, the rhetoric surrounding 'Sydney Global City' has again reached a climax not dissimilar in verve and partisanship in the first part of the twentieth century. In this context we will examine what we are terming the 'advocacy literature', in particular that directed toward consolidation and metropolitan-wide governance. Recently, a particular advocacy group, the 'Committee for Sydney' (CfS) has been dominant in this regard. CfS *inter alia* describes itself as 'an independent think tank and champion for the whole of Sydney, providing thought leadership beyond the electoral cycle' (CfS 2015a). Its Board comprises Lucy Turnbull AO, former Lord Mayor of Sydney; Deputy Chair Philip Davies, Director, Infrastructure Advisory, Asia Pacific AECOM; Deputy Chair Sally Loane, CEO of the Financial Services Council and former ABC journalist, along with 14 other individuals, the majority of whom hail from the corridors of corporate Australia (see CfS 2015b). In short, it would not be inaccurate to describe the Committee for Sydney as a 'top end of town' lobby group.

The early literature of CfS sought to determine Sydney's place in the 'league tables' of global cities. For example, the commissioned report 'Benchmarking Sydney' took a familiar approach, selecting comparison cities (in this instance Hong Kong, London, Los Angeles, New York, San Francisco, Shanghai, Singapore, Tokyo and Vancouver) and using 31 indicators for five 'dimensions' of competitiveness: [i] Governance; [ii] Connectivity; [iii] Enterprise, Innovation and Creativity; [iv] Culture and Diversity and [v] Liveability. The *comparative* and *competitive* 'four key messages' for the direction of reform were: 'Governance [focusing on fragmentation] in Sydney is a major obstacle to economic competitiveness'; 'Connectivity [focusing on public transport usage rates, not ICT adoption] is not up to global city standards'; 'There is scope to improve enterprise innovation in Sydney' and 'Liveability and cultural diversity remain Sydney's key strengths' (SGS 2009, iii-iv). In short, a particular model of a 'global city' was being argued for as an ideal-type for Sydney: One that posits a city governed by a single metropolitan authority; where government invests heavily in metropolitan public transport, where the same government provides infrastructure to facilitate business while at the same time providing the cultural amenities required for a global city.

From 2013 the CfS has been noticeably more active. While space does not permit a forensic analysis of all their outputs in this context (for a compendium, see, CfS 2015a) it is worth noting the Committee's self-described relationship with the NSW State Government: 'The NSW government itself has identified the Committee for Sydney as a 'renewed' organisation and as a trusted policy-rich partner' (CfS 2013a, 3). Notably, the CfS policy agenda has consistently argued for 'a more strategic local government structure'. For instance, with respect to the commencement of the Independent Local Government Review Panel (ILGRP; discussed below) it stated: 'In 2013 we will *ensure* that the NSW Independent Local Government Review leads to radical reform, with fewer, larger, more strategic councils with the capacity to manage Sydney's growth and maximise its opportunities' (CfS 2013a, 7; emphasis added). It is contemporary intergovernmental relations concerning municipal reform that we now turn.

4. Contemporary institutional sites of conflict

Contemporary reform processes in Sydney proceed with a sense of urgency and Wagnerian drama. Arguably, the issues of local government amalgamation and metropolitan governance have dominated public policy discussions. We now turn to examine the institutional sites at which these public policy debates have been conducted.

4.1. *Independent Local Government Review Panel (ILGRP) (2012-13)*

The Independent Local Government Review Panel ILGRP was established by the (then) Minister of Local Government 'to draw on independent expertise to help tackle issues and identify how councils can best govern and be structured to support the future wellbeing and prosperity of NSW communities' (Page, 2012, 4). The work of the three-person panel was embedded in a narrative of economic development, namely 'the broader objectives of the State as outlined in "NSW 2021: A Plan to Make NSW Number One"' (ILGRP 2014). The Terms of Reference (ToRs) directed it to seven 'Key Actions' including *inter alia* developing models for structural reform, options for increasing council own-source revenue, alternative governance arrangements and more clearly delineating state and local government responsibilities (ILGRP 2014). It was also directed to be cognisant of several other considerations, the most salient of which was 'to take into account the Liberal-National's [i.e.: the incumbent government's] 2011 election policy of 'no forced amalgamations' of councils (ILGRP 2013).

The Panel undertook its brief from March 2012 to October 2013, producing a series of reports in its 14 months of operation (ILGRP 2013). The 'Final Report', 'Revitalising Local Government' (ILGRP 2013) advanced 65 recommendations. Despite the raft of reforms contained therein, both media attention and public policy have subsequently focused upon the process of consolidation recommended by the Panel (Grant and Ryan 2014). Under this plan, 32 councils in the greater Sydney region would be reduced to approximately 14 and a range of structural reforms would be introduced across most of the remainder of the state (ILGRP 2013). In essence, the Panel dispensed with the commissioning government's stated policy, arguing that: 'Sooner or later amalgamations will have to be part of the package: the number of councils in NSW has halved during the past century and that trend will surely continue' (ILGRP 2013, 7).

4.2. *NSW Government 'Fit for the Future' reform program (2014-15)*

The ensuing response by the Government – despite its 2011 pre-election pledge – was to embrace the recommendations of the Panel with respect to council amalgamation and offer a range of financial incentives for select local governments to merge. This package of reform options it labelled 'Fit for the Future', which it 'launched' in September 2014. Under 'Fit for the Future' all NSW local governments were obliged to submit self-assessments, in the form of templates provided by government, conforming to one of three options for reform: [i]

'Council Merger Proposal'; [ii] 'Council Improvement Proposal' (which included the option to remain a stand-alone municipal entity) or [iii] the 'Rural Council Proposal' (NSW Government 2015). The Government was not content with deciding the fate of councils itself. On the contrary, it appointed an existing statutory authority – the Independent Pricing and Regulatory Tribunal (IPART) to assess the proposals of councils. Yet with a seeming disregard for IPART's 'independence' it directed the statutory organisation to follow the criteria put forward by the ILGRP in terms of 'scale' and 'capacity', both of which the ILGRP (2013, p. 32) had defined broadly, alongside the more economically specific criteria of 'sustainability', 'effectively managing infrastructure and delivering services for communities'; and 'efficiency' (see IPART 2015a: 5-6; for a concise discussion, see Grant and Campbell 2015).

4.3. *Independent Pricing and Regulatory Tribunal (IPART) (2015)*

The IPART acted with an eye to procedural thoroughness and consultation. It called for submissions to its proposed methodology for assessing councils on 27 April 2015, to which 171 submissions were made -- principally by councils, also by other stakeholders including *inter alia* Regional Organisations of Councils (ROCs) political parties (the NSW Greens, for example) professional associations and –interestingly – the former Chair of the ILGRP (IPART 2015a). It also held a schedule of public forums seeking to both explain and receive feedback on the methodology throughout May 2015, then released its revised methodology on the 5th of June, requiring that all councils submit their proposals by 30 June, and then extending this deadline to 31 July (IPART 2015b). By this time it had received 139 submissions from 144 councils of the 152 councils across the state (some Far West councils were not required to submit proposals). Many of the submissions contained multiple documents with councils appending other material to the templates provided by the NSW Government. Of the submissions received, only four embraced the 'Council Merger Proposal'; all other councils had opted for either the 'Council Improvement Proposal' or the 'Rural Council Proposal' both of which accommodated councils standing alone (IPART 2015c). In other words, the recommendations for consolidation put forward by the ILGRP and subsequently endorsed by Government in its direction to the IPART, had been overwhelmingly rejected by local governments.

Armed with the council submissions, the IPART released its 'Assessment of Council Fit for the Future (Final Report)' on 20 October, inclusive of a 'Consultant Report' modelling the long term economic benefits of the ILGRP's preferred mergers conducted by Ernst & Young (IPART 2015d). Ernst & Young was not requested to model the long term economic benefits of 'Council Improvement Proposals' (the 'stand-alone' option provided for in the 'Fit for the Future' package) and compare these with the preferred options for mergers – and underlined that this was the case in its report (Ernst & Young 2015: 3). Nevertheless, it reached two noteworthy conclusions. First, that: '[T]he available empirical evidence on the extent to which local council amalgamations will yield net savings in costs is mixed and tends to vary by activity', adding that: '[e]conometric analysis does not provide strong support'. Second, that: '[t]here is limited evidence available on the financial costs associated with local council amalgamations' (Ernst & Young 2015: 5). Nevertheless, the evidence pointed to by Ernst and Young, inclusive of the Queensland Treasury Corporation's (QTC)

assessment pointed to the general conclusion that: ‘the costs associated with amalgamation are large and often under-estimated, particularly costs associated with new systems, cultures and operating structures’.

With this in mind, in examining Sydney’s councils ‘fitness’ *writ large*, the IPART ‘Final Report’ assessed groups of ‘Inner Metropolitan’ councils clustered in seven geographic regions (Inner West, West Central, Lower North Shore, Northern Suburbs, Northern Beaches, South West, Southern) and nine ‘Outer Metropolitan Councils’, as well as the City of Sydney. In sum, it assessed *all* ‘Inner Metropolitan’ councils *and* the City of Sydney as ‘not fit’, while the majority (seven) of the nine ‘Outer Metropolitan’ councils as ‘fit’. In the overwhelming majority of cases the assessment as ‘not fit’ was based not on the financial situation of individual councils – in the overwhelming majority of cases individual councils were assessed as financially robust – but on the basis of the more subjective criteria of ‘scale and capacity’ (for a concise description, see Grant 2015). It was on this basis that IPART recommended that the Inner Metropolitan councils – inclusive of the City of Sydney – be amalgamated into the regional groups, while all nine ‘Outer Metropolitan’ councils remain ‘stand-alone’ councils (see IPART 2015d: 39-60). At the time of writing, councils are equivocating whether or not to follow the recommendations (see, for example, McKenny 2015).

4.4. NSW Legislative Council ‘Local government (Inquiry)’ (2015)

Commensurate with the process of IPART’s deliberations, both political opposition and public outcry concerning the remarkably short time frame that councils had to prepare their submissions (from 5 June to 30 June; then with a belated extension to 31 July) saw the opposition parties combine in the Legislative Council (the Upper House of the NSW Parliament) to successfully introduce a Bill for an inquiry into the process. The Inquiry commenced 27 May (Legislative Council 2015a) with an expansive ‘Terms of Reference’ (ToRs). Many of the ToRs probe the process of reform represented by the reform agenda; however, the ToRs also require that the Committee revisit many of the fundamental, or what might be termed ‘foundational’ questions concerning local government. For example, ToR 1(n) directs the Committee to inquire into ‘protecting and delivering democratic structures for local government to ensure it remains close to the people it serves’ (Legislative Council 2015b). In essence, the ToRs do not only ask the Committee to inquire into both the role of IPART (and by implication, the NSW Government) but to revisit the debates about the normative role of local government indicating that it was deeply dissatisfied with the processes that the government has hitherto undertaken.

Again, the Legislative Council called for submissions, with being received from a range of stakeholders, not the least of who were local councils themselves (see Legislative Council 2015c). The Inquiry also held six public hearings and two public forums, with the ‘Final Report’ being published 29 October 2015 (Legislative Council 2015b). The ‘Final Report’ (Legislative Council 2015b: xx-xxii) contained 17 ‘Recommendations’ and nine ‘Findings’. Generally, the ‘Recommendations’ pointed to steps that could be taken to assist the local government sector in the state – such as approaching the Federal Government to rescind its decision to not index its grants to the sector, as well as asking ‘[t]hat the Premier and NSW

Government withdraw the statements that 71 per cent of councils in metropolitan Sydney and 56 per cent of regional councils are 'unfit' (Legislative Council 2015b: xx). The 'Findings' were more critical, asserting *inter alia* the IPART did not possess the 'demonstrated skills or capacity' to assess councils beyond their finances (i.e.: 'as democratically responsible local bodies') and that '[t]he projected economic benefits of council amalgamations have been consistently overstated by the proponents of forced amalgamations'.

A notable outcome of the Inquiry has been the investigation of legal challenges to forced amalgamations by the NSW Greens under the supervision of Member of the Legislative Council (MLC) David Shoebridge. Commissioned legal advice has been widely circulated suggesting, in effect, that any government decision to forcibly amalgamate could be successfully challenged through a variety of legal avenues (Shoebridge 2015) although the eventual outcome of any such a process is highly uncertain (see, for example, Grant, in Sansom 2015).

4.5. *Greater Sydney Commission (GSC) (2015)*

At the time of writing details regarding this particular iteration of a greater metropolitan authority are gradually emerging: At 5 June 2015 the NSW Department of Planning and Environment (DPE 2015) stated:

The NSW Government is establishing the Independent Greater Sydney Commission to oversee the implementation of *A Plan for Growing Sydney*.

The Government is currently working with local councils and other stakeholders on how the Commission can best work with them and the community to get good outcomes for Sydney.

The Commission will work closely with local councils and local communities, helping Sydneysiders get the most out of their neighbourhoods and suburbs.

Examining the plan itself (DPE 2014) confines itself to describing the envisioned broad role of the GSC, rather than detailing its structure and composition. Nevertheless, this envisioned role is bold. *A Plan for Growing Sydney* describes a hierarchy of plans such that the document itself 'is to be read in conjunction with the Government's *Long Term Transport Master Plan* and *Rebuilding NSW – State Infrastructure Strategy 2014*'. Further, plans for Sydney's six districts, as devised 'in partnership between State Government, local councils and the community' will coalesce underneath the three aforementioned plans (DPE 2014: 18). The GSC can be described as sitting atop all of these. It is 'a dedicated new body with responsibility to drive delivery of the new plan' (DPE 2014: 5) and it represents 'the first time a metropolitan entity will take ownership of the delivery of a metropolitan plan' (DPE 2014: 18).

In addition to this strategic oversight and delivery roles, the authority of the GSC also dips down to affect the broad policy areas discussed in *A Plan for Growing Sydney*. Thus, with respect to employment, the DPE (2014: 7) will 'work with the Greater Sydney Commission to develop job targets for strategic centres'; with respect to housing, the GSC will 'support council-led urban infill projects' (DPE 2014: 8) and 'monitor housing supply and choice and

report back to Government on further actions which can stimulate housing and development' (DPE 2014: 65) ; with respect to education, the GSC will '[a]ssist the Department of Education and Communities [and the various school associations] of NSW to identify and plan for new school sites throughout Sydney (DPE 2014: 54)'; and with respect to health, the GSC 'will work with NSW Health to identify planning needs to support future health facilities required for Sydney's growing population... accommodate[ing] new technologies and approaches to delivering health care as they emerge' (DEP 2014: 55).

Otherwise stated, the envisioned role (at least) for the GSC is both broad and deep: it cuts across not only the local government area boundaries in relation to land-use planning (arguably, the traditional ambit of state governments in the Australian federation) but is also designated a role in major areas of state government service provision (housing; education and health) that are nevertheless overlain by significant bureaucracies at the federal level, all of which are subject to revision under the current Federal Government's White Paper processes (see, for example, Grant, Ryan and Kelly 2015; Australian Government 2015). Nevertheless, *A Plan for Growing Sydney* envisages both the role of the Department of Planning and Environment and the GSC Sydney's six sub-regions (Central, West Central, North, South West, South) rather than a legislatively defined Sydney Metropolitan Region as such (see DEP 2014: 108-135). How this is to be reconciled with the potential larger councils envisioned as part of the end game of the 'Fit for the Future' reforms is not stipulated by the DPE (2014) nor has it been subsequently.

5. Observations

In assessing these contemporary reform processes, the first point to be made is that the public policy outcomes are still very much in flux. While both the IPART (2015d) and the NSW Legislative Council (2015b) have delivered their 'Final Reports', various courses of action are available to government, opposition and councils themselves. However, this does not proscribe us from making a second general observation, namely that the present drive toward both consolidation and metropolitan-wide governance bear a striking resemblance to earlier iterations of the same. This places into some relief what we have asserted is the 'pervasive modernity' of 'Sydney Global City' understood in a global-regional context, and set within a discourse that is both comparative and competitive (i.e.: Sydney *versus* Singapore, Shanghai, Hong Kong, etc.) in which particular policies – principally amalgamation and metropolitan-wide governance – are presented as inevitable, as exemplified by the rhetoric of the Committee for Sydney and the government, the latter of which has consistently proclaimed that Sydney cannot continue to be governed under municipal structures that hail back to the 'horse and cart days' (see, for example, OLG 2014; Toole, in Hansard 2015).

Admittedly our discussion has placed the overwhelming weight of attention on contemporary reform processes at the expense of a more detailed account of earlier attempts sketched in Section 2 of the paper. Nevertheless, it is still possible to draw comparative observations concerning the sites of institutional conflict for reforming Sydney's governing arrangements. First, the way that the public policy debate has been played out in the party-political conflict between the two houses of the NSW legislature is

remarkably similar: In 1912 the McGowan Labor Government attempted to engender a greater Sydney authority designed by a convention, but the 'Greater Sydney Convention Bill' was lost 'because of the [Legislative] Assembly's refusal to accept the Legislative Council amendments related to the above' (Bains and Miles 1981: 136). Contemporaneously, the opposition parties in the Upper House have overseen an inquiry, ostensibly to exercise another layer of due diligence over the reform process but perhaps to stymie the reform agenda of the (democratically elected) majority in the Legislative Assembly. Clearly, the NSW Parliament is not acting as a whole; rather the Executive, as represented by the Ministry and the bodies of state that it directs – the NSW Office (effectively the Department) of Local Government and its statutory organisations (in this case, in particular, the IPART) – are set against the vocal opposition of the Upper House, which can be readily (although not necessarily accurately) seen as acting in the interests of NSW's 152 democratically elected councils. In both historical iterations of conflict, it is not the upper house as such that has acted as a block to reform, but the fact that there are two houses that has resulted in impasses.

Second, the role of inquiries is also salient: In 1913 the then Labor Government appointed a Royal Commission 'to undertake investigations and recommend a scheme' (Bains and Miles 1981: 137) for the transformation of NSW local government, the recommendations of which involved both consolidation and a metropolitan authority – the 'Greater Sydney Council'. While this attempt at reform faltered, contemporaneously NSW has witnessed an 'inquiry on an inquiry' – the Legislative Council inquiring into 'Fit for the Future', and the assessments of the IPART, the ToRs for which derive from the ILGRP. The logic of such rapid-fire consecutive processes, the way in which party-political considerations become enmeshed with local politics and the role[s] of statutory bodies, as well as the expectations surrounding what an inquiry for the purposes of public policy can hope to achieve (see Grant, Ryan and Lawrie 2015) are all brought into question.

Third, in both attempts at reform there is a striking similarity in the yearning for a greater metropolitan authority that is responsible for planning the provision of major services: The 'Greater Sydney Council' envisioned by the Royal Commission in 1913 was to be designed to undertake 'all functions in the inner zone and all major functions ('public health, town planning, building regulation and main roads' (Bains and Miles (1981: 137)) across the entire region. We have seen that the yet to be implemented Greater Sydney Commission has a similarly wide – although as yet fulfilled – ambit.

Our fourth comparative observation concerns what the Government considers the optimal trajectory of reform, namely much larger councils (approximately eighteen) in the SMR alongside the putative role of the GSC and – again – the degree to which these twin objectives are similar to previous attempts at reform. In the present iteration, how these two reforms are envisioned to mesh with one another has not been clearly articulated by government, save the implicit assertion that the GSC will have its way. Yet set against the interests of not merely larger – and possibly more politically emboldened – councils, *and* the long-standing bureaucracies responsible for health, education and housing, this seems somewhat naïve. Our (albeit brief) account of the failure of metropolitan governance for Sydney suggests that this will be as a hard reform to implement contemporaneously as it was historically.

Fifth, the earlier attempts at reform and those currently being undertaken focus, almost overwhelmingly, on the political conflict between local governments conceived as the basis of local democracy on the one hand and the imperatives of state government on the other. Yet a moment's reflection demands that we assess the political consequences beyond present state-local relations. It would be naïve to assume that more heavily concentrated political authority at the (consolidated) local level would not attract considerably greater interest of the political parties and other political actors compared to smaller local governments. In this sense, local governments would indeed become 'glittering prizes for would-be mayors and political parties' (Sansom 2014: 313). However, it is by no means equivocal that this is a good thing. For a start, the probity of local government – particularly in NSW – is often found to be radically wanting (see, for example, Campbell and Grant 2015). Bigger councils does not necessarily imply that these organisations will be less prone to governance problems. In fact quite the reverse can be envisioned i.e.: where the 'games' of nefarious local politics are perceived to worth higher risks in terms of improper behaviour in order to achieve said 'glittering prizes'. As well, the same kinds of mistakes that some writers have identified as being endemic to local governments (see, for example, Byrnes and Dollery 2002) may well still be made but at a significantly magnified scale.

Sixth, the consequences of significantly diminished layer of local representatives for both state and federal politics has to be thought through: On the one hand it is possible to envision a smaller, more professionalised class of local politician – and their accompanying administrators – filtering through to the ranks of both state and federal politics. Yet this is an ideal-type scenario that can be quickly countered with a dystopian one, namely a further disenfranchisement from politics writ large due to a disenfranchisement at the local level. Indeed, our brief account of early municipal government in NSW, as well as some well-though generalisations as to the nature of how Australians generally choose to engage with their politicians and their bureaucracies (see, in particular, Brown 2006) suggests that to rely upon a spirit of voluntarism and engagement at the local level in Australia may not be as cogent, nor as intuitively defensible as it appears in other cultural contexts. We need to be cognisant that in reforming local government there is more at stake than local government itself.

Seventh, a distinct *dissimilarity* in the two iterations of reform can be identified. The early attempts, particularly that prosecuted in 1898-1900, were characterised by the City of Sydney advocating for amalgamations, set against opposition from suburban aldermen. Contemporaneously, City of Sydney councillors have actively opposed merger proposals (see, for example, ABC News 2015), with the executive of the state government driving the case for consolidation.

Finally, it is possible to envisage a research agenda that excavates the events of early attempts toward a metropolitan Sydney authority to the extent that they are rendered more directly comparable with contemporary processes. A necessary element of this history would be to identify the interests of those arguing for metropolitan government in its previous iterations. We suspect that while these interests might be portrayed in terms of the coordination and efficiency required for Sydney to function as a successful entrepôt for the then rapidly expanding colony, a more critical approach would turn its attention to interests perceived in terms of capital and class, and to survey the continuities – and discontinuities – with the current reform rhetoric.

References

- ABC [Australian Broadcasting Corporation] News. 'City of Sydney councillors oppose NSW Government proposal to merge with neighbouring councils', available: <http://www.abc.net.au/news/2015-06-19/city-of-sydney-votes-to-oppose-proposal-to-merge/6557696> [accessed 16 November 2015].
- Australian Government (2012) *Australia in the Asian Century*. Canberra: Australian Government Printing Service.
- Australian Government (2015) 'Reform of the Federation Discussion Paper 2015', available: https://federation.dpvc.gov.au/sites/default/files/publications/reform_of_the_federation_discussion_paper.pdf [accessed 16 August 2015].
- Baines, M. A. and Miles, N. T. G. (1981) 'New South Wales'. In Power, J., Wettenhall, R. and Halligan, J. (1981). *Local Government Systems of Australia*. Advisory Council for Intergovernmental Relations (ACIR) Information Paper No. 7, Canberra: Australian Government Printing Service, pp. 123-228.
- Bowman, M. (1981) 'Victoria'. In Power, J., Wettenhall, R. and Halligan, J. (1981). *Local Government Systems of Australia*. Advisory Council for Intergovernmental Relations (ACIR) Information Paper No. 7, Canberra: Australian Government Printing Service, pp. 229-372.
- Brown, A. J. (2006) 'Federalism, regionalism and the reshaping of Australian governance. In Brown A. J. and Bellamy, J. (Eds.). *Federalism and regionalism in Australia: New approaches, new institutions?* Canberra: ANU E Press, pp. 11-32.
- Byrnes, J. and Dollery, B. E. (2002) 'Local government failure in Australia: An empirical analysis of NSW'. *Australian Journal of Public Administration* 61(3): 54-64.
- Campbell N. and Grant, B. (2015) 'Is a project management approach the answer to local government impropriety? A case study of The City of Ryde, NSW Australia'. *Working Paper*, Centre for Local Government, University of Technology Sydney.
- CfS [Committee for Sydney]. (2013a) 'Sydney: Adding to the dividend, ending the divide'. Sydney issues paper No. 1, May, available: <http://www.sydney.org.au/media/uploads/Sydney%20Issues%20Paper%201%20-%20Final%20Reduced.pdf> [accessed March 2015].
- CfS [Committee for Sydney]. (2015a) 'About us', available: <http://www.sydney.org.au/what-makes-us-different> [accessed March 2015].
- CfS [Committee for Sydney]. (2015b) 'Board', available: <http://www.sydney.org.au/board> [accessed 15 March 2015].
- DPE (Department of Planning and Environment [NSW Government]). (2014) *A Plan for Growing Sydney: A Strong Global City, a Great Place to Live*, available: <http://www.strategy.planning.nsw.gov.au/sydney/the-plan/> [accessed 15 August 2015].
- DPE (Department of Planning and Environment [NSW Government]). (2015) 'Greater Sydney Commission', available: <http://www.planning.nsw.gov.au/en-us/planningyourregion/greatersydneycommission.aspx> [accessed 13 August 2015].
- Ernst & Young, (2015). 'Fit for the Future. Review of the business case estimates of merger net benefits for Sydney metropolitan councils'. IPART Confidential Report October 2015, available: http://www.ipart.nsw.gov.au/Home/Industries/Local_Govt/Fit_for_the_Future [accessed 15 November 2015].
- Grant, B. and Campbell, N. (2015) 'The alternative to council amalgamations: Taking IPART for its word'. The Town Crier [Blog]. Australian Centre of Excellence for Local Government (ACELG). 3 October, available: <http://www.ancelg.org.au/alternative-council-amalgamations-taking-ipart-its-word> [accessed 12 August 2015].
- Grant, B. and Ryan, R. (2014) 'Local government reform in NSW: Seeing past the 'cash flash''. The Town Crier [Blog]. Australian Centre of Excellence for Local Government (ACELG). 3 October, available: <http://www.ancelg.org.au/local-government-reform-nsw-seeing-past-cash-flash> [accessed 11 August 2015].
- Grant, B. Ryan, R. and Lawrie, A. (2015) 'Dirty hands and commissions of inquiry: A case study of the Independent Local Government Review Panel (ILGRP) in NSW'. *Research in Ethical Issues in Organisations* 13: 19-40.
- Grant, B., Dollery, B. E. and Kortt, M. (2015) 'Is there a case for mandating directly elected 'semi-executive' mayors in Australian local government? Lessons from the 2012 Queensland local government elections'. *Australian Journal of Public Administration*. DOI: <http://onlinelibrary.wiley.com/doi/10.1111/1467-8500.12057/abstract> [accessed 15 November 2015]

Grant, B., Ryan, R. and Kelly, A. (2015) 'The Australian Federal Government's "White Paper on Reforming the Federation" and the future of Australian local government'. *International Journal of Public Administration* (in print).

Hansard 2015a. State Parliament of New South Wales Legislative Assembly Parliamentary Debate 14 May 2015. Local government amalgamations. [Hansard extract]. URL: < <http://www.lgnsw.org.au/files/imce-uploads/127/lg-amalgamations-parliamentary-debate-extract-14.5.15.pdf> >. Consulted 8 October 2015.

ILGRP [Independent Local Government Review Panel] (2013). Revitalising local government. Final Report of the NSW Independent Local Government Review Panel. October, available: <http://www.localgovernmentreview.nsw.gov.au/Index.asp?areaindex=LGR&index=49&acode=GL&mi=1> [accessed 11 August 2015].

ILGRP [Independent Local Government Review Panel] (2014). Terms of Reference, available: <http://www.localgovernmentreview.nsw.gov.au/Index.asp?areaindex=LGR&index=43&acode=TR&mi=1> [accessed 11 August 2015].

IPART (Independent Pricing and Regulatory Tribunal). (2015a) 'Consultation paper – Methodology for assessment of council Fit for the Future proposals – April 2015', available: <http://www.ipart.nsw.gov.au/Home/Industries/Local Govt/Reviews/Fit for the future/Review of Local Council Fit For The Future proposals/27 Apr 2015 - Consultation Paper/Consultation Paper - Methodology for Assessment of Council Fit for the Future Proposals - April 2015> [accessed 12 August 2015].

IPART (Independent Pricing and Regulatory Tribunal). (2015b) 'Fit for the Future > Review of local council fit for the future proposals', available: <http://www.ipart.nsw.gov.au/Home/Industries/Local Govt/Reviews/Fit for the future/Review of Local Council Fit For The Future proposals> [accessed 12 August 2015].

IPART (Independent Pricing and Regulatory Tribunal). (2015c) 'Fit for the Future > Council Proposals', available: <http://www.ipart.nsw.gov.au/Home/Industries/Local Govt/Fit for the Future> [accessed 12 August 2015].

IPART (Independent Pricing and Regulatory Tribunal). (2015d). *Assessment of Council Fit for the Future Proposals. Local Government – Final Report* October 2015, available: <http://www.ipart.nsw.gov.au/Home/Industries/Local Govt/Fit for the Future> [accessed 15 November 2015].

Legislative Council (NSW Parliament Legislative Council General Purpose Standing Committee No. 6. (2015a) 'Local government in New South Wales (Inquiry), available: <http://www.parliament.nsw.gov.au/localgovernment> [accessed 12 August 2015].

Legislative Council (NSW Parliament Legislative Council General Purpose Standing Committee No. 6. (2015b) 'Inquiry terms of reference', available: [http://www.parliament.nsw.gov.au/prod/parlment/committee.nsf/53090fd8806f7be5ca257344001a4c8e/4418b0edcf843ff9ca257e52001dc61a/\\$FILE/Terms%20of%20Reference.pdf](http://www.parliament.nsw.gov.au/prod/parlment/committee.nsf/53090fd8806f7be5ca257344001a4c8e/4418b0edcf843ff9ca257e52001dc61a/$FILE/Terms%20of%20Reference.pdf) [accessed 16 August 2015].

Legislative Council (NSW Parliament Legislative Council General Purpose Standing Committee No. 6. (2015c) 'Submissions to Local government in New South Wales (Inquiry), available: <http://www.parliament.nsw.gov.au/prod/parlment/committee.nsf/V3ListSubmissions?open&ParentUNID=4418B0EDCF843FF9CA257E52001DC61A> [accessed 12 August 2015].

Legislative Council (NSW Parliament Legislative Council General Purpose Standing Committee No. 6. (2015d). Final Report, available: http://www.parliament.nsw.gov.au/prod/parlment/committee.nsf/0/B0C026787382E495CA257EEC007FFECA?open&refnavid=CO4_1 [Accessed 15 November 2015].

MeKenny. L. (2015). 'Mike Baird hones threat to councils ahead of merger deadline'. *The Sydney Morning Herald*, 12 November, available: <http://www.smh.com.au/nsw/mike-baird-hones-threat-to-councils-ahead-of-merger-deadline-20151111-gkwuu4.html> [accessed 15 November 2015].

NSW Government (2015) 'Fit for the Future > For Councils > Preparing a Proposal', available: <http://www.fitforthefuture.nsw.gov.au/preparing-proposal> [accessed 11 August 2015].

OLG (Office of Local Government [NSW Government]). (2014). Fit For the Future – A blueprint for the future of local government. Sydney: NSW Office of Local Government, available: <http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-A-Blueprint-for-the-future-of-Local-Government.pdf> [accessed 8 October 2015].

Page, D. (2011) 'Destination 2036: Opening Remarks', available: http://www.dlg.nsw.gov.au/dlg/dlghome/dlg_generalindex.asp?sectionid=1&mi=6&ml=21&AreaIndex=PRS [accessed March 2015].

Sansom, G. (2014) 'Debate: Rumblyngs Downunder—stronger mayors for Australia and New Zealand?' *Public Money and Management* 34(5): 311-313, available: <http://dx.doi.org/10.1080/09540962.2014.945792> [accessed 16 August 2015].

Sansom, M. (2015). 'NSW council sackings threat real: local government expert'. *Government News*, available: <http://www.governmentnews.com.au/2015/11/nsw-council-sackings-threat-real-local-government-expert/> [accessed 15 November 2015].

SGS [SGS Economics and Planning]. (2009) 'Benchmarking Sydney'. Research paper prepared for Committee for Sydney with Professor Robert Freestone, Faculty of the Built Environment, University of New South Wales, October, available: <http://www.sydney.org.au/media/uploads/Benchmarking%20Sydney.pdf> [accessed 18 March 2015].

Shoebridge, D. (2015). Re: Local government amalgamations. Memorandum of Advice. Available: <http://davidshoebridge.org.au/wp-content/uploads/2015/10/Memorandum-of-Advice-Local-Government-Amalgamations-.pdf> [accessed 15 November 2015].

Accepted Copy