**THE REFORM OF INTERGOVERNMENTAL RELATIONS**

**INTRODUCTION**

Intergovernmental relations (IGR) make provisions for important interactions of units or arms within a government. The term is embedded in federalism. The latter being a system of government where powers of the state are shared equally between the levels of government with equal status. Intergovernmental relations involve the interaction between institutional levels of government with the aim to address relations of equality and interdependency as embedded in the constitution. It suggests an aspect of federalism ‘’as it is lived’’ in federations. The concept has a lot of impact on democracy, citizen participation, accountability, justice, and the rule of law (Cheryl S., Johanne P., John K. *Intergovernmental Relations in Federal Systems*). They can also be defined as processes and institutions through systems within a government interact. The features of IGR in federal states differs from the ones found in non-federal states. However, one thing peculiar to both states is that they may have more than one level of government and in such, IGR thrives.

As governments increased in size and scope, the need for a consistent and regular IGR emerged. Policies regarded as minute issues and left to be taken care of by the local level became national matters; at the social, environmental, economic as well as political matters. Government bodies saw the need to integrate activities in the various levels to manage the spillovers in the affected sectors. These spillovers are the results of mismanagement and the lackadaisical attitude to government activities probably. However, the introduction of Intergovernmental relations provides and establish accountabilities and guiding policies between units within governments.

The alternative to re-drawing ‘bright lines’ between governments is cooperative federalism, which of necessity implies a more complete and coherent set of IGR institutions and processes to govern the inevitable concurrency of government responsibilities (Wanna et al. 2009). Government concurrency involves sharing responsibilities, resolving conflicts, consultations and cooperation between the units of a government in response to rapid and changing circumstances.

In IGR, states and national governments are the primary actors in the integration process. IGR is institutional and has impact in governmental preferences. It takes various forms and models. Intergovernmental relations are geared towards making and implementing effective policies. They are integral in the effectiveness of government reforms in that they must be coordinated and managed the right way.

As earlier stated, a reform will become realistic when IGR is properly coordinated and managed by the government.

**FEDERALISM AND DEMOCRACY - THE TWIN PILLARS OF THE AUSTRALIAN GOVERNMENT**

Those who drafted the Australian constitution, favoured federalism due to its advantages of checking concentration of power andmaking provisions for individual choice. A federal balance was sought after between the states and the Commonwealth. The constitution was drafted that way to aid equal distribution of powers among the levels of government because concentration of powers in one level is ‘inimical to achieving human freedom and happiness”.

A V Dicey states that the distribution of power is an essential feature of federalism. The object for which a federal state is formed is for the distribution of powers and authority between the national government and the separate states.

A federation links institutions together in the form of a bicameral legislature. Federalism is a system of government that is worth keeping.

According to Twomey and Withers, it is believed in Australia that federalism is not only old-fashioned but cumbersome and an inefficient system. Yet internationally, the concept is seen as modern, flexible and efficient for meeting the needs of local communities while responding to the problems of globalization. In the duos words, the difference between these two views is stark. They went on to suggest that the ‘federalism dividend’ may be increased by further reform of the Australian Federation.

However, the stability of the Australian government has its root in federalism. The state operates a democratic system through her multiple levels of government. Australia is one of the leading examples of a federal state. The rationale behind federalism is in the history, the geographical area of a nation-state, territorially bounded communities. Federalism offers solutions to the complexities of the society in a globalized world. It also provides for the Australian government, checks and balances on which democracy relies on.

The makeup of government and law in Australia is embedded in the Commonwealth constitution. Federalism and democracy are intertwined in the Commonwealth Constitution. It states the limitations of the authority of the Commonwealth and States for the purpose of federalism. The concept has evolved over the years and the Commonwealth is now strapped with the obligation to make government policies which where once the responsibilities of the State.   
 The Commonwealth shapes policies in the area of State jurisdiction. This system encouraged efforts to make new, effective and efficient modes of intergovernmental relations. With the Council of Australian Government (COAG) at the center, efforts reach their maxim. This further emphasizes the function of intergovernmental relations in the successful running of the nation-state. Its functions cannot be overemphasized. Power shared equals problems halved. There is however, sufficient evidence in the constitution that federalism and democracy are intertwined.

The national roles of these twin pillars cannot be overemphasized. Federalism protects the rights of the citizens of a country; Australia in this case. These rights have been provided or given or entrenched in the constitution to enable a citizens make decisions for themselves at different levels of government. Democracy on the other hand respects diversity and it goes beyond the majority votes at elections conducted periodically. A good democratic government is beneficial to its citizens in that authority is divided between the center and the subordinates or several units in the government. This is the goal of federalism and democracy. This goal however, should be the focus of federal reform.

Decisions made by inter-governmental bodies are usually for having a secured policy and uniformity in the legislative body. These decisions also augment executive authority. The executive ownership of the process is reflected only in the way in which substantive decisions are made. The inter-governmental body is also an instrument for centralization, based on the fact that the Commonwealth executive controls most council.

The federal democratic system practiced in Australia is complex and opaque. Understood by relatively a few number of the citizens, efforts to make the governments accountable to Commonwealth has pushed to the background, the need to make transparent, the decision- making processes to the people.

**INTERGOVERNMENTAL RELATIONS: NEEDFUL OR NEEDLESS?**

As stated earlier, the place of IGR cannot be overemphasized. Although important, it poses some difficulties when it reaches the theoretical and generalization stages. The informal nature of IGR results in a wide variation among/between countries overtime. This nature gives power, politics and contingency the tendency to assume primacy over law, consistency and institutions in guiding governmental relations. This could lead to the dearth of agreement on the principles or guidelines of IGR from which government draw their initiatives.

The various dimensions of IGR provide the basis for subsequent analysis of its processes. These dimensions are the degrees of formality on which IGR is implemented by a government. The dimensions could be vertical, horizontal, sectoral, formal and informal. These dimensions have in one way or the other in their functions helped government policies. Though diverse in functions, they have one thing in common; they all involve a government with constituent units and powers given to these constituents to enforce policies at their various levels.

The constituent units have chosen over the years that what is more important is the promotion and protection of policies made and the administrative autonomy and not the national interest and harmonization of service delivery across the nation.

The view that IGR is best regarded as a “game” akin to diplomacy has been made common (Simeon 1972; Sharman 1977; Painter 2001: 139; Harwood and Phillimore 2012: 88-89). The approach focuses on the players in the game and the rules and regulations that guide the game and its boundaries too. The players here are the levels of government, their agencies and personnel and the rules refer to IGR institutions, laws, models and processes, etc. However, this approach argues that for the fact that IGR is referred to as “team work”, it doesn’t imply that every player is on one side. This shows that the IGR is a system guided and not done haphazardly. Difference in policy has affected how IGR is conducted in different countries based on the fact that social, cultural and economic interests differ from one country to another.

**SHORTING COMINGS OF IGR**

According to a study carried out by Poirier and Saunders (2010:7-8) on thirteen federations, some challenges and trends has been identified faced by IGR from experience.

Firstly, there have been a general increase in the formalization and institutionalisation of IGR. IGR has gained so much prominence that it is now been formalized and made into institutions in governments.

Secondly, the horizontal IGR has experienced rapid growth. Horizontal IGR can take many forms and can involve some or all of the constituent units. The relationship that arises from the integration of these constituent units focus on issues such as taxation at the local level, roads and transport services, service provision. Countries like Nigeria and Austria hold forums at the sub-national level and they aim to influence national policy.

Thirdly, there has been “a general trend towards greater centralization despite some administrative devolution” (Poirier and Saunders 2010: 8). However, some argue that traditional dualists federations (where each level of government is responsible for setting and implementing its own policies) are being turned into integrated federations along German lines, where the federal government sets the major policy directions and provides the relevant funding, while the sub-national units implement these policies as “agents” of the center (Fenna 2012:757).

Lastly, the ongoing challenge is the tension between efficiency and accountability, between flexibility and the rule of law, and between effectiveness and consultation (Poirier and Saunders 2010: 8). Too much emphasis on consulting with sub-national governments to obtain their consent can slow the pace of reform and lead to lowest common denominator policies (Painter 2001: 140).

**IMPROVING IGR**

Normative discussions of IGR are aimed at improving the conduct of IGR and the federation at large. Amongst others, the most desirable way to improve IGR is by combining the formal and informal IGR. The features of formal design provide more certainty and importantly provides a level of protection for the weaker party to any IGR (normally the sub-national government), thereby reducing the temptation and opportunity for the national level to engage in coercion, opportunism, poor behavior and capriciousness (Poirier and Saunders 2010: 4)

Formal or ‘hard’ rules and institutions are necessary but they are not sufficient. They need to be supported by informal and ‘soft’ conditions such as respect, trust, mutuality, tolerance of diversity, a willingness to engage and cooperate, and recognition of the legitimacy of the other’s position (Watts 1997: 38). They also require government capacities to engage in meaningful IGR.

**REFORMING THE FEDERAL SYSTEM**

A remarkable process of reform of intergovernmental arrangements was initiated in Australia in 1990 designed, according to its proponents, to improve the country’s national efficiency and international competitiveness and to improve the delivery and quality of services that governments provide. The reform process on this occasion was neither unilateral, nor top down in design and implementation. On the other hand, while reflecting the Commonwealth (federal) government’s frustrations as the limits imposed by the federal system in its political power and administrative capacity, the process was cooperative, incorporating all state and tertiary government leaders, and including representatives of local government. In the context of a review, of the origins, the nature, and objective of the informed initiative of the origins missions, and objective of the informed initiative. Political and bureaucratic objectives, combined with a lack of adequate appreciation of federal principles, led, in our view; is an attempt to supplant participatory politics with relatively less accessible and responsive managerial structure. (Christine F., Cliff W., 1992: Reform of intergovernmental relations in Australia: The politics of federalism and the non-politics of managerialism).

There are several perspectives from which to put forward this argument amongst which is the urban perspective. Government systems have evolved over the years becoming better day by day, making international relations and negotiations for economic, political and social exposure or growth. Government policies and bills are passed into law for the effective and smooth running of the government. Globalisation has however interconnected nations across the world.

The enhancement of the Australian federal democracy should be the driving force of the reform. Since Australia became a federation in January 1st 1901 which led to the establishment of the Commonwealth of Australia in 1901, the nation has adhered strictly to the United States of America’s model through a parliamentary body. Federal democracy has benefits which are dual functional; to the government and the society at large. The concept supports policy innovations, participation in public life, accountable and efficient government and collective action.

The concepts federalism and democracy are intertwined and consequently, weakness and failure in one will affect the effectiveness of the other. So if federalism is faced with problems, democracy also is affected. As a result, the state experiences an imbalance and overconcentration of power at one level of government, erosive democratic accountability of the government to the people. What is needed at this stage is a vision and people driven by this vision to effect the work of federal democracy.

The structure of the Australian constitution is a guide to certain principles which could be beneficial to the reform of the Australian federal democracy. The constitution can provide a strong framework for the reform of the federal democracy. It does not require a constitutional change. The constitution however federalises democracy; requires that that funds be distributed fairly among the state; recognizes that Commonwealth will have access to surplus funds generated from local tax collection which the state is entitled to and is their responsibilities and limits the authority of each level of government with deliberate consideration of subsidiaries.

When the move to reform the Australian federation was made, and it failed, many questions arose. Questions like was the time frame inadequate to make the reform or was the process collaborative or whether self-motivated interest will determine the outcome of the reform process. The failure of the reform, raises the question whether or not, the Australian federation would ever be reformed. The white paper reform move that was made by the country but flopped due to the environment which was politically in opposition where the government cannot thrive on the efforts of their predecessors.

A reformation should not be seen as a day job. It is something that is expected to take place over time for more effectiveness. Reforms should aim at enhancing local government authority, autonomy and management all by themselves.

For a reform to be successful, government has to yield their discretion and leadership for the process to succeed. It must not be an apolitical activity. It must be distinguishable from mere political reforms. A reform must have recognized the usefulness of cooperation in intergovernmental relation for the purposes of federal democracy in the appropriate ways before it is implemented or carried out.

The Swiss government which had a successful federal reform made it possible by building on broad-based consensus about the principles which will guide the reform process. Too often, the pragmatic debate of the federal system of Australia has made it like a political game of football. (Reforming Australian federalism; The University of Queensland).

The principles that will guide the reform of the federal democracy of Australia can be drawn from her constitution. The principles however, have implications for intergovernmental relations and government operations in general and the running of a fiscal federalism. Some of the implications are:

* The need for the revitalization of the state level of government. This would improve development and concentration in important areas of national interest.
* The principles require a reassessment of government roles and issues affecting the public are dealt with accordingly.
* Finally, collective and cooperate decision making should not be a barrier to governments accountability to the people and the parliament. Every act of the government should be understood by the people who have needs to be met by the government.

**PRINCIPLES TO GUIDE FEDERAL REFORMS**

* First and foremost, the aim of the reform is to enrich the Australian federal and democratic system. The importance of this principle cannot be overlooked. It must firstly recognize the usefulness of its implementation on the government before it is conventionally agreed on by the parliament and the people at the various levels of government by extension.
* Government dealings between each other at the various levels must be done with mutual respect, understanding and trust due to the elected representatives at the different levels. This will enhance good relationship between the leader and easy deliberations on government issues.
* The principle of solidarity which the state believes in, allows the sharing of public revenues horizontally to address economic problems inherent in her states and territories.
* The Commonwealth of the state has been given the authority to raise revenues to meet the responsibilities of the constitution and assist the states to meet theirs by the constitution.
* By virtue of the power conferred on the Commonwealth and the state levels of the government by the constitution, each level knows what and what not to do.
* Transparency can be secured when elected parliaments of the state and commonwealth of the nation on which democratic accountability relies on are accountable to the public.
* Democracy is an organized system through the different levels of government in Australia, each of which have limited authority to rule the people who they are accountable to.
* Other levels of the Australian government must not be overlooked as the values of the composite concept of the federal democracy of the country apply also.
* Purposes should be made clear and be transparent by reason of intergovernmental collaborations that would in the end be justifiable publicly.

**REFERENCES**

Albert Venn Dicey, Introduction to the Study of the Constitution (Macmillan, 8th end, 1915) 83.

Brian Galligan and J.R. Nethercote, The Constitutional Commission and the 1988 Referendums, Centre for Research on Federal Financial Relations and Royal Australian Institute of Public Administration (ACT Division), Canberra, 1989, p 137.

Cheryl Saunders, The constitution of Australia: A contextual analysis, Hart publishing, 2011, pp. 236, 26-7

Cheryl S., Johanne P., John K. *Intergovernmental Relations in Federal Systems*).

Christine Fletcher, Cliff Walsh, Reform of Intergovernmental Relations in Australia: The Politics of Federalism and The Non‐Politics of Managerialism

Commonwealth of Australia, Federal Financial Relations Budget Paper No. 3, 2014-2015, pp. 4, 7 (Federalist Paper No 1, Council for the Australian Federation, April 2007) 22.

Fenna, A. 2012. ‘Federalism and Intergovernmental Coordination.’ In B. G. Peters and J. Pierre (eds.), The SAGE Handbook of Public Administration. Los Angeles: SAGE: 750–763. Fenna, A. and Anderson, G. 2012. ‘The Rudd Reforms and the Future of Australian Federalism. ’In G. Apple by, N. Aroney and T. John(eds.), The Future of Australian Federalism: comparative and interdisciplinary perspectives. Cambridge: Cambridge University Press: 393–413.

Intergovernmental Relations In Australia Roger Wilkins And Cheryl Saunders Part 1: Theories Of Australian Federalism.

Leslie Zines, 'What the Courts have done to Australian Federalism', also published in this volume of Papers on Parliament.

Nicholas Aroney, ‘Federalism and Subsidiarity: Principles and Processes in the Reform of the Australian Federation’.

On intergovernmental agreements: see, notably, Johanne Poirier, Keeping Promises in Federal Systems: the Legal Status of Intergovernmental Agreements with special reference to Belgium and Canada, PhD thesis, University of Cambridge, 2004: https://www.repository.cam.ac.uk/handle/1810/276241 and other references in the bibliography.

Poirier, J. and Saunders, C. 2010. ‘Comparative reflections on Intergovernmental Relations in Federal Countries.’ In R. Chattopadhyay and K. Nirenberg (eds.), Dialogues on Intergovernmental Relations in Federal Systems. Booklet Series Volume 8. Ottawa: Forum of Federations and International Association of Centers for Federal Studies: 3–8.

Painter, M. 1998, Collaborative Federalism: Economic reform in Australia in the 1990s, Cambridge University Press, Melbourne.

Wanna et al. 2009