# Re-ordering Priorities for e-Government Integration across Tiers of Government

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The paper presents the results of a literature review and survey conducted in February and March 2003 seeking to identify the interactions between the Commonwealth and local governments in Australia. The literature review set expectations of the nature of interactions, but the survey revealed a different, more complex picture. The paper highlights the contrast between reality as reported in the survey and the expectations that the literature set. Finally, the paper points to areas where interoperability between these two tiers of government might fruitfully be pursued, some of which are counter-intuitive.

e-Government, Interoperability, Inter-governmental Relations, Survey

## 1    Introduction

E-government aims to transform government administration, information provision and service delivery by the application of new technologies. It focuses on delivering government services in ways that are most convenient to businesses and citizens, while at the same time realising efficiency gains, and streamlining government processes (National Office of the Information Economy, 2002). As part of the *Better Services, Better Government* strategy, the Australian Commonwealth Government has established an agenda to develop more and better services online; services that break down the barriers of Government structure and jurisdiction; services that meet the real needs of individuals and business (National Office of the Information Economy, 2002).

The challenge that governments everywhere are facing is to integrate those services that will enable the community to seamlessly access a number of related services that may be delivered from different agencies within a jurisdiction and/or across different levels of government. Interoperability is fundamental to achieving this vision of integrated services and e-government. As more information is collected and stored, it becomes increasingly important that it is shared and reused through systems that interoperate. This involves addressing a range of standards issues as well as other priorities.

The Australian National Office of the Information Economy (NOIE) is working with industry and all government jurisdictions to develop a national understanding of Interoperability. To inform this work NOIE commissioned a stocktake of how and to what extent Commonwealth agencies interact with local government. The research included reviewing published sources for indications of where Commonwealth and local governments interact, some guidance on the extent of that interaction, and supplementing this with more specific and contemporary information sourced from local government directly through a brief survey.

The survey attempted to get a preliminary view of where Commonwealth and local governments interact as a guide to possible future integration opportunities. To achieve this, the survey was sent to all local governments (and the State Local Government Associations—LGAs) to collect basic data. There were 2 main parts to the survey[1]:

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[1] The survey form and summarised findings are available from the author by e-mail request.

1) A 'top 5' questionnaire where local governments were asked to provide some details of the top five highest volume interactions they have with Commonwealth agencies, and

2) A complete list of all Commonwealth bodies where local governments were asked to provide an indication of whether they did, or would like to, interact with the body. This was presented in two parts: a short list of the main Commonwealth bodies and a longer list of lesser portfolio bodies and programs. Local governments were encouraged to consider at least the short list of major Commonwealth bodies.

In the 'top 5' questionnaire, each local government was asked to select from a range of options presented in a drop-down lists (all possible values were presented in tables on a Help sheet), and supplement that with some textual information. In the list of agencies, local governments were asked to indicate a frequency with which they interact with each agency. There was also an opportunity for local governments to nominate agencies in the Commonwealth that they might like to interact with.

This paper establishes some context for the findings of the survey by briefly reciting the nature of Australia's federation and the distribution of roles across the governments within that drawn from the literature review. The paper emphasises the role of local government within Australia's federation and notes that the role is changing. The academic literature is used as a basis on which some expectations are established for possible interactions between Commonwealth and local governments. Against this background, the results of the survey conducted during February and March 2003 are presented. The analysis contrasts the results with the expectations from the literature and tests the results for variations depending upon state, size and demographic characteristics of the local governments. Finally, conclusions are drawn about where priorities should lie in cross-tier electronic government integration in Australia.

## 2 Context

### 2.1 Federation and Government

Australia's federation is defined within the Commonwealth of Australia Constitution Act ("The Constitution"). The Constitution delineates the specific roles that the Commonwealth government will play, leaving the residual powers to the States (Davis et al., 1993; Saunders, 1991). Davis et al (Davis et al., 1993) summarise the constitutionally and conventionally accepted separation of powers in Figure 1.
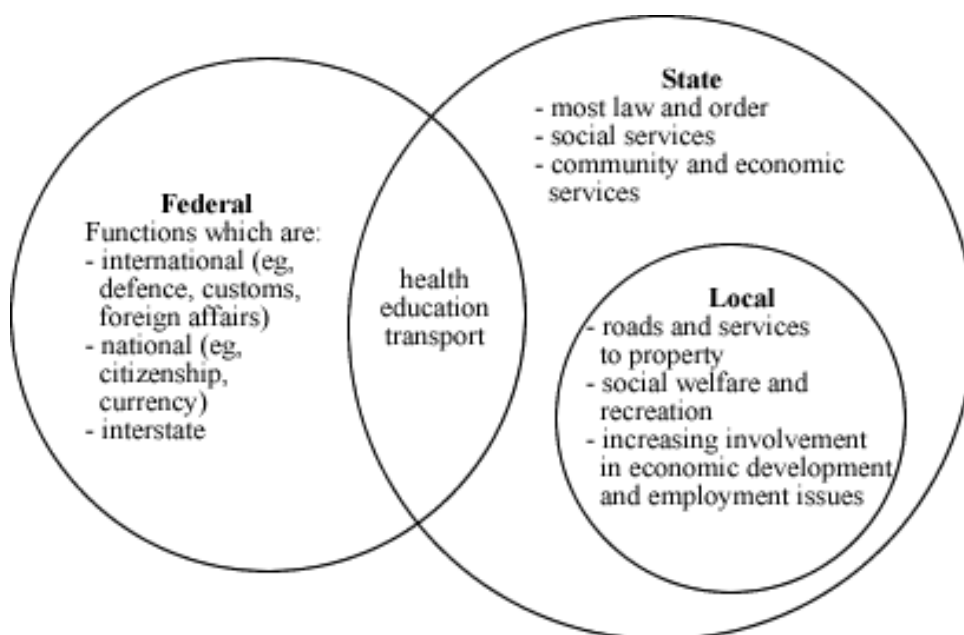
**Figure 1: Indicative Allocation of Roles Across Tiers of Government (from Davis et al(Davis et al., 1993: 51))**

Notwithstanding the delineations within the Constitution, all tiers of government "are interdependent on one another because in the complexities of today's world almost every policy requires the involvement of more than one sphere [of government]" (Chapman, 1997: 44). Some writers believe that this is promoting a tendency to centralise power with the Commonwealth (Kaspar, 1995).

Local governments are not specifically recognised in the Constitution (Davis et al., 1993; Saunders, 1991) and have long been labelled a "creature of the state government" (Chapman, 1997: 43). Marshall (Marshall, 1997) notes that prior to 1972, local governments had very limited interactions with the Commonwealth, based largely around roads. With the advent of more direct funding to local governments, the range of functions that they interact with the Commonwealth on has increased (Marshall, 1997). There have been several investigations into the role of local governments in Australia in recent times, starting with the Advisory Council on Intergovernmental Relations in the early 1980s (for example, (Advisory Council for Inter-governmental Relations, 1980, 1981)), through the Commonwealth Grants Commissions review of the *Local Government (Financial Assistance) Act 1995* (Commonwealth Grants Commission, 2001). During the 1990s, State Governments independently reviewed their defining legislation for local governments (Australian Local Government Association, 2002; McNeill, 1997). These reviews removed prescriptive recitations of the powers and roles of local government and established an environment where the "a council will decide to undertake an activity according to whether it has the community support and resources to do so, rather than whether or not is has the legal power to do so" (McNeill, 1997: 22). The most recent review of local government role and activity is the current House of Representatives Committee investigation into Cost Shifting (Standing Committee on Economics Finance and Public Administration, 2003).

The machinations of Australia's federation are predominantly concerned with finance (Chapman, 1997; Grewal, 1981; Sharman, 1991); who collects what from whom, and to whom the collections are distributed with what conditions. Consequently, the clearest view of the relative participation rates of different levels of government in the different areas of the

economy is by relative level of the financial expenditure in each sector (see Table 1). Shaded rows are those with relatively large local and Commonwealth government expenditure.

**Table 1: Relative Expenditure for Each Tier of Government**

| Outlay Area | C'wealth | State | Local |
|---|---|---|---|
| General public services | 53.4% | 32.5% | 14.1% |
| Defence | 100.% | — | — |
| Public order and safety | 14.6% | 82.5% | 2.9% |
| Education | 31.4% | 68.5% | 0.1% |
| Health | 62.5% | 36.8% | 0.7% |
| Social security and welfare | 93.1% | 5.7% | 1.2% |
| Housing and community amenities | 31.0% | 30.4% | 38.6% |
| Recreation and culture | 31.3% | 36.4% | 32.3% |
| Fuel and energy | 69.6% | 30.1% | 0.3% |
| Agriculture, forestry and fishing | 46.1% | 53.2% | 0.7% |
| Mining, manufacturing and construction | 54.8% | 36.8% | 8.4% |
| Transport and communications | 16.4% | 51.7% | 31.9% |
| Other economic affairs | 46.6% | 45.9% | 7.5% |
| Nominal interest on superannuation | 66.5% | 33.5% | — |
| Public debt transactions | 67.8% | 27.7% | 4.5% |

*Source: ABS Cat. 5512.0 2001 – 02(Australian Bureau of Statistics)*

The recently published Discussion Paper *At the Crossroads* (Standing Committee on Economics Finance and Public Administration, 2003) says that local government "plays a crucial role in key areas of service provision of particular importance to local communities. These include:

- Infrastructure, especially roads, but also drainage and (in Queensland, Tasmania and non-metropolitan NSW) water supply and sewerage;

- Public health and, increasingly, environmental management;

- Local economic development, including key support services in rural Australia (saleyards, showgrounds, aerodromes etc);

- Planning and development control;

- Waste disposal, and now recycling in particular; and

- Recreation, culture and some aspects of community services" (Standing Committee on Economics Finance and Public Administration, 2003: 3).

It goes on to say "over recent decades the Commonwealth has increasingly dealt more or less directly with local government on matters of mutual interest" (Standing Committee on Economics Finance and Public Administration, 2003: 5). The committee viewed that, among others, the following factors underlie Commonwealth interest in local governments:

- "National policy agendas in areas such as regional development, transport and communications, environmental management (particularly salinity and water quality), some health and community services, cultural development, immigration and multicultural affairs, and programs for Indigenous peoples, all benefit from substantial local government involvement.

- There may also be benefits in expanded local government involvement in areas of national concern, such as trade promotion, overseas aid and perhaps some other aspects of international relations. Likewise, some believe local government should be more involved

in other services such as health, welfare, education and safety" (Standing Committee on Economics Finance and Public Administration, 2003: 6).

The committee notes that there are a number of avenues open for greater Commonwealth interaction and involvement with local governments, besides simply providing more funding.

## 3    Commonwealth-Local Interactions

### 3.1    Expected Commonwealth Agencies

On the basis of the brief literature review above, an initial list of expected Commonwealth agencies that would figure in the survey was produced. Firstly, relevant agencies were identified by allocating Commonwealth policy responsibilities across the roles of government activity used in the funding allocation table developed by the Australian Bureau of Statistics (Australian Bureau of Statistics, ; McNeill) Using this list of Commonwealth agencies that might interact directly with local government, it was assumed that an area with a (relatively) large allocation of funds in both Commonwealth and local government spheres would point to the Commonwealth agencies that would dominate survey returns in the 'Top 5' agencies on the basis of volume. From this rule of thumb, the agencies in Table 2 might be expected to figure highly in 'Top 5' responses and to have high levels of frequency on the 'Agency List' question. These portfolio agencies have responsibilities that intersect significantly with the areas identified in *At The Crossroads* (Standing Committee on Economics Finance and Public Administration, 2003).

**Table 2: Commonwealth Agencies Expected to be Frequently Mentioned**

Transport and Regional Services
Environment and Heritage
Communication, Information Technology and the Arts
Industry, Tourism and Resources
Family and Community Services
Health and Ageing

### 3.2    Survey Findings – Overall

#### 3.2.1    Top 5 Question

The overall results of the 'Top 5' survey question are summarised in Table 3. Thirty-six agencies are nominated at least once in returns. Table 3 shows only the first eight agencies in descending order of mention; the other 28 agencies were mentioned six times or less (there were 58 responses to the 'Top 5' question overall). The agencies identified in expectation are highlighted in the table; the two portfolios Communication, Information Technology and the Arts, and Industry, Tourism and Resources were not among the eight most frequently mentioned agencies.

**Table 3: Most Frequently Mentioned Commonwealth Agencies in 'Top 5' Question (Summary)**

| Agency | Total Mentions |
|---|---|
| Australian Bureau of Statistics | 40 |
| Australian Taxation Office | 34 |
| Transport and Regional Services | 29 |
| Centrelink | 27 |
| Health and Ageing | 22 |
| Environment and Heritage | 19 |
| Civil Aviation Safety Authority | 13 |

| Agency | Total Mentions |
|---|---|
| Family and Community Services | 9 |
| *28 other agencies with 6 mentions or less* | |

With this somewhat unexpected result, it is appropriate to review why local government is interacting with the agencies that they nominate so much. Table 4 summarises the results found within the question aimed at determining why local governments interact with Commonwealth government agencies for the most frequently cited agencies.

**Table 4: Summary of Reasons for Interacting with 'Top 5' Agencies**

| Agency | Purpose (*n* of *max* responses) |
|---|---|
| Australian Bureau of Statistics | Using their statistics for planning or analysis (26 of 40)<br>Providing data to them in returns (22 of 40) |
| Australian Taxation Office | Explicit mention of paying tax (27 or 34)<br>Seeking taxation advice (8 of 34) |
| Transport and Regional Services | Grants and funding (19 of 29; of which 10 mentioned Roads to Recovery)<br>Using their information (8 of 29) |
| Centrelink | Welfare related issues (including pensions) (7 of 27)<br>Families Assistance Office liaison (6 of 27)<br>Employment matters (5 of 27) |
| Health and Ageing | Grants and funding (13 of 22)<br>Aged care issues (10 of 22) |
| Environment and Heritage | Grants and funding (12 of 19)<br>Development application advice (4 of 19) |
| Civil Aviation Safety Authority | Airport operations (7 of 13)<br>Compliance reporting (3 of 13) |
| Family and Community Services | Grants and funding (4 of 9)<br>Childcare and related issues (4 of 9) |

*Note: Numbers of responses in the Purpose column do not sum to the maximum response number because of multiple purposes provided in some responses.*

Most of answers to the highest frequency 'Top 5' agencies indicate a reporting relationship usually either in response to grant funding or for legal reasons (eg, taxation). The range of agencies that provide grant funding is wide, even in this short list. The agencies that require reporting or compliance require it from all recipients (not surprisingly). This finding is particularly interesting because these are direct funding grants. The majority of grant funding for local governments still flows through their State government and requires accountability activity too. Such reporting is not included in these survey findings.

If we look at the most frequently reported types of interaction, this trend is borne out (Table 5). By far, the two leading ways of interacting between local governments and Commonwealth agencies is to 'Report to them' or to 'Use their information'. The next two interaction approaches ('Joint service delivery' and 'Agent for agency') represent a solid third interaction approach where Commonwealth and local governments are working together to deliver services. Unfortunately, given the nature of the survey and the small number of responses that nominate this interaction, it is difficult to identify precisely a specific program where interoperability might make a significant difference.

**Table 5: Most Frequently Mentioned Interaction Approach (Summary, Top 8 Agencies Mentioned)**

| Body | Total | Report to them | Use their information | Joint service delivery | Joint working party | Agent for agency | All Other |
|---|---|---|---|---|---|---|---|
| Australian Bureau of Statistics | 40 | 11 | 26 | | 1 | 1 | 1 |
| Australian Taxation Office | 34 | 25 | 4 | 1 | | | 4 |
| Transport and Regional Services | 29 | 10 | 9 | 4 | 1 | | 5 |
| Centrelink | 27 | 7 | 6 | 4 | 2 | 4 | 4 |
| Health and Ageing | 22 | 7 | 7 | 3 | 1 | 2 | 2 |
| Environment and Heritage | 19 | 4 | 7 | 4 | | 1 | 3 |
| Civil Aviation Safety Authority | 13 | 4 | 1 | 3 | | 1 | 4 |
| Family and Community Services | 9 | 2 | 3 | 2 | | | 2 |

The expectations that were established by considering the financial outlays of different government tiers along with the statements in the literature about increased involvement of local governments in non-infrastructure matters have not been fully met by the survey results. Some explanation is available from reviewing the answers to the question "What is the purpose of the interaction?" (refer to Table 4). These responses indicate that local governments are interacting more with Commonwealth agencies in a compliance or regulatory mode than in a service delivery or coordination mode. This was corroborated in conversations with State LGA representatives who added further detail, notably that the data reported to different departments is often (conceptually) the same but required with different frequencies and in different formats.

In terms of interoperability, this finding presents some opportunities, namely:

- Enhanced interoperability between Commonwealth and local governments would arise from standard format definitions for common reporting items (eg, address)

- There is a potential for an information broker (perhaps State LGAs) to collect data once from local governments and then report on their behalf to multiple Commonwealth agencies. This potential is limited when accountability requirements are considered, however, some streamlining of the processes of accountability is a further opportunity.

This reporting relationship is also present for interactions with one expected agency: Transport and Regional Services. The majority of reporting was to do with grants provided to local government, dominantly "Roads to Recovery" (or similar) funding. Interactions with the departments of Health and Ageing or Family and Community Services tended to be more service-oriented, although there was still a large response rate for "report to them." These findings are in keeping with the traditional and emerging roles of local government.

### 3.2.2   Agency List Question

Table 6 presents a summary of the responses to the question on the frequency of interaction with a set of major Commonwealth agencies. The table is ordered to indicate a descending order of frequency of interaction.

**Table 6: Ranking by Number of Mentions for All Agencies in 'Agency List' Question**

| Agency | Constantly | Daily | Weekly | Monthly | Quarterly | Annually | Ad hoc | Almost never |
|---|---|---|---|---|---|---|---|---|
| Centrelink | 7 | 2 | 3 | 6 | 10 | 1 | 4 | 3 |
| Australian Taxation Office | 4 | | 8 | 18 | 5 | 1 | 3 | 1 |
| Family and Community Services | 3 | 1 | 1 | 8 | 9 | 4 | 3 | 3 |
| Health and Ageing | 2 | 1 | 1 | 9 | 12 | 4 | 2 | 2 |
| Communications, Information Technology & the Arts | 2 | | 3 | 4 | 7 | 8 | 3 | 5 |
| Australian Bureau of Statistics | 1 | 2 | 6 | 12 | 14 | 4 | 7 | |
| Transport and Regional Services | 1 | 2 | 2 | 7 | 14 | 7 | 6 | 2 |
| Environment and Heritage | 1 | | 1 | 6 | 17 | 7 | 5 | 3 |
| Education, Science and Training | 1 | | | 4 | 3 | 3 | 1 | 6 |
| Agriculture, Fisheries and Forestry | 1 | | | 1 | 5 | 5 | 3 | 10 |
| Health Insurance Commission | | 1 | | 1 | 3 | 1 | 2 | 4 |
| Australian Tourist Commission | | | 2 | 1 | 5 | 6 | 4 | 5 |
| Immigration and Multicultural & Indigenous Affairs | | | 1 | 8 | 8 | 3 | 5 | 4 |
| Civil Aviation Safety Authority | | | 1 | 5 | 6 | 8 | 2 | 2 |
| Airservices Australia | | | 1 | 4 | 4 | 5 | 3 | 3 |
| Aboriginal and Torres Strait Islander Commission | | | 1 | 3 | 5 | 6 | 3 | 3 |
| Attorney-General | | | 1 | 3 | 1 | 1 | 4 | 8 |
| CRS Australia | | | 1 | 1 | 1 | 2 | 2 | 9 |
| Defence | | | 1 | 1 | 4 | 1 | 1 | 4 |
| Defence Housing Authority | | | 1 | 1 | 2 | | | 4 |
| Employment and Workplace Relations | | | | 6 | 10 | 8 | 1 | 9 |
| Industry, Tourism and Resources | | | | 5 | 4 | 6 | 3 | 5 |
| Australian Trade Commission | | | | 4 | | | 1 | 8 |
| Commonwealth Grants Commission | | | | 3 | 7 | 15 | 4 | 3 |
| Prime Minister and Cabinet | | | | 2 | 3 | 5 | 4 | 7 |
| Treasury | | | | 2 | 4 | 2 | | 9 |
| Australian Customs Service | | | | 1 | 1 | | 2 | 6 |
| Commonwealth Scientific and Industrial Research Organisation | | | | 1 | | 4 | 2 | 11 |
| Finance and Administration | | | | 1 | 2 | 3 | 1 | 7 |
| Foreign Affairs and Trade | | | | | 2 | 3 | | 9 |
| **Totals** | **23** | **9** | **35** | **128** | **168** | **123** | **81** | **155** |
| | **High** | | **67** | **Med.** | **296** | **Low** | | **359** |

In the order presented, only Centrelink, the Australian Taxation Office (ATO), and the Australian Bureau of Statistics (ABS) are interacted with frequently (the total of their 'High'

responses—'Constantly', 'Daily', and 'Weekly'—is highest). This supports the findings from the 'Top 5' question.

If the table is re-sorted according to the frequency of 'Medium' responses a different picture emerges. In this case, there are five agencies that are heavily interacted with on a monthly or quarterly basis (perhaps, "regularly, but not incessantly")—refer to Table 7. Again, the ATO and the ABS figure in the list, but now there are other agencies too. According to the 'Top 5' question responses, the next five agencies in this order are predominantly interacted with because of grant reporting requirements.

**Table 7: Agency List Responses (Summary, Sorted by 'Medium' Frequency)**

| Commonwealth Agency | High | Med. | Low |
|---|---|---|---|
| Australian Bureau of Statistics | 9 | 26 | 11 |
| Australian Taxation Office | 12 | 23 | 5 |
| Environment and Heritage | 2 | 23 | 15 |
| Transport and Regional Services | 5 | 21 | 15 |
| Health and Ageing | 4 | 21 | 8 |
| Family and Community Services | 5 | 17 | 10 |
| Centrelink | 12 | 16 | 8 |
| Immigration and Multicultural & Indigenous Affairs | 1 | 16 | 12 |
| Employment and Workplace Relations | 0 | 16 | 18 |
| *21 other agencies with 11 or less 'Medium' responses* | | | |

Again, the findings of the survey suggest that Australian interoperability projects should focus on streamlining the processes for complying with legal, regulatory and accountability requirements. There may also be value in reviewing further what information is regularly sought from frequently consulted agencies and determining if there are ways of making that more available. This is considered further, below.

### 3.2.3   Portfolio Bodies Question

The survey included an optional question where local governments could indicate with which part of the overall Commonwealth government they currently interacted and with which they might choose to interact. A list of 351 portfolio bodies and programs was presented with the option to indicate with a single character whether there was current interaction or desired future interaction. The results of this question were compiled into a single table as a list of counts for mentions in each column. There was no attribution of a particular council to a particular response. Some respondents indicated both current and future interactions with some agencies. The exact intent of this is unclear; it could mean 'intending to continue current interactions' or 'would like to expand the range of current interactions'. Such answers were counted for both responses.

Table 8 presents some interesting indicators that support trends identified in the literature. It also points to areas where some smaller Commonwealth bodies might valuably increase their interaction with local government bodies.

**Table 8: Top 10 Responses to Portfolio Bodies Question on Current and Possible Future Relationships**

| Current | | Possible Future | |
|---|---|---|---|
| Commonwealth Portfolio Body | No. | Commonwealth Portfolio Body | No. |
| Telstra Corporation Limited | 20 | Australian Heritage Commission | 15 |
| Networking the Nation | 17 | Australian Landcare Council | 14 |
| Australian Electoral Commission | 17 | Land & Water Australia | 12 |
| Australian Greenhouse Office | 14 | Australian Greenhouse Office | 10 |

| Current | | Possible Future | |
|---|---|---|---|
| **Commonwealth Portfolio Body** | **No.** | **Commonwealth Portfolio Body** | **No.** |
| Human Rights and Equal Opportunity Commission | 13 | National Native Title Tribunal | 10 |
| Bureau of Meteorology | 13 | Australian Electoral Commission | 10 |
| Australian Heritage Commission | 12 | Environment Protection and Heritage Council | 9 |
| Australia Council | 11 | Fisheries Research and Development Corporation | 9 |
| National Disability Advisory Council | 10 | Commonwealth Scientific and Industrial Research Organisation | 9 |
| Environment Protection and Heritage Council | 10 | Commonwealth Advisory Committee on Homelessness | 8 |
| Australian Broadcasting Authority | 10 | National Land and Water Resources Audit | 8 |
| *172 Other Portfolio Bodies with at least one response* | | Grape and Wine Research and Development Corporation | 8 |
| | | Networking the Nation | 8 |
| | | Bureau of Meteorology | 8 |
| | | Aged Care Planning Advisory Committees | 8 |
| | | Aged Care Standards and Accreditation Agency | 8 |
| | | National Competition Council | 8 |
| | | *218 Other Portfolio Bodies with at least one response* | |

Of particular note from this question is the clear indicators that Local Governments are moving their focus away from "Roads, Rates, and Rubbish" to deal with issues in their community around citizen well-being (eg, aged care, disability care, and substance abuse prevention and rehabilitation) and environmental management (eg, environmental and heritage protection, various agricultural research areas, and land and water monitoring and management). There is certainly an indicator in these results that the Commonwealth could valuably consider increasing communications with Local Governments (preferably two-way communication) in these areas.

### 3.3    Survey Findings – Partitioned

*3.3.1    State by State*

A review of the 'Top 5' and 'Agency List' responses when viewed for each State shows that although the order of the most frequently engaged agency occasionally changes, the agencies involved are very consistent. Table 9 below summarises this finding by indicating the rank of each of the first eight most mentioned agencies in each state.

**Table 9: Ranking of Most Frequently Mentioned Agencies in Each State**

| Agency | Overall Mentions | Ranking in State | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | NSW | NT | QLD | SA | TAS | VIC | WA |
| Australian Bureau of Statistics | 40 | 1 | =4 | 1 | =1 | =2 | 1 | =1 |
| Australian Taxation Office | 34 | =2 | =1 | =5 | =3 | =2 | =2 | =1 |

| Agency | Overall Mentions | Ranking in State | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | NSW | NT | QLD | SA | TAS | VIC | WA |
| Transport and Regional Services | 29 | =4 | =6 | =2 | =1 | 1 | =2 | =4 |
| Centrelink | 27 | =2 | =1 | =5 | =5 | =4 | =4 | =4 |
| Health and Ageing | 22 | =4 | =4 | =5 | =5 | =4 | =4 | =7 |
| Environment and Heritage | 19 | 7 | — | =2 | =3 | — | =6 | 3 |
| Civil Aviation Safety Authority | 13 | 6 | — | =9 | =5 | — | =9 | =4 |
| Family and Community Services | 9 | =8 | — | =9 | 8 | =4 | =6 | — |
| *28 other agencies with 6 mentions or less* | | | | | | | | |

The results of the 'Agency List' question also show a strong consistency across states. Further indication of consistency across states appears in Table 10 when the range of alternative interaction approaches is reviewed.

**Table 10: Interaction Approach Responses Summary by State**

| Interaction Approach | Total | NSW | NT | QLD | SA | TAS | VIC | WA |
|---|---|---|---|---|---|---|---|---|
| Report to them | 70 | 26 | 5 | 8 | 11 | 3 | 7 | 10 |
| Use their information | 63 | 22 | 1 | 11 | 8 | 3 | 9 | 9 |
| Joint service delivery | 21 | 8 | | 3 | 2 | 2 | 4 | 2 |
| Agent for agency | 8 | 1 | 3 | | | | 1 | 3 |
| Joint working party | 5 | 2 | | 1 | | 2 | | |
| *All Other* | *25* | *4* | *2* | *4* | *8* | | *2* | *5* |

## 3.3.2  Rural versus Urban

Table 11 presents the most mentioned Commonwealth agencies in the 'Top 5' question when numbers are compiled according to the classification of the councils responding. The agencies that appear most often are consistent with those mentioned overall, and are consistent between Rural and Urban councils. In short, on the 'Top 5' question, the distinction between Rural and Urban local government bodies is not important.

**Table 11: Comparison of Most Commonly Mentioned Agencies in 'Top 5' Question (Summary, By Rural/Urban Classification)**

| Urban (32 Respondents) | | Rural (25 Respondents) | |
|---|---|---|---|
| Australian Bureau of Statistics | 25 | Australian Taxation Office | 17 |
| Australian Taxation Office | 17 | Australian Bureau of Statistics | 15 |
| Centrelink | 15 | Transport and Regional Services | 14 |
| Transport and Regional Services | 15 | Centrelink | 12 |
| Health and Ageing | 12 | Health and Ageing | 10 |
| Environment and Heritage | 12 | | |
| *22 Agencies with 6 or less mentions* | | *22 Agencies with 7 or less mentions* | |

The 'Agency List' responses do not reveal any substantial differences in priority, although there are some differences in the reported frequency of interactions with some Commonwealth agencies when considered in this classification separation.

### 3.3.3 Large versus Small

For the purposes of this research, local government bodies have been considered in two further groups: Large and Small. These definitions were derived from the classification of local governments (National Office for Local Government, 2002).

**Table 12: Comparison of Most Commonly Mentioned Agencies in 'Top 5' Question (Summary, By Large/Small Classification)**

| **Large** (36 Respondents) | | **Small** (22 Respondents) | |
|---|---|---|---|
| Australian Bureau of Statistics | 25 | Australian Taxation Office | 16 |
| Transport and Regional Services | 20 | Australian Bureau of Statistics | 15 |
| Australian Taxation Office | 18 | Centrelink | 9 |
| Centrelink | 18 | Transport and Regional Services | 9 |
| Health and Ageing | 18 | Environment and Heritage | 6 |
| Environment and Heritage | 13 | Civil Aviation Safety Authority | 5 |
| | | Health and Ageing | 4 |
| *22 Agencies with 8 or less mentions* | | *19 Agencies with 3 or less mentions* | |

Again, the most mentioned agencies are consistent with the overall results and between the two (arbitrary) size classifications. The introduction of the Civil Aviation Safety Authority (CASA) for 'Small' councils is largely attributable to the high prevalence of rural councils in this group. Interactions with CASA are invariably to do with management and operation of regional airstrips.

There is a much greater difference in the range and frequency of interactions with Commonwealth agencies between local governments of a 'Large' or 'Small' classification in the responses to the 'Agency List' question. This may suggest that the increased communication between Commonwealth agencies and local governments advocated earlier might usefully be tailored to large/small councils.

## 4 Conclusions

The survey of Commonwealth-Local Government interactions conducted for NOIE has proved useful on at least two fronts in that it has:

- Revealed that there are priority areas of attention in Commonwealth-local government relations that are not the high profile policy areas that might intuitively be assumed, and

- Pointed to specific areas where interoperability work can valuably be focused to promote greater Commonwealth-local government interaction and greater efficiency in those interactions.

The survey has clearly shown, and interviews with State and the national Local Government Associations, have confirmed, that local government bodies commit substantial resources in time and effort reporting to the Commonwealth government because of legal or regulatory requirements or as a consequence of the substantial reliance they have on grant funding. The second most time consuming interactions appear to be seeking information from Commonwealth agencies to facilitate compliance with legal or regulatory requirements, or to aid strategic planning.

This outcome was not what was expected either intuitively or by considering the literature's view on Commonwealth and local government interaction areas. The message from the survey results appears clear: an initial focus for interoperability should be on streamlining the processes for reporting, compliance and accountability requirements for local governments.

This could have a further broader impact on other entities in the economy as local governments are complying with general laws, not specific statutes aimed at their activities.

A further observation from the survey comes not from the explicit answers provided, but from feedback during the survey period and the form of many responses. This observation has been tested and confirmed with State LGAs. In short, the level of sophistication of IT use in local government bodies at present is acting as an inhibitor on the adoption of e-government-type initiatives. Furthermore, attempts to encourage higher levels of sophistication have fallen on deaf or disinterested ears because the message is not pitched at the level with which local government decision-makers are comfortable. Conducting awareness-raising and promotion of leading successful adopters falls well within the gambit of ALGA and NOIE and are likely to promote e-government in local government more quickly than Commonwealth agencies offering (say) web service connectivity.

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