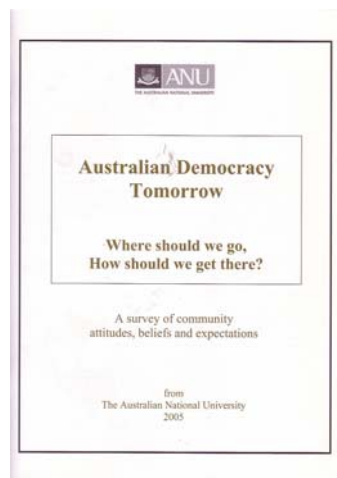


Trust Hope and Democracy Project

Progress Report No. 1

December 2006



From:
Dr Valerie Braithwaite
Director
Trust, Hope and Democracy Project
Australian National University

Find us at: <http://demgov.anu.edu.au>

A note to the reader

Thank you very much for your participation in our research – here are some of our findings from our latest research.

About Our Research

Between 2000 and 2005, we have been surveying Australians' views about their democracy, how obligations of citizenship have been changing, the importance of money in everyone's life, and why Australians pay taxes. We were interested in mapping out the things that are important, the things that are staying the same, and the things that are changing over time. As we work through our data and assemble our findings, we are posting reports on our website. We also have prepared a summary suitable for posting to all those who helped us with one or more of these surveys. This first report addresses what we see as some of the biggest issues and concerns that you have raised with us in the surveys.

Self Sufficiency, Guarded Generosity and Fairness

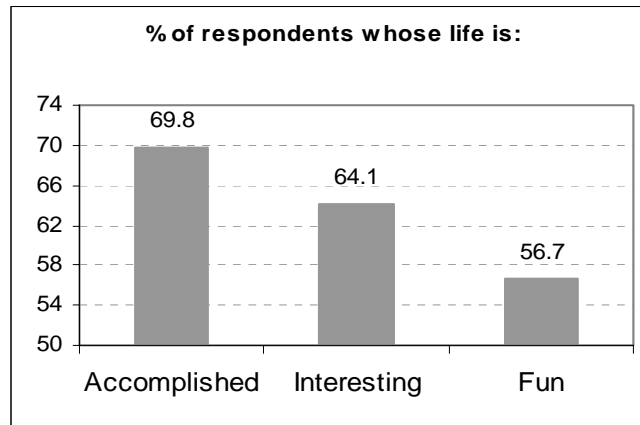
In our first report on Australians' expectations of their democracy and of government agencies, we address the themes, **Self-Sufficiency, Guarded Generosity, and Fairness**. We see Australians grappling with pulls in different directions. As governments around the world move toward 'steering rather than rowing,' Australians are accepting responsibility for 'the rowing' in their own lives with considerable satisfaction. There are costs, however. They work harder, they have less time to do the things they love to do, and they resent others who are not trying to make their own way, or who are shirking their responsibilities. At the same time, there is no sign that Australians have turned their back on their neighbours. It is more that they are guarded in whom they extend generosity to. Above all they want to see fairness – both in how others behave and in what governments do.

1: The Self Sufficient Society

1.1 Meaningful and Accomplished Lives

Respondents to the survey described a sense of personal optimism: almost 70% were positive about their accomplishments and 72% had purpose and meaning in life. 74% were happy with how they handled problems that came up and 73% were satisfied with their overall standard of living. Australians in the study were also positive about the future. 77% believed that they could do almost anything they set their mind to and 80% believed that life would be

for them what they made it. About a third of the group aspired to improving their work situation; 31% said that a motivating force in their life was finding an interesting job and 34% mentioned a well-



paid job. Making lots of money was a driving force for 32%.

1.2 Not Having Fun

Interestingly, life satisfaction and confidence about the future did not mean that respondents in general were having fun.

Sacrifices appeared to go with accomplishment: less than 57% of respondents were satisfied with how much fun they were having and 56% with the amount of diversity in their lives. 62% of respondents would like to spend more time with family and friends.

For people living busy lives, fun seemed to be limited by the amount of time available for recreational activities. 70% of respondents felt they would like to spend more time in recreation. 60% just wanted to get out and have a good time.

1.3 Hard-Earned Money

Many respondents were feeling the financial pinch, with 59% either just coping or finding it difficult financially. Most respondents were working hard to improve their financial situation. 50% were upgrading their skills, 39% were working longer hours and 26% were doing extra jobs. It is not surprising that with people taking on extra commitments, recreational activities and time with family and friends were 'squeezed.' For many, finding financial security and gaining a sense of control over their lives and their futures came at a personal cost.

*These findings led us to the conclusion that in general,
Australians are living with optimism about their own capacities,*

Trust, Hope and Democracy Project Australian National University Report
to Respondents - 2006

and about their future, but are also wistful over what they are missing out on because of so little time.

2: Guarded Generosity

2.1 Tax Me, Tax Me Not

Given people's commitment to making their own way, and the fact that many felt under financial pressure, it is unsurprising that 80% agreed with tax cuts for the poor. At the same time, however, over 90% emphasized the government's responsibility to provide good public infrastructure (telecommunications, transport), protect the public and the environment from exploitation by money-hungry corporations, and ensure health care and a decent standard of living for those in need. So are Australians unaware that the amount government spends depends on how much tax they collect? Far from it. While 28% thought that the government was right to reduce taxes rather than invest in social services and public infrastructure in the 2005 budget, 59 % would have preferred to go without the tax cut and increase expenditure for the public benefit.

2.2 The Communal Bank

The tax system was described by many respondents as something you pay into for the public good, and also as an investment in the future, a kind of communal bank. An example is this respondent's comment: "After paying tax for 50 years, I now am on an aged pension and can no longer afford private health cover. I expect the government to care for my health expenses." Equally strongly expressed were views about supporting only the deserving poor or those 'genuinely in need'. One respondent summed it up this way: "I and my late husband paid tax for our working lives, knowing that it would be used, in part, to help those in need." Although there were differences about the exact make-up of the 'deserving poor,' a large number of respondents agreed that the most deserving were those members of the community who cannot work because they are ill, disabled or elderly.

In identifying those who deserve support, some respondents also identified those who should not. One respondent suggested the community should "support vulnerable members, but not people who do not want to work to make this country even better than it is." This suggestion was echoed by another who often had the feeling that "they [taxes] are supporting those who can work but have no desire to do so."

2.3 Government Performance

When respondents were in favour of tax cuts as well as public spending, they often expressed reservations about government performance. A very low 13% expressed satisfaction with how government spent public money. One respondent neatly summed up a common sentiment: "I would happily pay more taxes if I knew the money was being spent on education, health, welfare etc and not just going into a general 'slush' fund." The sense of disappointment seemed heightened by a feeling that the tax burden was falling on the shoulders of the poor more than the rich, and that government spent tax money on the wrong things.

Despite 62% feeling discontent with the fairness of the tax system and 57% dissatisfied with its efficiency, most respondents regarded taxpaying as a way of being an active and contributing member of society. 81% thought paying tax was a responsibility that should be willingly shared by all Australians.

Respondents were supportive of taxation as a source of security and as an expression of society's generosity. This generosity is qualified by discontent with corporations and wealthy people who are perceived to shirk taxpaying responsibilities, and the belief that often, tax revenues are given to people who are not the 'deserving needy.' This guarded generosity is very closely linked to Australians' sense of fairness.

3: Fairness and other values

3.1 The Fairness Factor

Australians' commitment to fairness is illustrated nicely through respondents' opinions on winning and competition. 67% agreed that competition was good because it brought out the best in performance, but 80% also believed that how we win is more important than winning. Winning was not everything and 84% didn't like to benefit at the expense of others.

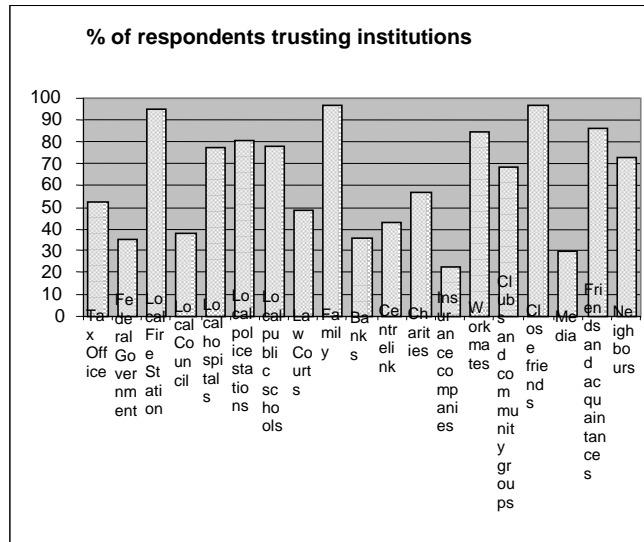
Many respondents' believed that the world of business and politics was not fair. 83% felt that the profits made by some businesses were excessive and not justified, and 84% thought that the profit motive had come to dominate all aspects of our society. 68% thought the government was moulding society to meet the needs of a profit-oriented market. Over 80% thought that society would be more secure and attractive if it were more equitable and more humane, and respectful of what each individual had to offer.

Most also believed that the wealthy in the community received preferential treatment. 82% of respondents suggested that the rich

have virtually unlimited access to the legal system. 71% thought that Australians did not have enough input into legislation and the decisions that are important.

3.2 Trust

Australians were wary of many public and national institutions, expressing low trust in the media, politics, insurance companies and banks. High trust was expressed in local, 'helping' institutions such as fire stations, schools and hospitals. Interestingly, the Tax Office performed quite well, with trust ratings above those of other financial institutions and above that of federal and local



governments.

3.3 What We Expect from Government and Each Other?

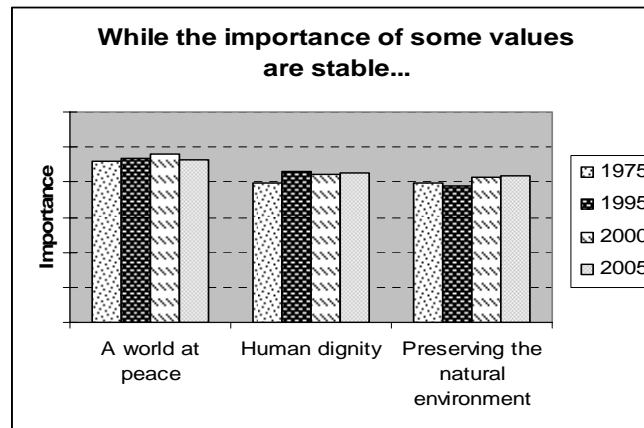
While many respondents were critical of government, respondents had not given up on Australian democracy. 71% maintained that while the democracy was far from perfect, it was better than other systems on offer.

Most respondents hoped for “good government” and were committed to being “good citizens.” For many, good government involved accountability and improving living standards. Respondents mainly agreed on the attributes that make a good citizen. 94% considered offering a helping hand to others as important, 95% said accepting others who are different, and 81% agreed that it was important to stand up for what you think is right.

Belief in these qualities did not mean unconditional acceptance, because 93% also emphasized hard work and doing their fair share as fundamentally important to good citizenship. This proviso was reflected in the answers to the question “what are your responsibilities to your fellow Australians?” Respondents emphasized tolerance and helping others, but also their own responsibility to “work hard” and the importance of “work[ing] to support myself and my family.”

3.4 Australian Values

There was widespread agreement on the general directions in which our society should be heading. “A World at Peace” was the goal with the strongest backing from respondents. Values such as this were rated on an importance scale with most respondents describing

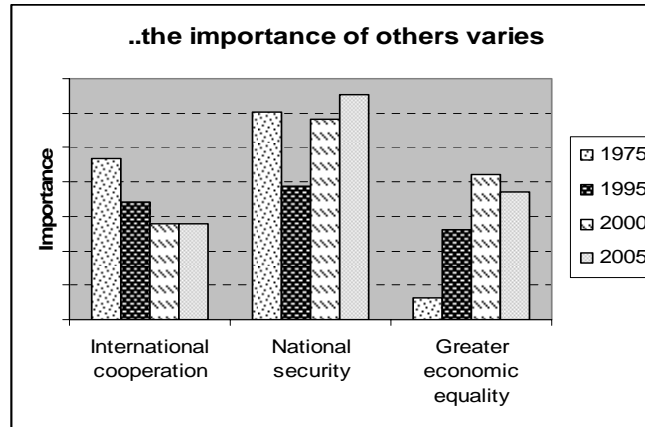


them as important, very important and of the utmost importance.

Previous studies in 1975 and 1995 showed some values as being a high priority consistently. “Human Dignity” is another value that has been consistently at the top of the list from 1975 to 2005.

Of surprise to some may be the finding that Australians have, for three decades, cared about “Preserving the Natural Environment.” Often it is not that society’s values are changing; it is more that people cannot see a practical path for acting on their values. Fairness, honesty and respect are also values that attract high consensus and consistency over time.

Other values, such as national security, have fluctuated in importance over time. “National Security” was a high priority in 1975, was far less important to Australians in 1995, and was very important again in 2000 and 2005.



Australia was involved in conflicts overseas in both 1975 and 2005. The importance of national security rose at these times, suggesting a contextual influence on which values were considered as most important. A heightened sense of insecurity in 1975 coincided with the end of the Vietnam War but a continuation of the Cold War; in 2005 Australia was preoccupied with the War on Terror. Alongside security concerns, it is interesting that the importance of “International Cooperation” has declined consistently since 1975. By way of contrast, the importance placed on “Greater Economic Equality” has increased steadily.

We hear much about the decline of Australian values. Survey research shows this is not the case, at least it is not the case among the people. Australians care as much today as they have done in the past about values like fairness, respect, honesty and living in peace with others. They lack confidence, however, in the ways in which government governs. It seems they have doubts about whether our institutions are able to function by honouring these values and putting them into practice.

For further information about our Trust and Hope in Democracy Project, please contact our website:

<http://demgov.anu.edu.au>