

The next ACT Legislative Assembly should consider Participatory Budgeting

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At the forthcoming October election for the ACT Legislative Assembly, the Canberra Alliance for Participatory Democracy (CAPaD), is urging all candidates to consider the development of participatory budgeting (PB) in the ACT. CAPaD is an ACT-based volunteer body, committed to educating and engaging citizens of all ages in strengthening democratic processes. Its committee thinks that the introduction of PB into the ACT could enrich our community of nearly half a million people.

PB has been successfully introduced into a number of countries, especially in regional areas like the ACT. The budgetary authority in these places agrees that a proportion of its budget will be committed to issues determined by members of the community. Participants work in small groups and vote on a series of projects that collectively determine how a portion of the budget will be spent.

A recent book titled “The Alternative: How to Build a Just Economy” by Nick Romeo describes how this concept works. The Portuguese city of Cascais has been using PB since 2011. There, citizens meet in small groups to propose, discuss, and vote on ideas that the local budget should fund. Winning projects receive up to \$350,000, and the city guarantees to complete them within three years. Public budgeting sessions are open to anyone over the age of 12 who lives, works, or studies in the city. Roughly two dozen projects are funded each year, accounting for up to 15% of the local budget.

For the current financial year, the ACT budget expenditure is a little over \$7 billion. If the ACT participatory budget were set at 1% of projected expenditure the ACT community could vote each year, about projects worth up to \$70 million each year.

Evidence from around the world shows that the introduction of PB is an effective means of engaging and educating the community in the realities of governance. It also helps build trust between community members and their political representatives.

To set this process in motion, a majority of the newly elected ACT legislators would need to agree on the need to establish a working model for PB in the ACT. This might include the appointment of a committee that could include three legislators, a couple of experts in the PB process, and a small group of randomly selected community volunteers. Their task would be to address the following :

1. **Eligibility:** Who would be eligible to suggest a PB budget item, and how could this be effectively discussed by large numbers of local citizens and legislators?
2. **Allocation:** What proportion of the ACT budget will be committed to PB projects each year, and what would be the maximum funding available for each project and over what duration?
3. **Selection:** Assuming preliminary ideas come from small groups of, say, seven volunteering citizens, how will the decision be made about which projects should be incorporated into the next budget?
4. **Inclusion:** What role should ordinary voters play, (as well as those not yet old enough to vote), and who would be eligible to develop proposals and join discussions in the smaller groups?

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