



For the people

Future-proofing Australia's democracy

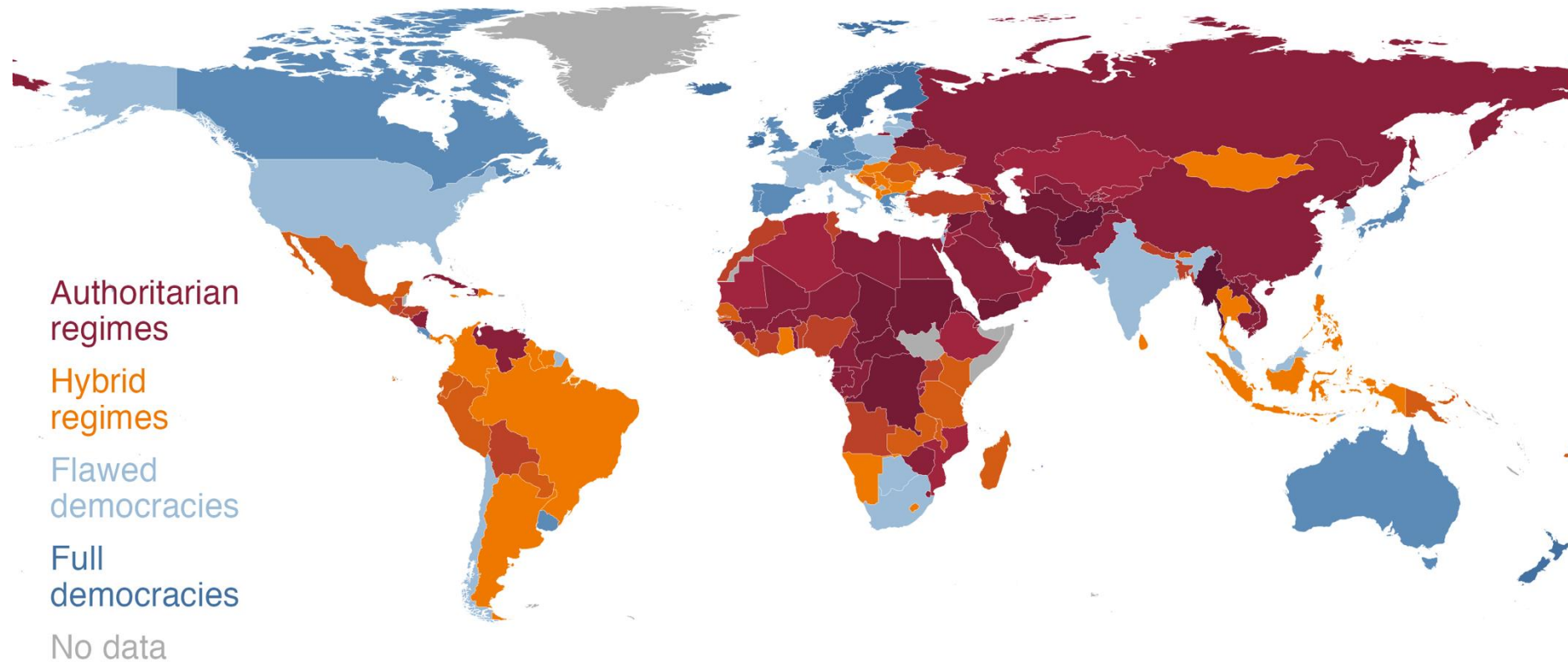
Briefing pack

April 2026

GRATTAN
Institute

Australia is a leading democracy

Economist Intelligence Unit's Democracy Index



Notes: Expert estimates of the extent to which citizens can choose their political leaders in free and fair elections, enjoy civil liberties, prefer democracy over other political systems, can and do participate in politics, and have a functioning government that acts on their behalf. The index is a continuous score from 0 to 10, with countries classified as full democracies (8 or above), flawed democracies (6 to 7), hybrid regimes (4 to 5), or authoritarian regimes (less than 4).

Source: Economist Intelligence Unit (2025) via Our World in Data.

But democracies are in decline around the world

V-Dem liberal democracy index

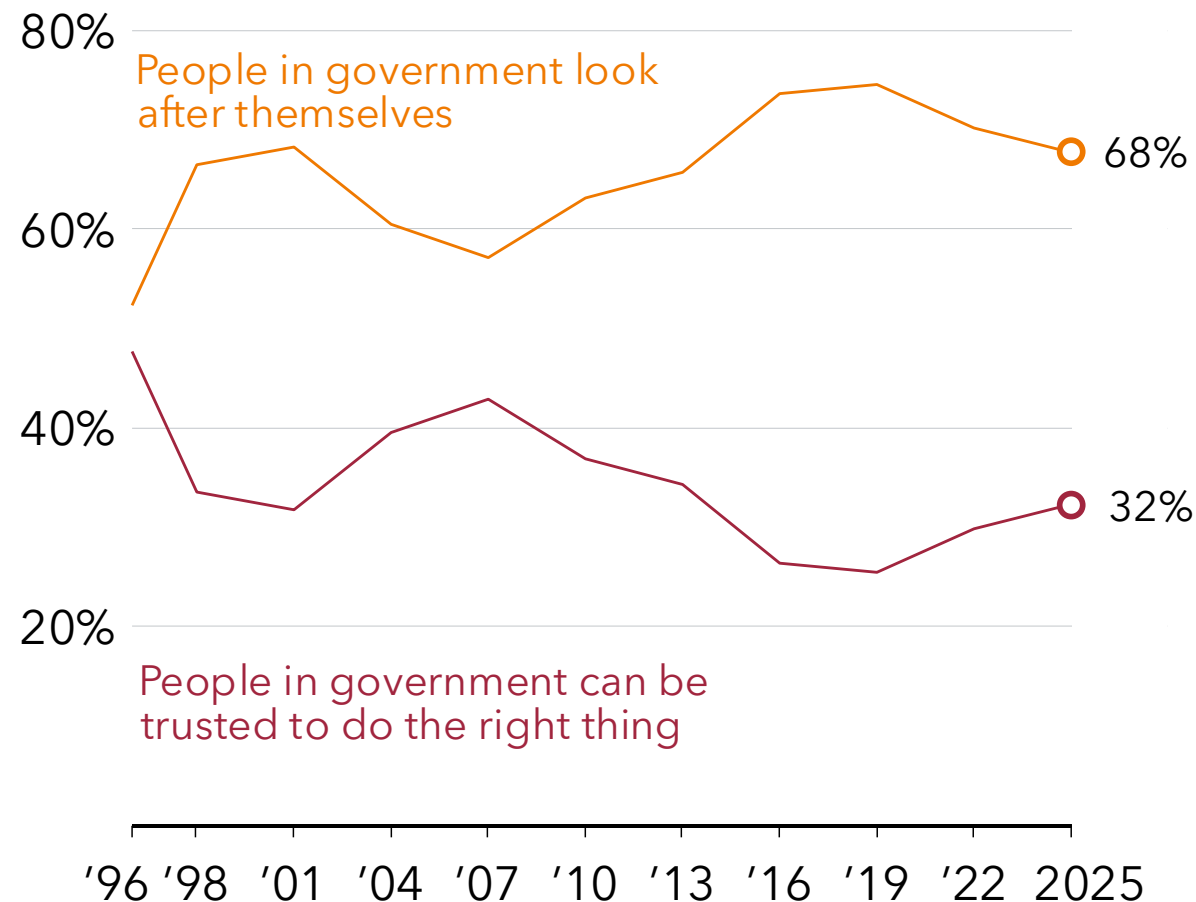
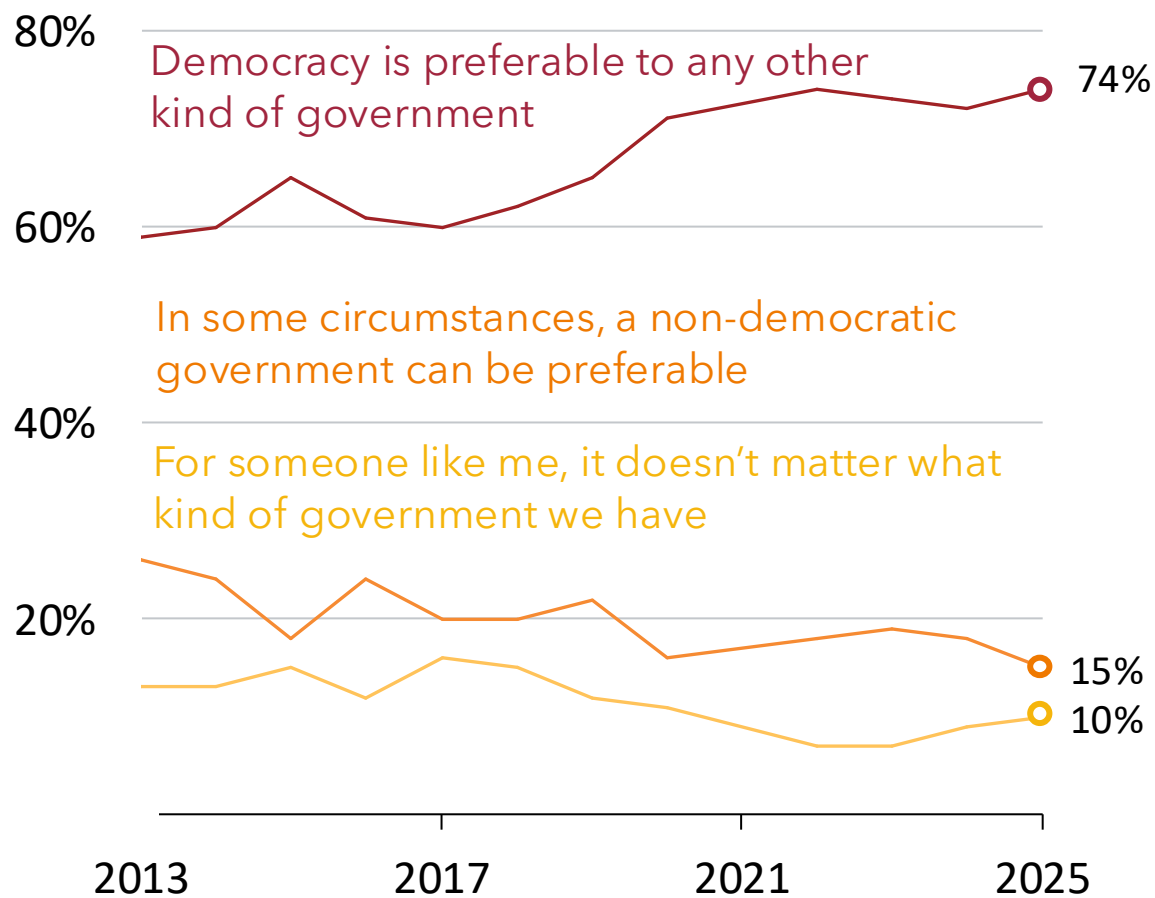


Notes: Includes countries classified as liberal democracies in 2000. The V-Dem liberal democracy index combines ratings by political experts across two areas: electoral systems (e.g. free and fair elections, freedom of association and expression) and liberal rights (e.g. equality before the law, legislative oversight, judicial independence).

Source: Grattan Institute analysis of Nord et al (2026) Varieties of Democracy Dataset.

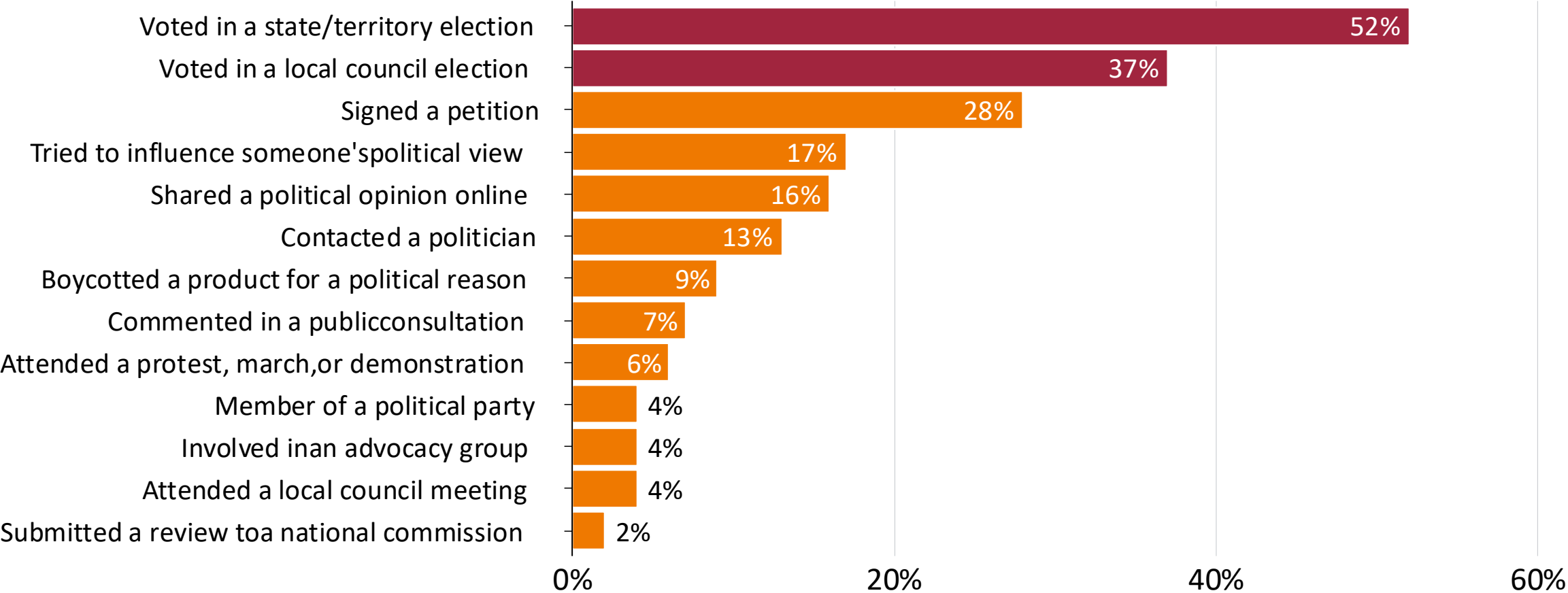
Australians consistently *value* democracy, but *satisfaction* is more fragile

Proportion of survey respondents who agree with each statement



Democratic engagement beyond voting is fairly low in Australia

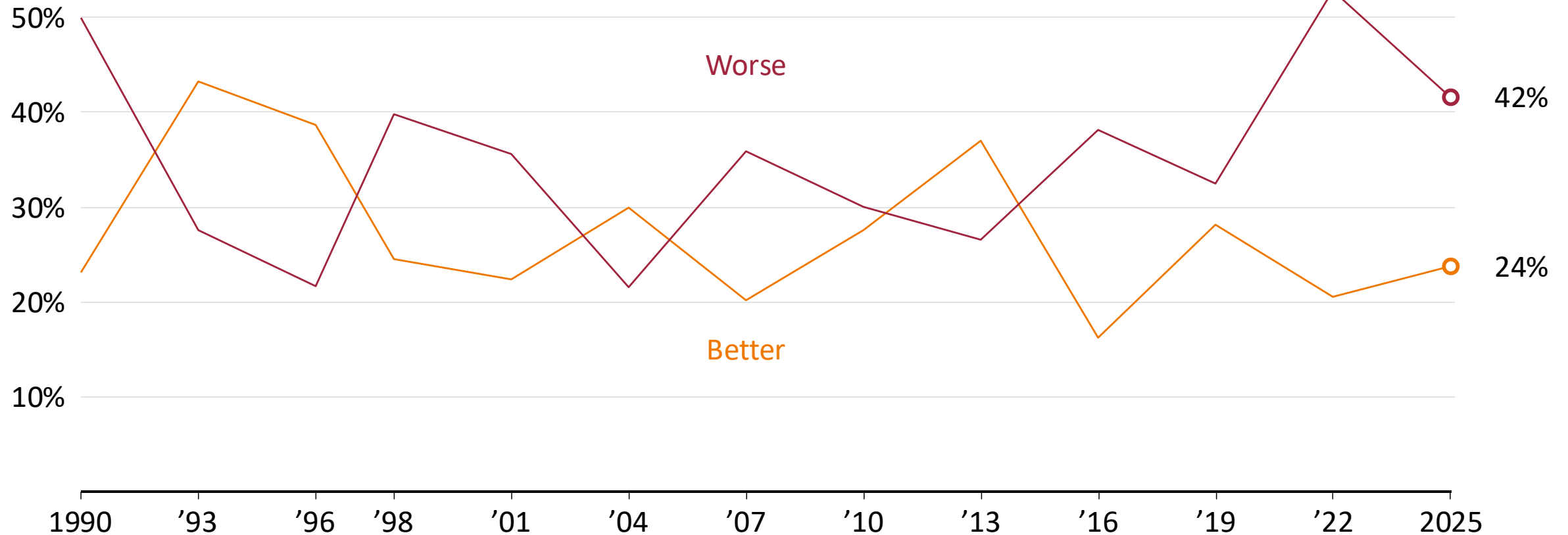
Participation in civic activities in the 12 months to June 2023



Notes: The sample size was 5,039.
Source: APSC (2024).

Many Australians are pessimistic about the economy

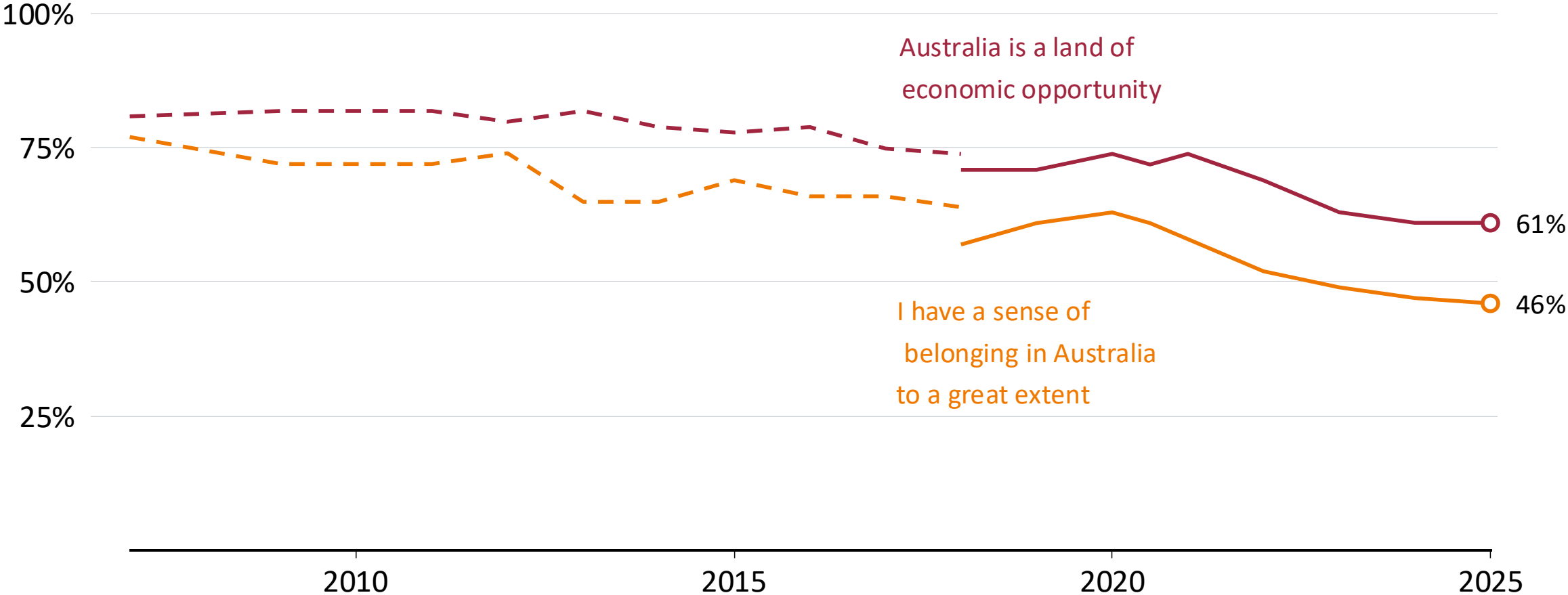
What do you think the general economic situation in Australia will be in 12 months' time?



Notes: Share of survey respondents who expect the economy will be a little worse or a lot worse, or who think it will be a little better or a lot better. Australian Election Study surveys are conducted after each federal election.
Source: Australian Election Study (2025).

Australians' sense of belonging and opportunity has declined

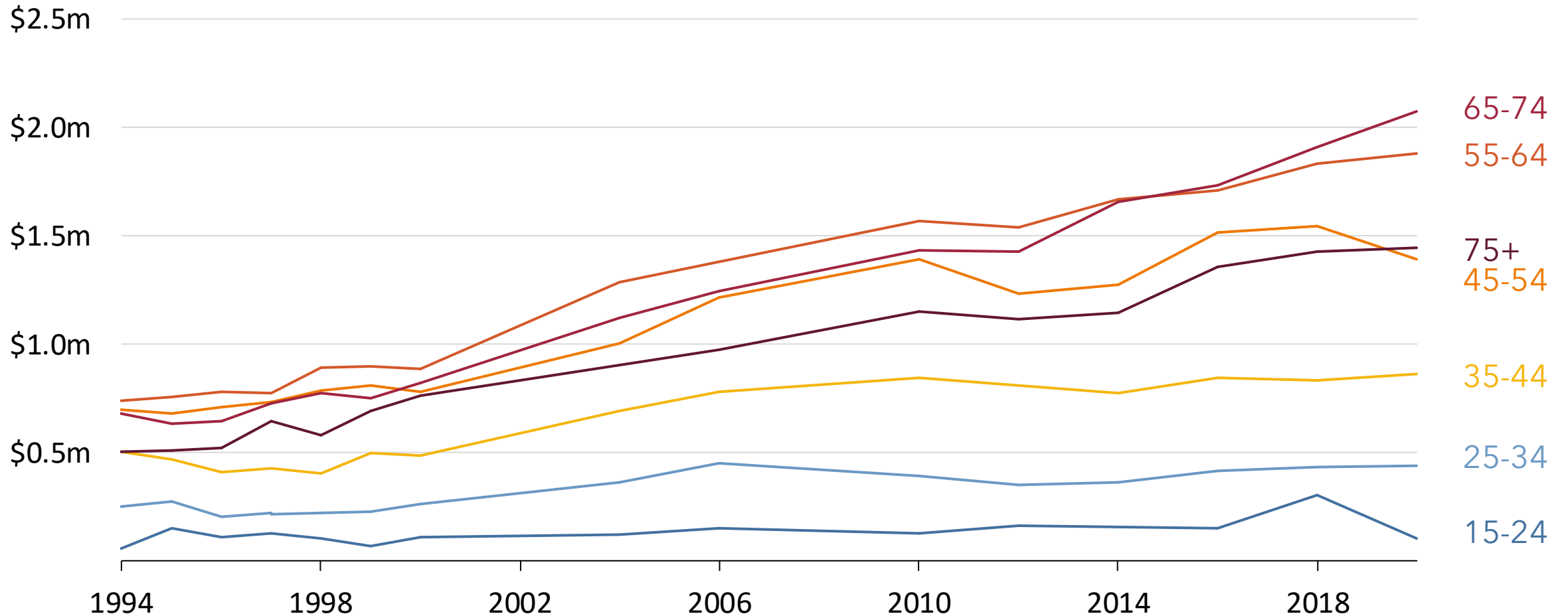
Proportion of survey respondents who agree with each statement



Notes: The full statement on economic opportunity was 'Australia is a land of economic opportunity where in the long run, hard work brings a better life'. 2025 data on this question was provided to Grattan Institute by Scanlon Foundation. Dashed lines represent when the survey was conducted by telephone. Solid lines represent when the survey was conducted using the largely online Life in Australia panel.
Source: Scanlon Foundation Research Institute (2025).

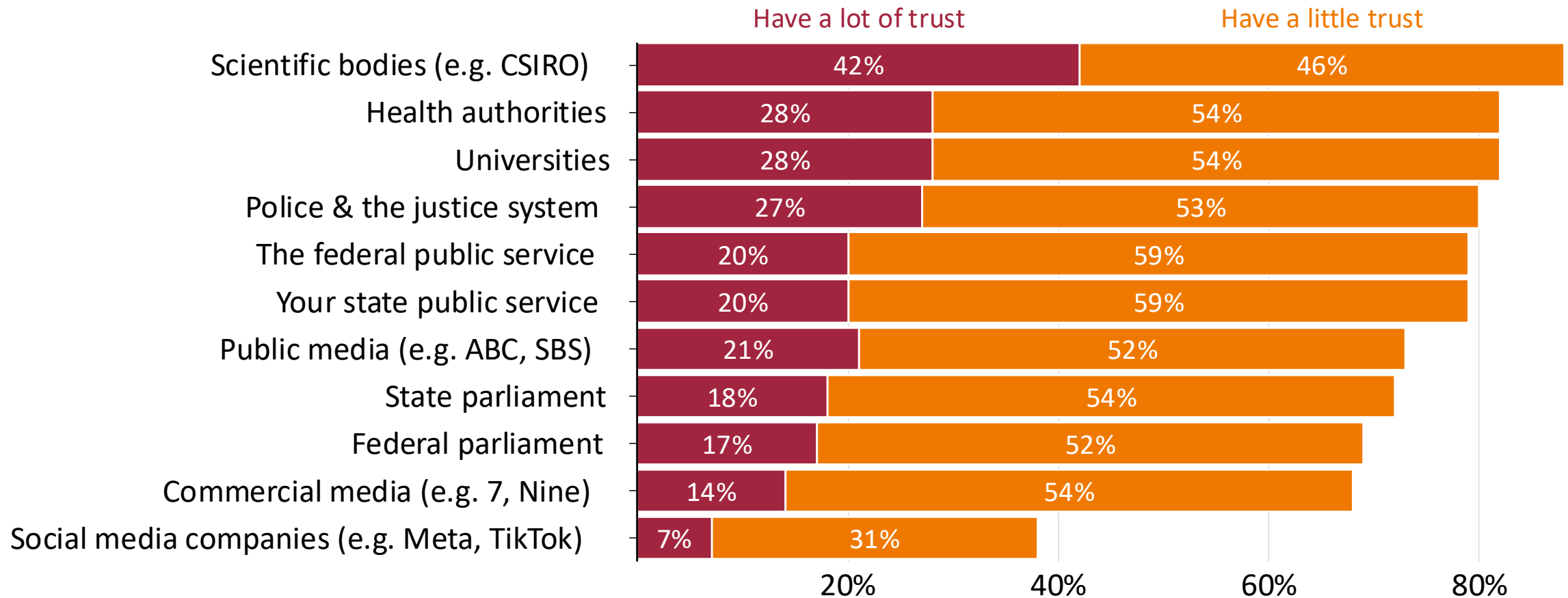
The wealth gap between young and old is growing

Mean net wealth by age of the head of the household, constant 2025 dollars



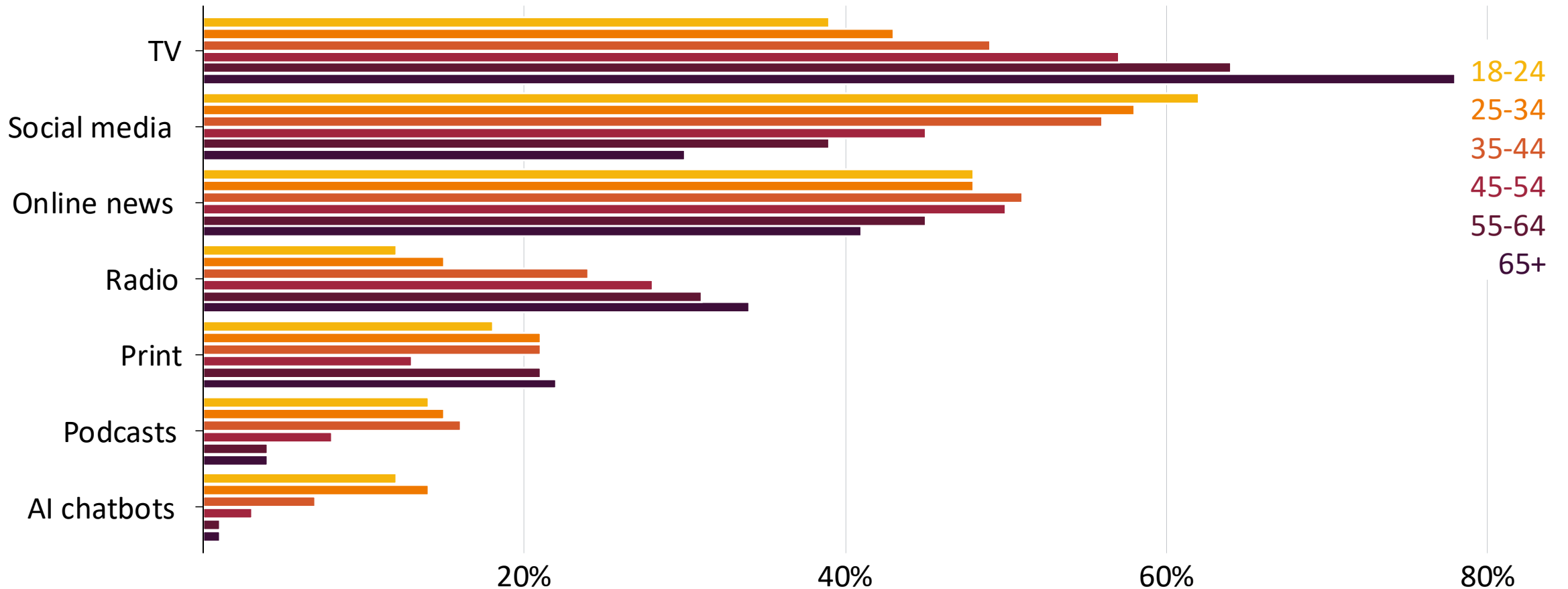
Australians have relatively low trust in media, especially social media...

Share who trust institutions to act in the best interests of Australians



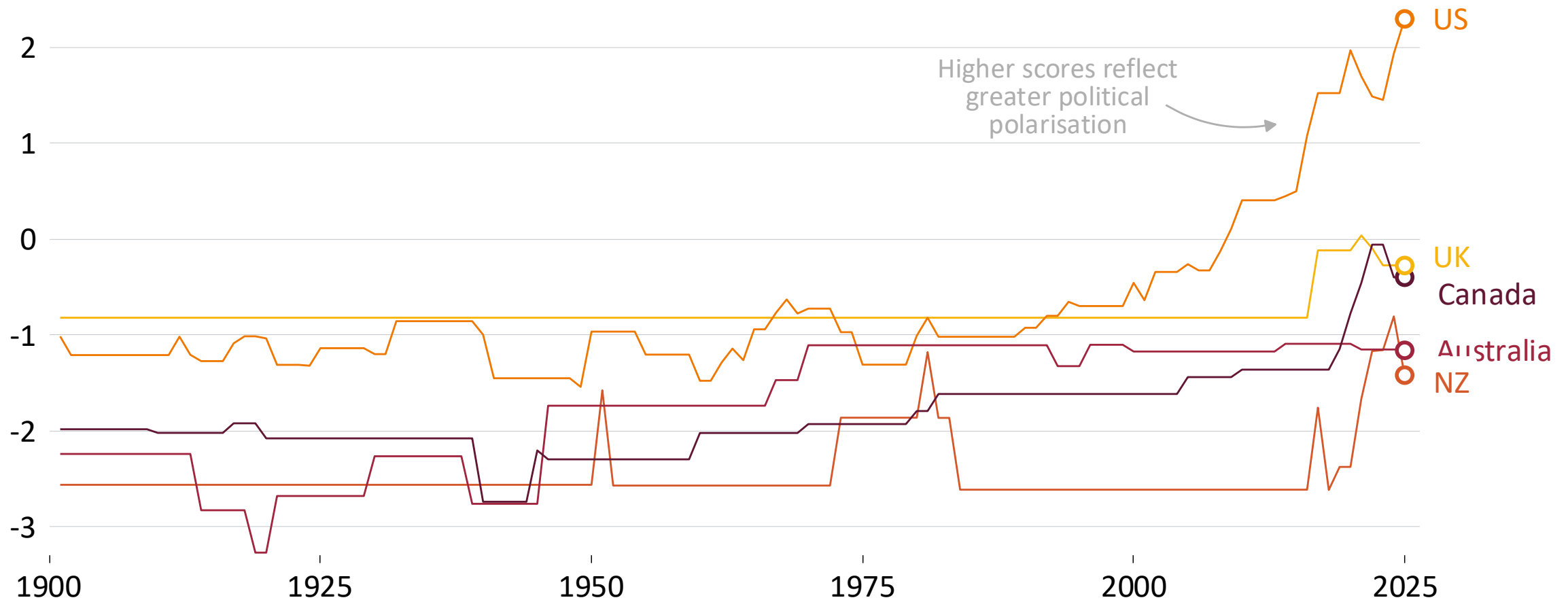
...but social media is now a key news source, especially for younger Australians

Share of respondents who used each source for news in the past week



Australia has not grown more polarised in recent years – but some peer democracies have

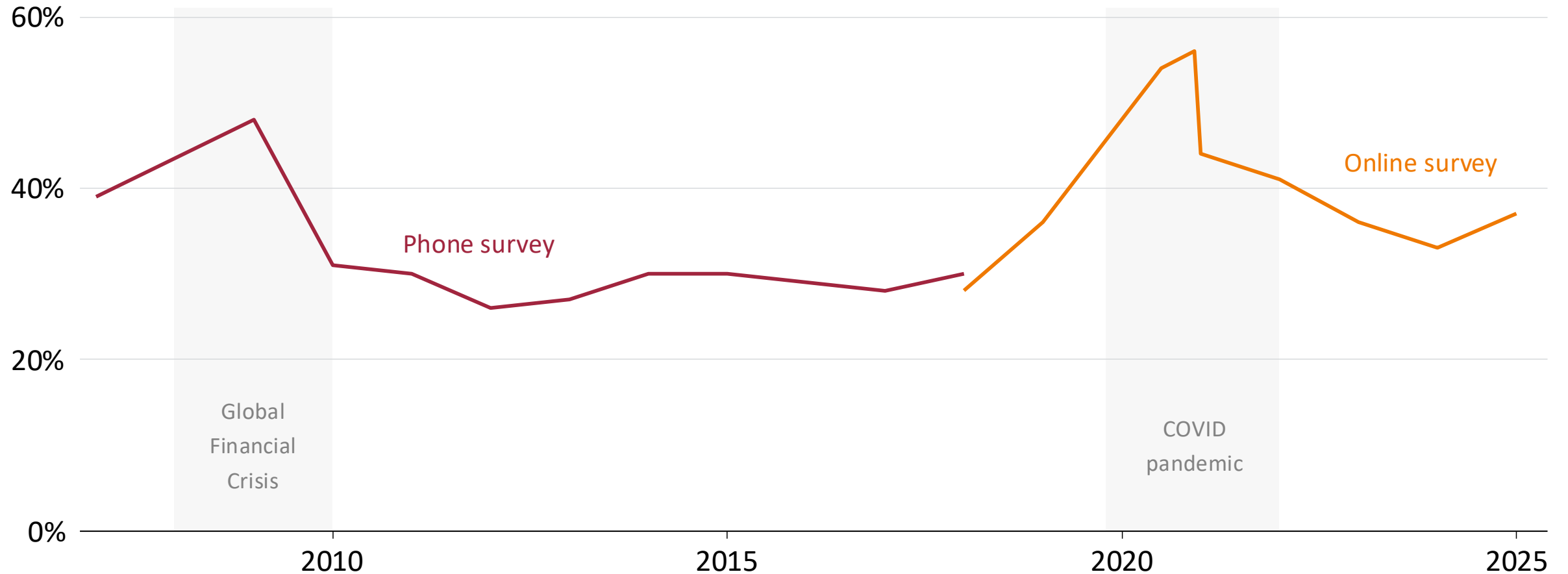
V-Dem index of political polarisation



Notes: The V-Dem index aggregates expert ratings on whether society in a country is 'polarised into antagonistic political camps'.
Source: Nord et al (2026) Varieties of Democracy Dataset.

Crises can be big moments to build trust or lose it

Share of respondents who say they trust government all or most of the time



Notes: The question was: 'How often do you think the government in Canberra can be trusted to do the right thing for the Australian people?'. The survey method changed from telephone surveys to the Life in Australia online panel from 2018.

Source: Scanlon Foundation Research Institute (2025).

We identify five opportunities to strengthen Australia's democracy

A good democracy is not a given, it is a practice

1. Make the most of Australia's parliament



- Reduce the influence of money in politics
- Commission an independent review of Australia's parliament

2. Nurture belonging and engagement



- Greater engagement and public deliberation
- Clearer pathways to citizenship
- Reinvigorate local government elections

3. Protect the public sphere



- Invest in the institutions that produce credible, trusted information
- Support public interest journalism and review the news media business model
- Experiment in tackling misinformation and disinformation

4. Tackle the known challenges



- Effective government matters, incl. tackling the housing crisis, transitioning to net-zero, lifting productivity, and budget repair
- Improve transparency and accountability

5. Prepare for a more volatile future



- Have fiscal firepower at the ready
- Plan for unknowns and calibrate public expectations

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improve the lives of all Australians**

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