

*Monday, 16 October 2006*

The **DEPUTY SPEAKER (Mr Jenkins)** took the chair at 4.00 pm.

### **LOCAL GOVERNMENT**

Debate resumed from 9 October, on motion by **Mr Lloyd**:

That the House:

- (1) recognises that local government is part of the governance of Australia, serving communities through locally elected councils;
- (2) values the rich diversity of councils around Australia, reflecting the varied communities they serve;
- (3) acknowledges the role of local government in governance, advocacy, the provision of infrastructure, service delivery, planning, community development and regulation;
- (4) acknowledges the importance of cooperating with and consulting with local government on the priorities of their local communities;
- (5) acknowledges the significant Australian Government funding that is provided to local government to spend on locally determined priorities, such as roads and other local government services; and
- (6) commends local government elected officials who give their time to serve their communities.

upon which **Mr Albanese** moved by way of amendment:

That paragraph (1) be omitted and the following paragraph substituted;

“(1) supports a referendum to extend constitutional recognition to local government in recognition of the essential role it plays in the governance of Australia.”.

**Ms LIVERMORE** (Capricornia) (4.00 pm)—Before I finished my remarks last week, I was talking about the important role that local government plays within our national system of government and the need for a stronger and more effective partnership between our federal sphere of government and the local councils around the country. The councils in Capricornia, my electorate, want a genuine two-way equal partnership with the federal government. When I spoke to the mayors, they stressed that term ‘equal partnership’—not the one that we often see in action at the present time where the federal government is happy to take the revenue from the coal boom that is occurring in my electorate but leaves much of the responsibility for the infrastructure and the communities that sustain the coal industry falling to the local councils.

I want to raise some examples of what is happening around Central Queensland and the kinds of projects that local councils are raising with me in the hope of attracting much-needed and, I would say, well-deserved federal government support. I will start at the heart of the coalmining boom in the shire of Belyando, which includes the towns of Moranbah and Clermont. These towns are under massive pressure from the growing population of workers in the mines and associated industries. The demand for housing and water resources is particularly acute, and the councillors have been working overtime to get solutions to both those issues. Of course, while they can come up with the solutions that will best meet the needs of their communities, they are always reliant on other levels of government to come on board with funding and support to fully realise their goal.

The Belyando Shire Council is certainly not sitting on its hands, waiting for other levels of government to do the heavy lifting on this issue of affordable housing in Moranbah, in particular. To the contrary, the council has been proactive in trying to find a solution to the shortage of affordable housing. I will just put it into perspective for other members. The cost of renting a three-bedroom house in Moranbah at present is \$1,200 per week. So we really are talking about enormous pressures on affordable housing in the context of the coalmining boom. The council has already introduced an infrastructure charge on developers on each block of land. The additional \$2,700 infrastructure charge will be allocated towards the council’s affordable housing initiative. The council intends to build 10 accommodation units in the next year and will develop land by offering it for sale at cost plus \$10,000. Again, the profits from those activities will be directed towards affordable housing.

The council is seeking assistance from the federal government and will propose a motion at the upcoming Australian Local Government Association conference outlining its suggestion of a direct payment from the federal government to local councils to increase the supply of affordable housing, similar to the concept behind the Roads to Recovery program.

This is a classic example of a council getting in and addressing a problem that is not its core function, but the council sees the impact the problem is having on the community and feels it has no choice but to act. This motivation was summed up in a statement the Mayor of Belyando, Peter Freeleagus, made to me. He said that the council’s role is to create a community, and I know the Mayor of Belyando really believes that and fulfils that goal in the things that the council does.

The impact of the coal boom is not, however, restricted to those towns next to the coalmines. In Rockhampton the effects of a growing population and new industrial developments associated with the mining sector are putting pressure on local infrastructure, as well. The Rockhampton City Council is responding to the increased presence of heavy vehicle traffic in some of the city's residential areas and the general growth in vehicle numbers with several road projects, and these projects are particularly at the interface between residential areas and the growing industrial section of the city.

The council has applied for funding under the Roads to Recovery strategic regional funding program to upgrade two roads, and it is also asking for additional funding to conduct a study to identify potential future routes in order to remove heavy vehicles from residential areas and the CBD. The council has identified a couple of projects. One is the construction of an industrial access road along Maloney Street between Alexander Street and the Bruce Highway. The idea of that is to improve access to the southern portion of the Parkhurst Industrial Estate, and it will enhance the safety of the general public through the reduction of heavy vehicle traffic utilising the residential areas and school zones on Farm Street and Carlton Street. That project has my full backing, and I know it is very popular in the community, because we want to get the heavy vehicles away from those residential and school areas near the Glenmore schools.

The other project is the Norman Road-Moores Creek Road arterial roads corridor. Both Norman Road and Moores Creek Road are experiencing, and are expected to continue to experience, significant traffic growth as a result of the development in the adjacent urban areas and continued growth on the Capricorn coast. Although these projects are within the boundaries of Rockhampton, they do have regional significance, as Rockhampton is the major service and industrial centre for many of the mines to the city's south and west. It is also the place where many of the mineworkers and their families settle or travel to in order to access, health, education, financial and other services. Safe and efficient travel into and through Rockhampton is important for the entire region.

These projects have my support, and I have written to the Minister for Local Government, Territories and Roads requesting that he give these projects priority in recognition of the importance of the coal industry to our national economy and the necessity for that industry and surrounding communities to be supported by adequate infrastructure.

While the councils in our region are engaged on a daily basis in trying to address the human side of the coal boom, the federal government is yet to show it is even aware that these issues exist—and I suspect that will not change any time soon. I wrote to the Prime Minister this year inviting him to tour my electorate to fully appreciate the impact that the coal boom is having on Central Queensland and to see how the federal government could do its bit for a region that has effectively funded its budget handouts for the last few years. The Prime Minister has answered my letter, and I am disappointed to report to the House that he declined my invitation. However, as the councils of Central Queensland know all too well, the issues of infrastructure and social services will not go away. The Prime Minister has to decide whether he is truly governing for all of us or whether, as I suspect, he will continue to ignore regional Australia—even those parts that keep this country afloat. (*Time expired*)

**Mr BRENDAN O'CONNOR** (Gorton) (4.08 pm)—I rise to contribute to the debate on this motion in support of local government which was moved by the Minister for Local Government, Territories and Roads. I think that the motion is—apart from the proposed amended part—a worthy motion to be debated in this House. Local government is a very important tier of government, and I think it is correct that the parliament consider local government not only in its own right but also as a government that the Commonwealth must deal with at the local level. But I think it is important for us to note the failings of this motion as well. The most obvious failing is the inability for the government to consider recommending that the House recognise local government in the Constitution of Australia.

It was not so long ago in historical terms—almost 20 years ago—that the Australian people had an opportunity to make a decision about whether they wanted to recognise local government within the Constitution. As we know, the result was a resounding no—unfortunately, from my point of view—and, as a result, local government still is not properly recognised by the Constitution.

There are reasons why the population of Australia chose not to support that particular question as listed in the referendum. Perhaps the most obvious reason is that the opposition at the time, the coalition, was strongly against not only that question but all four questions that were put in that referendum. So one major political party effectively scared the population by saying that constitutional recognition of local government would be bad because it would be a cost upon the Australian people. There was no evidence of this put forward by the federal opposition at the time. However, as you know, Mr Deputy Speaker Jenkins, as is the case in many referenda, if in fact one of the major parties opposes a particular proposition, it is more likely than not that the people of Australia will choose to reject the question as outlined on the referendum paper, and that was the case in that instance.

Whilst I applaud the minister for local government for placing this motion on the *Notice Paper* for debate, he is somewhat duplicitous in saying on the one hand that this House should recognise local government while on the other hand taking no responsibility as a member of an executive government and as a member of the Liberal Party who have spent as much energy as they have in preventing its constitutional recognition. I refer in particular to the comments made by the minister when he said that, although he was conscious of the fact that the majority of local government authorities were supportive of the tier of government being recognised under the Constitution, he believed that there was very little chance of the referendum being successful. In fact, he said:

... the government and I as minister are not convinced that another referendum at this stage would have a different result.

Of course it would not have a different result, because Minister Lloyd and his executive government—indeed, the Liberals and The Nationals—would oppose the proposition, as they did nearly 20 years ago. That is very duplicitous.

It is important, therefore, that the many hundreds of local government authorities across this nation should be very clear on the difference between, on the one hand, the Labor Party's view with respect to the recognition of local government in a proper sense via a referendum and ultimately its incorporation into the Constitution and, on the other hand, the view of the coalition parties, who resist and refuse to accept the rightful recognition of the very important local government of this country. So I think it is important for us to put that on the record. It is important for the government not to get away with the duplicitous argument that they could not recommend a constitutional change because it was unlikely to get up when the prime reason it would not get up is because of their own opposition to that proposition. I think that is very important for us to note.

However, some aspects of this motion are worthy of discussion. It is important to mention the report that was prepared in 2003 by the House of Representatives Standing Committee on Economics, Finance and Public Administration, chaired by David Hawker, who is now the Speaker. That report was informally titled the Hawker report. There were many decent submissions received by the inquiry, as is the wont of an inquiry looking into local government. It was not surprising that that inquiry received many submissions supporting the constitutional recognition of local government. I also note that the committee report contained 18 unanimous recommendations. There were 11 committee members and 18 unanimous recommendations and, to date, only seven of those 18 recommendations have been implemented in full by the government.

This motion before the House today provides us with an opportunity to talk about the importance of local government. As a former councillor at Whittlesea yourself, Mr Deputy Speaker Jenkins, you share, like many federal members, a history of involvement in not only Commonwealth government but also local government. Probably the most famous example would be Ben Chifley. He was a councillor of the City of Bathurst at the same time that he was Prime Minister of this country. Clearly there has always been a particular nexus between this place and local government, and I think it is important that the government goes on to look at the remaining committee recommendations with a view to implementing them.

The report was a bipartisan report. The submissions were made in good faith and were comprehensive in the main. The 11 members, six government and five Labor members, found very little disagreement in terms of those particular recommendations. It would be worthwhile for the minister to take up the remaining recommendations that have not been implemented and to pursue them with some vigour. That would not hurt the Minister for Local Government, Territories and Roads at all.

While I am speaking on this particular matter, I would like to refer more locally to my own municipalities. I have two municipalities within the boundaries of the electorate of Gorton: one is almost entirely within, the municipality of Brimbank, and the other is the municipality of Melton. One of these two councils has recently reconstructed the way in which councillors are elected insofar as they are now multimember wards rather than single-member wards. Despite all the nay-sayers, that has been a relatively successful reform.

Only recently I was speaking directly to Brimbank City Council. I spoke to a full sitting of the council about their views on the Work Choices legislation. Whilst I understand that the Work Choices legislation is a Commonwealth matter and the legislation can only be regulated by the Commonwealth houses of parliament, the fact is that, as a local government, as an elected government, the Brimbank City Council has every right, in my view, to reflect—favourably or otherwise—upon a piece of legislation that will affect the residents within that particular municipality. They considered the Work Choices legislation and reflected that it would not be anything other than adverse to the interests of the majority of working people in the municipality of Brimbank. I will seek to present the same case to the municipality of Melton and hope that, at some point, they will move a motion raising in-principle concerns about the legislation.

In conclusion to my comments with respect to this motion, unfortunately the minister has only succeeded in symbolically recognising local government no more or less than is currently the situation. The minister has failed

to convince the Prime Minister and indeed senior members of his party and the coalition to accept that local government would wish to be recognised under the Constitution. Therefore, it is high time that, at the next referendum or whenever it may be put to the people, the Australian people are asked again whether they would like to see proper constitutional recognition of local government. I do not believe in my heart of hearts that that question failed because the people disagreed in any violent way with the question. I am of the view that it is more likely that the reason for opposition to the question was, in the main, the scaremongering of the then opposition, particularly the former member for Flinders, Mr Peter Reith.

*A division having been called in the House of Representatives—*

**Sitting suspended from 4.20 pm to 4.41 pm**

**Ms VAMVAKINO** (Calwell) (4.41 pm)—I welcome the opportunity to speak to the motion of the Minister for Local Government, Territories and Roads that is before this place today, a motion that recognises the indispensable role that local governments continue to play in responding to the interests and needs of the local communities they serve. In particular, I want to put on record that I strongly support the amendment moved by the member for Grayndler, which proposes a referendum on extending constitutional recognition to local government.

Local government has long played a critical role in maintaining the standard of living and welfare enjoyed by all Australians. Local government serves as a conduit through which a wide range of local services are delivered, and it is often a key decision maker in the planning and development of local infrastructure, which is vital to the sustainability of a community's existence and a community's viability. In addition, local government also plays an active role in helping to foster a sense of local community spirit amongst residents, through its many community based programs, its festivals and the various other initiatives that it develops. Whilst we in this place are elected to represent the needs and interests of our constituents at the federal level, local government works at a more immediate and even intimate level as the tier of government that sits closest to the community. For this reason, local government is often able to respond more quickly, and thus more effectively, to the everyday needs of the residents it serves.

Because of the essential services that local government provides and because of the role that these services play in maintaining the quality of life enjoyed by those residents and communities that we are elected to represent in this place, it is incumbent on each and every one of us to support local government in any way we can. It is for this reason that I support the amendment moved by the member for Grayndler in this House, which was also moved in the Senate by the shadow minister for local government, Senator Carr. In essence, this amendment seeks to correct an anomaly in the Constitution, which, as it stands, currently does not recognise local government as an essential tier in Australia's governance structures or as a key partner to federal and state governments in servicing the needs and wishes of Australia's many and diverse local communities. By proposing a referendum to extend constitutional recognition to local government, the amendment moved by the member for Grayndler seeks to remedy this anomaly.

It is consistent with the recommendations made in the 2003 report by the House of Representatives Standing Committee on Economics, Finance and Public Administration, a committee that was, of course—as has been said by previous speakers—chaired by the now Speaker of the House of Representatives, Mr Hawker. Without including the amendment moved by the member for Grayndler, the simple fact is that the motion before the House would fall far short of providing the sort of real and practical support that local government both needs and deserves, given the essential role it plays in the lives of Australians. Of the 18 recommendations contained in the 2003 report, only seven have been implemented in full by the government and, despite all its rhetoric about the importance and value of local government, it has taken the government almost three years to act on only a few of the report's recommendations.

It is one thing for the government to put forward a motion that rightly recognises the importance of local government in the lives of all Australians, as well as the invaluable services that local governments provide and the extraordinary hours and effort that local councillors often volunteer above and beyond their call of duty, but without concrete structural reform, especially in the area of Commonwealth funding for local governments, these words of recognition and praise begin to ring sadly hollow. Without the introduction of concrete structural reforms to ease the financial pressures that local government across Australia continues to face, this motion simply offers local government a nod of recognition from afar, rather than a much-needed helping hand.

I support the amendment moved by the member for Grayndler because extending constitutional recognition to local government will provide a platform from which to initiate many of the funding reforms necessary to alleviate the financial hardships that local governments currently face, especially those relating to Commonwealth funding for local governments. This amendment offers us an opportunity to tackle the inadequate funding arrangements that continue to put unnecessary pressure on local governments across Australia and place unnecessary con-

straints on their effectiveness. It also offers an opportunity to overturn the last 10 years of government failure and neglect when it comes to supporting local government.

The lack of funding many local councils now face is a failure of government policy and yet another example of this government's eschewed list of priorities. As the member for Prospect has already mentioned, financial assistance grants to local government as a percentage of Commonwealth tax revenue was 0.97 per cent in 1996. In 2006-07 it had fallen to 0.77 per cent, and by 2009-10 the figure is estimated to fall to some 0.75 per cent. In my own electorate of Calwell, only three to five per cent of the revenue used by the Hume City Council comes from federal government sources. In addition, amending the Constitution to recognise the role and importance of local government in Australia will also serve to strengthen the voice and broaden the involvement of local government in certain key decision-making processes, especially those relating to essential infrastructure needs and community services. For these and other reasons, I want to join with my colleagues in calling on the government to express bipartisan support for this amendment.

In the time I have left to speak on this motion, I want to take this opportunity to commend the tremendous work and achievements of the Hume City Council, which shares the same boundaries as my own electorate of Calwell. Proactive in its approach to the community, Hume City Council continues to play an indispensable role in fostering and shaping a strong sense of community spirit in our very diverse and multicultural municipality. Hume is home to over 150,000 people from around 130 ethnic groups, with over 28 per cent of our residents having been born overseas. As such, it is an area that is both culturally rich and ethnically diverse. It is of great credit to the Hume City Council that its many community programs and initiatives have sought to strengthen and celebrate this diversity, making the city of Hume not only a gateway to the city of Melbourne but a shining example of the success of multiculturalism in this country.

Hume City Council continues to host, in addition to many other community events, many festivals. Among our most prized series of events are the festivals we have in our municipality each year. There is the Roxburgh Park Harmony Day Festival and the Hume Winter Music Festival, which, over the last three years, has grown into a comprehensive month-long festival with a myriad musical events that mirror the music and the sounds of the multicultural community that resides in Hume. The Broadmeadows Community Festival is another longstanding festival that each one of our residents in the municipality looks forward to on an annual basis.

Of course, our festival program would not be complete without the award-winning multicultural planting festival, which happens once a year. It is a great opportunity. Hundreds of members of our community take the opportunity to plant trees and to simply get on with the job of beautifying our municipality. Underpinning all of these festivals and activities is the celebration of our community's cultural diversity. It is a cultural diversity that, although not unique to the city of Hume, is essentially what makes the identity of the city of Hume.

In addition, Hume council also hosts a series of interfaith festivals—in particular, our Islamic festivals in two weeks time. We celebrate the Eid festival, which is the breaking of Ramadan feast. They are significant festivals not only on the Islamic calendar but also on our city's cultural and religious calendar. Hume City Council, in recognition of its interfaith community, has established a series of interfaith dialogues. But I would firstly like to speak about the multicultural issues forum established some five years ago by the Hume city council. Its aim was to provide a voice for Hume city's culturally and linguistically diverse communities. Each forum focuses on a particular issue. You would be interested to know, Mr Deputy Speaker, that some of the issues that are canvassed by the multicultural issues forum are transport, arts and cultural activities. Another issue is the great problem that our community faces with the proliferation of gaming venues in areas such as Hume, an issue that is very much at the forefront of public debate at the moment. Our issues forum spends a lot of time trying to work through gambling issues with our residents.

As I said, the Hume City Council also established its interfaith leaders network some five years ago. That network aims to further develop understanding and harmony across the many different faiths and cultures represented in Hume. Members of the network include leaders from a diverse range of communities and faiths, including the various Christian, Muslim and Sikh communities that exist in the Hume community. On a practical level, the council invites members of the interfaith leaders network to conduct the opening prayer at council meetings in a bid to lead by example in its efforts to actively promote community recognition and respect for different religions.

As an example of that, in July this year the prayer was led by Reverend David Peake from the Broadmeadows-Dallas Anglican church. In August, the prayer was led by Imam Mehmet Yoralmaz from the Broadmeadows Turkish Islamic cultural centre. In September the prayer was led by Reverend Paul Gray from the Congregational Christian Church of Samoa in Broadmeadows. In October the prayer was led by Captain Gary Grant from the Salvation Army in Craigieburn.

In addition, the council has set up the Hume Indigenous advisory committee, which includes representatives from the Gunung-William-Ballack Indigenous learning centre at Kangan Batman TAFE, alongside members of those organisations that provide services to the Indigenous community in Hume. Underpinning all activities of the Hume council is the Hume social justice charter, which was adopted in 2001, and the citizens' bill of rights, which was adopted in 2004. The aim of the social justice charter and the bill of rights is to promote respect for each and every citizen, to strengthen community participation and wellbeing and to reduce the causes of disadvantage. Under the charter, the council strives to fulfil its vision for Hume city as a prosperous, progressive, sustainable and vibrant gateway city—a city distinguished by the diversity of its community and renowned for its social justice and community inclusion. Hume is a city marked by social equity, economic prosperity and environmental sustainability.

I am very proud to say that these are not just words; they are the driving ethos of the Hume City Council, which we have seen in practice with the council's ongoing campaign to resist, for example, the federal government's proposals to build a detention centre in Hume, the council's continuing campaign for the reinstatement of an after-hours GP service at the Dianella Community Health Centre and with the many environmental and multicultural programs implemented by the council.

Evidence of the council's success can be seen all around the community and has been acknowledged this year with Hume council winning the coveted 2006 Keep Australia Beautiful Sustainable Cities Award, recognising Hume city as Victoria's most sustainable city. This year, the Hume council also won the 2006 United Nations Association of Australia World Environment Day award for excellence in overall environmental management, which is further testament to the great work being undertaken by the council.

All this wonderful work that the Hume City Council does for its residents is an illustration of just how important the role of local government is to its community. I would like to end where I began, and that is by encouraging the government to recognise the valuable work and the special relationship that local government has with its communities and to give local government its due constitutional recognition. It is, after all, the level of government that is closest to the people. It struggles day to day to cope with the increasing responsibility that is placed on it to deliver services and to take up responsibilities that ordinarily one would think would be the responsibility of state and federal governments. In light of all that, I think that a strong case can be put for the importance of local government to be recognised constitutionally. I would like to urge the government to make the decision and to grant this recognition to a level of government which is so important to the lives of ordinary Australians.

Debate (on motion by **Mr Lloyd**) adjourned.

## MINISTERIAL STATEMENTS

### Energy Initiatives

Debate resumed from 11 September, on motion by **Mr Abbott**:

That the House take note of the document.

**Mr GARRETT** (Kingsford Smith) (4.57 pm)—On 14 August, the Prime Minister made a ministerial statement on energy initiatives in quick response to the rise in petrol prices that had broken out right around Australia. The Prime Minister's assumption was that oil could drift to \$75 a barrel. The Prime Minister mentioned that Hurricane Katrina and the impact of the damage that Hurricane Katrina had caused on oil facilities in New Orleans had led to increased price rises. The Prime Minister pointed out to the House that Australia was a net importer of oil and thus very vulnerable to supply constraints not only as a consequence of a natural calamity such as Hurricane Katrina but also because of the tightening of political conditions in the Middle East. The Prime Minister referred to the energy white paper released earlier by the government as an indication of the government's bona fides in relation to energy.

What was compellingly absent from the Prime Minister's ministerial statement on energy, and what remains compellingly absent in terms of the government's vision for Australian energy, was a commitment to Australia's self-sufficiency through significant support and increased funding for the development of a renewables industry—an industry which, in my view, could make and should make a substantial contribution to our energy needs.

The extra funding for Geoscience Australia identified in the Prime Minister's energy initiative was welcome, as was the \$123.5 million of extra funding for the Renewable Remote Power Generation Program—although I note that that program was already vastly underspent and there are questions as to whether or not it is working effectively. More importantly, an area that has been identified as critical went virtually unremarked in the Prime Minister's statement, and that is the need for us to pursue with some vigour both feasibility and start-up studies into gas to liquids. Certainly the funding for research is welcomed, but it is the direction of the research that is important.