

the union movement to be exploited. It is a patronising stance by the Leader of the Opposition and the Labor Party and we have seen far too much of it—going back 50 or 60 years, even going back to the days when my own father came out to this country and in successive generations. It is a relationship which is built on a form of legal servitude in the workplace. Unions are threatening these new citizens to sign up, with the promise of bluer skies if they do so.

The Leader of the Opposition is out of touch on the 457 visa. He has come into this place and attempted to discredit the visa category and yet he is out of touch with his own state and territory colleagues over this particular visa. He claimed on the Sky News *Agenda* program that states and territories are actively questioning the use of temporary overseas skilled worker visas. That does not stand up to scrutiny. I am informed by the Minister for Immigration and Multicultural Affairs that less than two months ago all states and territories, along with the Commonwealth, discussed 457 visas at the ministerial council and, in fact, they resolved to support the visas. The council noted in its resolution:

- the critical role of sub-class 457 visas in addressing national and regional skill shortages in some areas and the importance of further developing measures that, while improving protection for temporary skilled migrants, would not materially add cost and delays for employers; and
- the important role of the Regional Certifying Bodies in some jurisdictions in the operation of regional concessions in Sub-Class 457 visa.

The states and territories have been some of the biggest users of 457 visas. As the Prime Minister mentioned yesterday during question time, since January of this year the largest single user of 457 visas was the New South Wales Department of Health. Recently the New South Wales Minister for Health issued a statement where there was a proud declaration made that almost three-quarters of the 1,000 nurses to join the New South Wales health system were as a result of their overseas recruitment drive and 457 visas. We have seen South Australia more than quadruple its state-sponsored skilled migration intake since 2002. Queensland has more than tripled it. Western Australia has nearly tripled it. And the New South Wales and Victorian governments have almost doubled it. The ACT, Tasmania and the Northern Territory have increased their skilled migrant intake by 70 per cent, 50 per cent and 30 per cent respectively.

There is support for this visa classification all around Australia. It is only the Leader of the Opposition who is beating this issue up into a scare campaign. If there are cases where people are being exploited, then refer them to the authorities and have those cases investigated. Rather than bringing it in here, dragging the person's name into this chamber and using them for

political purposes, pick up the phone and call the respective state or Commonwealth agency to carry out the investigation. That is what the opposition should be doing if they are genuinely interested in the welfare of these migrants who are coming to Australia on these temporary visas. That is what they should be doing rather than exploiting the situations taking place.

Why do we have such a high uptake in the visa classifications these days? The answer is pretty simple. In this country we are going through economic growth which is unprecedented, with the lowest unemployment rates in 30 years and jobs growth of around 180,000 per annum. We know that not only do we have skill shortages but also we are going to have a shortage in available people to fill jobs in due course. The demographics of this country are changing. We are in the same market as every other nation in the world in attracting skilled labour. We are no different.

Are we turning our back on young people and their training? No, we are not. The Leader of the Opposition got up and started talking about providing training programs for nurses and doctors. I am proud to say that only this year the Prime Minister and the Minister for Health and Ageing were able to announce a boost in the number of places for the training of nurses and doctors in my own state of Victoria, at the university just down the road from me, Deakin University, which has a partnership with Box Hill Institute to provide increased training for those in health and paramedical professions. That is why we have had this big uptake of 457 visas. We have a demand for skilled labour and we need to fill that demand today—not in three or four years time when the training has taken place, but right now. (*Time expired*)

**The SPEAKER**—Order! The discussion is now concluded.

#### LOCAL GOVERNMENT

**Mr LLOYD** (Robertson—Minister for Local Government, Territories and Roads) (4.22 pm)—I move:

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.

I am honoured to introduce into this House today a historic motion recognising the integral role of local government and the role that it carries out in our system of government. This motion flows from the work of the House of Representatives Standing Committee on Economics, Finance and Public Administration in their report which has become known as the Hawker report. Mr Speaker, I am very pleased that you are in the chair today to see the fulfilment of one of the recommendations of the Hawker report.

The government provided its response to the committee's report in June 2005. Proposing a motion recognising local government as an integral level of governance in Australia was one of the initiatives it agreed to pursue. I am pleased to move this motion here in the House today which honours that commitment given by the Howard government. I am also pleased to acknowledge in the gallery today Councillor Paul Bell, the President of ALGA, the Australian Local Government Association, and I would also like to thank him personally for the assistance that he has provided to the Australian government in getting this motion into the House. (*Quorum formed*)

This motion has a number of objectives, including recognising and celebrating the role and importance of local government. Local government is an integral part of the governance task in Australia. This motion acknowledges the huge diversity of local government. We have large urban councils, small regional councils and very small and remote Indigenous community councils all operating under the local government model. For example, Brisbane City Council, covering nearly all metropolitan Brisbane, services a population of almost one million people and has a budget of \$1,600 million. At the other extreme, we have councils such as the Aramac Shire Council in Central Queensland, which services a population of just over 700 people and maintains its local road system of nearly 1,200 kilometres within its budget of \$4 million. Of course, we have a contrast in Western Australia as well.

The Australian government is committed to cooperating with and consulting local government. The Australian Local Government Association is a member of the Council of Australian Governments, COAG, as well as many of the ministerial councils which operate under the COAG umbrella. The Australian government has supported the addition of local government representations at these councils, and ALGA has been very active in representing the interests of local government on these councils.

This motion also gives due recognition to the contribution made by the elected local councillors throughout the country for their community service. They carry out their duties in a spirit of community service

and in most cases provide their time and skills for little or no monetary reward.

In its response to the Hawker report, the Howard government also agreed to do a number of things, including developing with the state and territory governments and local government an intergovernmental agreement on relations with local government, developing a new national principle under the Local Government (Financial Assistance) Act 1995 specifying that financial assistance grants for amalgamated councils would be maintained for four years after amalgamation and reviewing the interstate distribution of the roads component of the financial assistance grants through the Commonwealth Grants Commission. I am very pleased to report that there has been significant progress on all these undertakings.

I am very proud to have been able to assist in the securing of the recent intergovernmental agreement on local government relations with local government and the governments of the states and territories. I thank the local government and planning ministers from the states and territories for their cooperation in signing up to this historic agreement, which provides, for the first time, a national framework with local government so that they can negotiate with other governments on the arrangements for service delivery that the governments require of local governments. This was a historic outcome where all three levels of government came to an agreement involving a vexed issue like financial relations.

The objectives of the intergovernmental agreement include providing greater financial transparency between three spheres of government in relation to local government services and functions. The agreement also aims to improve the relationship by increasing consultation between governments on local government matters. The agreement addresses cost shifting by obtaining in-principle agreement from governments that, when a responsibility is devolved to local government, local government is consulted and the financial and other impacts on local government are taken into account.

The new national principle maintaining funding for amalgamating councils came into effect on 1 July 2006. The Commonwealth Grants Commission report on the interstate distribution of road funding was completed on 30 June 2006, and the government is now considering the report's recommendations.

Importantly, while there are many in the local government sector who want formal recognition of local government—that is, constitutional recognition—this proposition has been unsuccessful in two previous referendums, and the government and I as minister are not convinced that another referendum at this stage would have a different result. This parliamentary motion, which is being put to both houses of the federal par-

liament, recognises the vital role that local government plays in the great democracy that we enjoy in Australia. Local government has long ceased to deal solely with roads, rates and rubbish. The range of services provided by local government throughout Australia is very wide and can include such things as childcare services, health and welfare services such as immunisation clinics and meals on wheels, programs for settling migrants into their communities, environmental services, and sport and recreation services and facilities such as football and hockey fields, swimming pools, learn-to-swim classes, parks and gardens, and indoor sport centres. There are also, of course, emergency services; local government is at the front line of those defences when we have tragedies. There are examples of that, such as the services that were provided in Beaconsfield in Tasmania, with the mine collapse, and in Innisfail in Queensland following Cyclone Larry.

Local government often comes in for criticism, but what go unreported are the many times local government succeeds and provides excellent service to its constituents. Unfortunately, good news does not sell newspapers. In truth, the overwhelming majority of councils operate effectively, and their councillors and council employees operate transparently and honestly. The Australian government has been a very strong supporter of local government since 1974-75, when for the first time direct financial assistance grants to local government were introduced. In 2006-07, this current financial year, the financial assistance grants will be almost \$1.7 billion. The total of the financial assistance grants provided since 1974-75 is over a staggering \$25.7 billion.

In addition to the financial assistance grants, which are untied and can be used by local governments on their own priorities, the Australian government provides the very popular and successful Roads to Recovery funding program directly to local councils; \$1.2 billion was provided from 2001 to June 2005 for local roads. The Howard government has extended the Roads to Recovery program for a further four years to June 2009 with a further commitment of some \$1.23 billion, which includes \$30 million for roads in the unincorporated areas. I was very pleased that we were able to announce an additional \$307 million for this program, which was provided up-front to every council in Australia, as an advance payment in June of this year for expenditure over the next three years. It now brings the total commitment under the Roads to Recovery program to over \$1.7 billion.

In addition, the Howard government is also providing some \$220 million for land transport infrastructure projects of regional importance under the AusLink Strategic Regional Program. The successful projects will be funded from the unallocated funding under this program and will be announced later this year. In rec-

ognition of the program's success, the government has extended the AusLink black spot program for a further two years, from 2006-07 to 2007-08, at a cost of \$90 million. Half of this funding will be spent in regional Australia. Since the black spot program was reintroduced by the Howard government in 1996, approximately \$450 million has been allocated to illuminating almost 3,900 dangerous crash locations around Australia. The Australian government's commitment direct to local road improvements from 2001 to July 2009 amounts to a massive \$2.9 billion, which includes the Roads to Recovery program, the supplementary Roads to Recovery payment and the AusLink Strategic Regional Program. This commitment to investing in Australia's local government transport infrastructure shows this government's continued interest in working in partnership with local government. Having viable local transport infrastructure is an investment in Australia's future and is vital for our continued economic and social prosperity. I would also like to pay tribute to former Deputy Prime Minister John Anderson for his role in securing, introducing and developing the Roads to Recovery program while he was the Deputy Prime Minister.

Local government also receives significant proportions of the funding available through a number of grant programs offered by the Australian government. Councils have been very successful in applying for funding through Regional Partnerships, the Natural Heritage Trust, the Natural Disaster and Regional Flood Mitigation programs, and the Bushfire Mitigation program, just to name a few. The government believes that local governments are in the best position to determine what projects, programs and initiatives will work best in their local areas and for their local communities. The Australian government strongly supports local governments in making important decisions that affect their residents. There are other direct payments to local government from the Australian government. In 2006-07 these payments, which are mainly for children's services and disability services and from the Regulation Reduction Incentive Fund, will total more than \$92 million.

As the commitments that I have listed confirm, the Australian government has made a substantial contribution to local government through the provision of the financial assistance grants and through reforms of the environment that local government operates in. The new national principle gives surety of funding for councils prepared to amalgamate, and the new inter-governmental agreement gives local government a framework in which it can negotiate with other governments on fair funding deals for services it delivers on behalf of those governments. I will certainly continue to look at ways we can increase the direct funding to councils and look at innovative programs, be-

cause it is a very effective way of delivering services to the community.

Despite this generous assistance, there are indications that many councils, particularly in rural areas, are still struggling to provide basic services to their communities. Recent reports from several states have shown that many rural and regional councils may not be sustainable in the long term. It is time for the states to look seriously at what services and functions they expect local government to provide and to ensure that local governments are properly resourced to carry out these tasks. The Australian government is doing its fair share to support local government, and the states and territories need to step up to the mark to also support local councils.

There are of course important tasks for local government itself to address. Local government needs to ensure that proper asset management systems are in place and that it adequately plans for infrastructure renewal and replacement. Councils need to have a medium- to long-term budgetary focus. Expenditure decisions by councils that are more strategic and lower the cost of providing core services are vital for local government to improve its financial governance. We need to encourage those that are lagging behind to take note of the best practice being demonstrated by leading councils.

Best practice is recognised by the Australian government through the National Awards for Local Government, and this year is the 20th anniversary of these awards. Since 1986 the awards have recognised, rewarded and promoted innovative and leading practices of local government. They highlight the outstanding achievements of local government across the country and demonstrate the important role undertaken on a daily basis by local governments in supporting and sustaining their communities. Each year the awards provide evidence of the great work being done by local government every single day for all Australians. The national award winners for 2006 will be announced on 27 November 2006. When I attend these awards, as I have done in the previous two years, the diversity and the innovation that so many councils come up with and the exciting programs for best delivering services to their communities never cease to amaze me.

The Australian government has forged a strong partnership with local government. It has demonstrated its willingness to work with local government in the past, and I can assure you that it will continue to do so in the future. In moving this motion the government is continuing to deliver on the commitments that it made in response to the Hawker report, and a similar motion will also be brought before the Senate.

**Mr ALBANESE** (Grayndler) (4.39 pm)—Labor supports this parliamentary motion on local government. This motion is a step in the right direction to-

wards recognition for the important role that local government plays in the delivery of services at the local level. However, at the end of this speech I will be moving an amendment to this motion because I do not believe that it goes far enough in recognising local government.

Mr Speaker, you will recall as the chair of the committee that produced the report that has been referred to by the minister that I was a member of the committee as well. At that time I argued very strongly that we needed to have constitutional recognition for local government in Australia. It is true that it has been put to a referendum twice. It is true that it has been defeated twice—the last time due to a dishonest campaign run by the coalition, including the then leader, the member for Bennelong, John Howard, in his first time as Leader of the Opposition.

I believe very strongly that it is now appropriate that we have bipartisan support for constitutional recognition for local government. After all, the Constitution is the document that defines us as a nation. With that bipartisan support, Labor is pledging through this amendment here in the House of Representatives and also through an amendment that we will move in the Senate through the shadow minister for local government, Senator Kim Carr, that it would be successful whenever it was put before the people of Australia.

It is time that local government was recognised in the Australian Constitution, given the particularly important role that local government plays. Local government is of course the level of government that is closest to the people. It is able to respond directly to people's needs. It allows for democratic participation, which enriches the democratic life of the nation.

As federal members of parliament we would attend more activities and functions organised by local government wherever we represent around the nation than we would events organised by state or federal government. That is certainly overwhelmingly the case in my electorate of Grayndler, where we now have magnificent festivals, including the Marrickville Festival, which is a multicultural celebration, and the Norton Street Festival, which pays particular attention to the contribution of the Italian community in Leichhardt. Canterbury Council holds a festival which is very much Korean based. We also had this year a return of the Cooks River Festival in my electorate, emphasising important environmental values, with an emphasis on protecting our river system and also on improving sustainability in housing and in water.

I want to particularly commend through this motion paragraph 6, which pays tribute to local government elected officials. People who are elected to this House are well remunerated for the work that we do. Many local government officials would work almost as hard as federal members of parliament and yet they receive

by and large very small monetary compensation. Indeed, I believe there is a fair case to say that it costs many of them money because the time they spend in an effectively voluntary capacity doing building inspections, going to functions and speaking to constituents in their particular council area is time they are not spending earning an income for themselves and their families. It is important that we pay tribute, and I commend the minister for doing so in this motion before the parliament today.

This motion is largely a symbolic statement, but symbols are important and it is important that we give that recognition. However, in my amendment I am arguing that, while symbols are important, we need to go that step further than symbolism and have a practical impact, which enshrining local government in the Constitution would do. Were we the founding fathers of the nation—which is largely what they were, rather than fathers and mothers—we might have structured government here in Australia in a different way. There is certainly an argument in my view for two tiers of government: the Commonwealth government and regional government, in the form of an expanded local government. I think that larger councils are able to provide better services, and in my area I have argued for council amalgamations in some areas, which is not necessarily a popular step, but to do it in a way which is voluntary and brings the community along rather than it being imposed by another level of government.

Labor is united in its support for local government. The same cannot always be said for government members. The Minister for Local Government, Territories and Roads has been fulsome in his stated support for local government, including his words in the chamber today. But the Minister for Transport and Regional Services takes a very different view. In March 2006 the Minister for Local Government, Territories and Roads rejected an Audit Office audit of the Roads to Recovery program. The local government minister stated that only a handful of councils had failed to comply with program rules, including the maintenance of council funding for local roads. The Minister for Transport and Regional Services has taken a very different view. Following the National Local Roads and Transport Congress in July 2006, the minister's office issued talking points to government members, senators and staff, which said:

Local government is not keeping up the task of funding its infrastructure, including roads.

The talking points go on to ridicule local government capacity to substantiate funding demands, saying:

Local government has no reliable data available on the road maintenance task.

And this:

Local government has no comparable data on its expenditure on roads, road condition or road usage—all the key information items needed to assess road funding needs.

Either you support local government or you do not. Clearly, this memo from the Minister for Transport and Regional Services indicates a lack of support for local government and an undermining of it.

I note that this motion is the result of a key recommendation of the 2003 report by the House of Representatives Standing Committee on Economics, Finance and Public Administration, chaired by the Speaker, which was known therefore as the Hawker report. I sat on that inquiry, and we had substantial public hearings in preparation for that report. I note that it was a unanimous report, and one of the key points made in many submissions to the inquiry was the need for constitutional recognition, hence I am moving the amendment today.

The last referendum was in 1998, and my friend and mentor Tom Uren was the Minister for Local Government and Administrative Services in the Hawke government. I worked for him at that time and well recall campaigning very strongly for a yes vote. Those on the other side, including the current Prime Minister and Peter Reith, pushed a no vote and ensured that we did not get that progress. It should not be forgotten that it was the current Prime Minister who delivered the kick in the teeth to local government. If government members are serious about recognising the role of local government—

*Mr Lloyd interjecting—*

**Mr ALBANESE**—The minister for local government asks, 'What would constitutional recognition of local government achieve?' He undermines his previous speech in support of local government by putting that forward and shows contempt for the overwhelming majority of local governments around this nation, which argue for constitutional referendum.

**Mr Lloyd**—I have made it very clear that I do not support it.

**Mr ALBANESE**—The minister is making it clear that he does not support it. He is moving a motion in recognition of how important it is, but it is not important enough to go in the Constitution. That is very disappointing and contradicts the evidence that we received during that inquiry, at which there were not people making submissions saying, 'We don't want constitutional recognition.'

Finally, I want to take this opportunity to talk briefly about the important role local government plays in tackling climate change. Around the nation, the Australian Local Government Association is playing an important part in raising awareness about climate change and about the potential impacts that it will have. It is also playing an important role in raising awareness about the opportunities that arise from efforts to reduce

greenhouse gas emissions. I was very pleased to hear that the International Council for Local Environmental Initiatives has been chosen as a partner and collaborator with the Clinton Climate Initiative to tackle climate change.

I was particularly pleased to hear that Melbourne has joined 21 cities from around the world in taking action to avoid dangerous climate change. Foundation cities in the partnership include London, New York, Los Angeles, Seoul, Berlin, Buenos Aires, Cairo, Caracas, Chicago, Delhi, Dhaka, Istanbul, Johannesburg, Madrid, Mexico City, Melbourne, Paris, Philadelphia, Rome, Sao Paulo, Toronto and Warsaw. I very much welcome that. What we are seeing here is local government getting together to pool their purchasing power, lower the price of energy-saving products and adopt energy efficiency programs. With regard to Melbourne City Council, I certainly encourage anyone to visit the Szencorp Building in Port Melbourne to see what can be done with the support of local government in terms of having buildings that not only are energy efficient but, when fully functional, can contribute energy back to the grid and thereby make revenue for their owners. The environment minister made an interesting observation when he said on 8 November 2005:

Australian local governments lead the world when it comes to taking action to reduce greenhouse gas emissions ...

That is right, because there is not much happening from the federal government in terms of initiative. I congratulate local government for taking a leadership role and I certainly look forward, in a year's time, to joining with them to provide some national leadership because of the action that the federal government is failing to take and in support of the action that local government is taking.

With regard to the greatest challenge facing the global community, the action being taken by local government gives us a reminder of how broad the role and impact of local government can be and of the vital role that it plays. I commend to the House the amendment I will now move to the motion. I ask the government to reconsider its position, adopt Labor's amendment and have a bipartisan approach to giving local government the recognition that it truly deserves. I move:

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.”.

**The SPEAKER**—Is the amendment seconded?

**Mr McClelland**—I second the amendment and reserve my right to speak.

Debate (on motion by **Ms Gambaro**) adjourned.

## MAIN COMMITTEE

### Local Government

#### Reference

**Mr LLOYD** (Robertson—Minister for Local Government, Territories and Roads) (4.55 pm)—by leave—I move:

That the resumption of debate on his motion in relation to Local Government be referred to the Main Committee.

Question agreed to.

#### ABORIGINAL LAND RIGHTS (NORTHERN TERRITORY) AMENDMENT BILL 2006

#### AGRICULTURE, FISHERIES AND FORESTRY LEGISLATION AMENDMENT (EXPORT CONTROL AND QUARANTINE) BILL 2006

#### AUSTRALIA-JAPAN FOUNDATION (REPEAL AND TRANSITIONAL PROVISIONS) BILL 2006

#### THERAPEUTIC GOODS AMENDMENT BILL (No. 3) 2006

#### Assent

Message from the Governor-General reported informing the House of assent to the bills.

## BUSINESS

### Orders of the Day

**Ms GAMBARO** (Petrie—Parliamentary Secretary (Foreign Affairs)) (4.56 pm)—by leave—I move:

That Main Committee orders of the day Nos 6 to 9, government business, order of the day No. 1, private members' business, and orders of the day Nos. 13 to 22, committee and delegation reports, be returned to the House.

The orders of the day are shown on the list which has been circulated to members in the chamber.

Question agreed to.

### Withdrawal

**Ms GAMBARO** (Petrie—Parliamentary Secretary (Foreign Affairs)) (4.57 pm)—by leave—I move:

That those orders of the day returned to the House in accordance with the resolution agreed to this day be discharged.

I do not propose to read the titles from the list which has been circulated to members in the chamber. Details will be recorded in the *Votes and Proceedings*.

Question agreed to.

**Mr Price**—Mr Deputy Speaker, could I seek your indulgence. Where are these lists that have been referred to which have been circulated?

**The DEPUTY SPEAKER (Mr Jenkins)**—The chair is in the position of having a copy for the chair. They have been circulated or they are available upon request. There is one coming your way.

**Mr Price**—I sincerely thank you for your intervention. It is very helpful. But could I say that when motions are moved on the basis of information having