

SPEECH BY THE PRIME MINISTER
 THE HON. E.G. WHITLAM, Q.C., M.P.,
 AT PENRITH CIVIC RECEPTION,
 11 SEPTEMBER 1974

THE PROBLEMS AND CHALLENGES OF LOCAL GOVERNMENT HAVE NATIONAL IMPLICATIONS QUITE DISTINCT FROM THEIR RELEVANCE TO PARTICULAR LOCALITIES. WHEN THE INSTITUTE OF MUNICIPAL ADMINISTRATION WAS ESTABLISHED IN 1952 ON A FEDERAL BASIS IT REALISED THAT "WHILE LOCAL GOVERNMENT IS LOCAL AND, IN FACT, DERIVES ITS FUNCTIONS FROM EACH RESPECTIVE STATE, THE DEVELOPMENT AND STRENGTH OF IT IS A MATTER OF NATIONAL IMPORTANCE AND OF NATIONAL CONCERN."

IT WAS TWENTY YEARS BEFORE A NATIONAL AUSTRALIAN GOVERNMENT WAS PREPARED TO TAKE A SIMILAR ATTITUDE. ONLY SINCE LABOR WAS ELECTED IN DECEMBER 1972 HAS ANY ATTEMPT BEEN MADE TO GIVE PRACTICAL HELP TO LOCAL GOVERNMENT IN MEETING THE INCREASING DEMANDS MADE UPON IT.

NO ONE KNOWS BETTER THAN THOSE INVOLVED IN LOCAL GOVERNMENT THE LONG YEARS OF NEGLECT AND INDIFFERENCE FROM WHICH IT HAS SUFFERED AND THE ATMOSPHERE OF PERPETUAL FINANCIAL CRISIS THAT SURROUNDS IT FOR GENERATIONS. I HAVE OFTEN MARVELLED AT THE DEDICATION AND FORTITUDE OF MEN AND WOMEN WHO HAVE CONTINUED TO SERVE LOCAL GOVERNMENT IN THE FACE OF SUCH ODDS. NOW THE PROSPECTS ARE CHANGING. THE RECENT GRANTS TO LOCAL GOVERNMENT COUNCILS ALL OVER AUSTRALIA - WITH THE LION'S SHARE COMING TO NEW SOUTH WALES - ARE THE BEGINNING OF THE END OF THE INEQUALITY BETWEEN COUNCILS AND BETWEEN REGIONS THAT HAS BEDEVILLED THE GROWTH OF RESPONSIBLE AND RESPONSIVE LOCAL GOVERNMENT IN AUSTRALIA.

ALL MY GOVERNMENT'S POLICIES HAVE BEEN DIRECTED TO ELEVATING THE STATUS AND IMPORTANCE OF LOCAL GOVERNMENT WITHIN THE FEDERAL SYSTEM, AND ESPECIALLY HAVE THEY BEEN DIRECTED TO GIVING LOCAL GOVERNMENT ACCESS TO THE RESOURCES TO DO ITS JOB. WE SHOULD NEVER FORGET THE DISGRACEFUL WAY LOCAL GOVERNMENT HAS BEEN NEGLECTED AND DOWNGRADED SINCE THE VERY BEGINNINGS OF OUR FEDERATION.

THE DEBTS OF LOCAL GOVERNMENT AND SEMI-GOVERNMENT AUTHORITIES HAVE MULTIPLIED MORE THAN TWELVE TIMES SINCE THE WAR, STATE DEBTS SIX TIMES. UP TO LAST YEAR LOCAL GOVERNMENT AUTHORITIES WERE BORROWING MORE EACH YEAR THAN THE TOTAL AMOUNT OF THEIR OUTSTANDING DEBT OVER 20 YEARS OR SO AGO. AT THE SAME TIME THERE HAVE BEEN ACCELERATING DEMANDS - QUITE NATURAL AND PREDICTABLE DEMANDS - ON LOCAL GOVERNMENT SERVICES. YET NOTHING WAS DONE TO REDRESS THESE DEFICIENCIES; NOTHING WAS DONE TO CORRECT A SYSTEM THAT ALLOWED THEM TO WORSEN YEAR BY YEAR. THERE WAS NO SHORTAGE OF EVIDENCE ABOUT THE NEEDS OF LOCAL GOVERNMENT. THE BARNETT REPORT ON LOCAL GOVERNMENT AREAS AND ADMINISTRATION IN NEW SOUTH WALES REPORTED LAST YEAR THAT IN THE VIEW OF MOST SHIRE COUNCILS IN NEW SOUTH WALES "THEIR AREAS COULD NOT SURVIVE WITHOUT A CONTINUANCE OF LARGE CENTRAL GOVERNMENT GRANTS AND, WITHOUT EXCEPTION, COUNCILS BELIEVED THE AUSTRALIAN GOVERNMENT'S INVOLVEMENT IN FINANCING LOCAL GOVERNMENT WAS ESSENTIAL."

THE RECENT GRANTS COMMISSION RECOMMENDATIONS REFLECT MY GOVERNMENT'S COMMITMENT TO SUCH NECESSARY ASSISTANCE TO THAT PART OF GOVERNMENT WHICH IS CLOSEST TO THE PEOPLE. LET ME REMIND YOU OF HOW THOSE GRANTS CAME ABOUT.

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WIT'IN SIX MONTHS OF LABOR'S ELECTION TO GOVERNMENT IN DECEMBER 1972, THE AUSTRALIAN PARLIAMENT PASSED A NEW GRANTS COMMISSION ACT AUTHORISING THAT BODY TO INQUIRE INTO APPLICATIONS FOR ASSISTANCE BY REGIONAL ORGANISATIONS OF LOCAL GOVERNMENT. ANY ASSISTANCE RECOMMENDED BY THE COMMISSION AND APPROVED BY THE AUSTRALIAN GOVERNMENT WAS TO BE PAID TO THE STATES UNDER SECTION 96 OF THE CONSTITUTION ON CONDITION THAT IT BE PASSED ON TO THE LOCAL GOVERNMENT COUNCILS CONCERNED. ADDITIONAL MEMBERS WERE APPOINTED TO THE COMMISSION AND ITS STAFF WAS EXPANDED TO ENABLE IT TO DEAL WITH THIS LARGE NEW RESPONSIBILITY. FROM NOW ON, THE COMMISSION IS TO PLAY THE SAME ROLE IN REDUCING INEQUALITIES BETWEEN REGIONS AS IT HAS BETWEEN THE STATES SINCE 1933.

LAST MONTH MY GOVERNMENT APPROVED ALLOCATIONS OF \$56,345,000 TO LOCAL GOVERNMENT ORGANISATIONS THROUGHOUT AUSTRALIA. OF THIS, \$21,359,000 CAME TO NEW SOUTH WALES. WE ACCEPTED THE GRANTS COMMISSION'S RECOMMENDATION THAT NO CONDITIONS BE ATTACHED TO THE WAY IN WHICH LOCAL GOVERNMENT BODIES SPEND THESE, THEIR FIRST ALLOCATIONS UNDER THE AUSTRALIAN LABOR GOVERNMENT'S NEW SCHEME TO HELP REDUCE INEQUALITIES BETWEEN REGIONS THROUGHOUT AUSTRALIA. THE SYDNEY WESTERN REGION WILL RECEIVE A TOTAL OF \$3,380,000, OF WHICH PENRITH CITY COUNCIL IS TO GET \$330,000.

AS SOON AS THE GRANTS COMMISSION REPORT WAS TABLED IN THE HOUSE OF REPRESENTATIVES, I SENT TELEGRAMS TO ALL COUNCILS INFORMING THEM OF THEIR INDIVIDUAL GRANTS. I TRUST THAT THE MAJORITY OF COUNCILS DERIVED AS MUCH PLEASURE FROM RECEIVING THEM AS I HAD IN SENDING THEM. IT IS ALWAYS EXHILARATING TO BE ABLE TO DELIVER THE GOODS. I TRUST YOU WILL ENJOY THE PROCESS OF TYING UP THE PACKAGE AS YOUR COUNCIL DELIBERATIONS DICTATE, SINCE WE ATTACHED NO STRINGS TO OUR LONG-AWAITED PRESENT.

OUR SECOND GREAT INITIATIVE LAST YEAR WAS TO SEEK A VOICE AND A VOTE FOR LOCAL GOVERNMENT ON THE LOAN COUNCIL. OUR PURPOSE WAS, AND STILL IS, TO ADMIT REPRESENTATIVES OF ALDERMEN AND COUNCILLORS FROM EACH STATE AND ENABLE THE COMMONWEALTH, ON REQUEST, TO RAISE APPROVED LOANS RAISED BY THE COMMONWEALTH ON BEHALF OF THE STATES. I NEED HARDLY REMIND YOU OF THE RESULTS OF THAT SPECIAL PREMIERS CONFERENCE IN OCTOBER LAST YEAR WHICH TURNED OUR PROPOSALS DOWN. WHEN THE PREMIERS REJECTED THESE PROPOSALS TO BALANCE THE FUNCTIONS AND FINANCES OF THE THREE TIERS OF GOVERNMENT TO ENSURE ADEQUATE SERVICES AND DEVELOPMENT OF RESOURCES, WE HAD NO ALTERNATIVE BUT TO PROCEED WITH A REFERENDUM.

THAT REFERENDUM WAS CARRIED IN NEW SOUTH WALES, LARGELY BECAUSE SO MANY LOCAL GOVERNMENT PEOPLE SUPPORTED IT IN THE FACE OF STRONG OPPOSITION FROM THE STATE PREMIER AND THE FEDERAL OPPOSITION PARTIES WHO TRIED TO SCARE THE PEOPLE AWAY FROM IT. I BELIEVE THAT YOU SUPPORTED THAT REFERENDUM BECAUSE YOU REALISED WHERE YOUR HOPE FOR SURVIVAL LAY, THE PEOPLE OF NEW SOUTH WALES SUPPORTED IT BECAUSE RESPONSIBLE LOCAL GOVERNMENT BODIES ENCOURAGED THEM TO DO SO.

WHAT OF THE FEAR OF A FEDERAL TAKEOVER OF LOCAL GOVERNMENT? IT IS A GHOST WHICH MUST BE LAID TO REST. FOR MY PART I HAVE NO WISH TO SEE LOCAL GOVERNMENT BECOME AN APPENDAGE OF THE NATIONAL GOVERNMENT ANY MORE THAN I WANT IT TO REMAIN AN APPENDAGE OF THE STATE GOVERNMENTS. BUT I DO WANT IT TO HAVE ADEQUATE AND REASONABLE ACCESS TO THE NATION'S FINANCIAL RESOURCES. IT MUST BE ELEVATED TO ITS PROPER PLACE IN AUSTRALIAN SOCIETY AND GIVEN THE MEANS TO CARRY OUT ITS WORK FOR THE LASTING BENEFITS OF THE AUSTRALIAN PEOPLE. THE AUSTRALIAN LABOR GOVERNMENT HAS SHOWN THE WAY.
