

LOCAL GOVERNMENT AND THE NATIONAL GOVERNMENT

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SPEECH BY THE PRIME MINISTER, MR E. G. WHITLAM, Q.C., M.P.,  
OPENING THE ANNUAL CONFERENCE OF THE AUSTRALIAN COUNCIL OF  
LOCAL GOVERNMENT ASSOCIATIONS, AT ALICE SPRINGS, ON MONDAY  
11 NOVEMBER, 1974.

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THERE IS A SYMBOLISM ABOUT THIS GATHERING WHICH ONE MAY FIND FASCINATING OR FRIGHTENING ACCORDING TO ONE'S PREJUDICES. AUSTRALIAN LOCAL GOVERNMENT HAS AT LAST COME TO THE CENTRE. WHEN YOU CHOOSE NOT ONLY TO MEET IN THE CENTRE, BUT HAVE THE LUCIFER OF CENTRALISM OPEN YOUR CONFERENCE - AND HAVE YOUR MEETING ON AN AUSTRALIAN TERRITORY - THEN THE PREMIER OF QUEENSLAND MIGHT WELL WONDER WHAT THE WORLD IS COMING TO. I, NATURALLY AND BY CONTRAST, FIND BOTH YOUR CHOICES - THE VENUE AND THE OPENING SPEAKER - WELCOME AND GRATIFYING. IN THE LIGHT OF THE NORTHERN TERRITORY ELECTIONS IT MIGHT BE EXCESSIVE TO SAY THAT I MEET YOU ON HOME TERRITORY; BUT IT IS AT LEAST NEUTRAL GROUND, AND FOR ALL OF US - AS FAR AS THE WARMTH OF THE WELCOME OF THE PEOPLE OF ALICE SPRINGS ON THIS OCCASION IS CONCERNED - FRIENDLY GROUND.

THIS CONFERENCE ITSELF IS ANOTHER LANDMARK ON THE RAPID MARCH TO MATURITY - TOWARDS PARTNERSHIP IN THE FEDERAL SYSTEM - WHICH LOCAL GOVERNMENT HAS MADE IN RECENT YEARS - VERY RECENT YEARS. IT HAPPENS TO BE JUST TWO YEARS THIS WEEK THAT I DELIVERED THE POLICY SPEECH ON BEHALF OF THE AUSTRALIAN LABOR PARTY FOR THE 1972 ELECTIONS. IT WAS NO ACCIDENT THAT THE LENGTHIEST AND MOST DETAILED SECTION OF THAT DOCUMENT DEALT DIRECTLY WITH CITIES, CENTRES, REGIONS, AND LOCAL GOVERNMENT AND THE SOCIAL, FINANCIAL AND CONSTITUTIONAL QUESTIONS ASSOCIATED WITH THEM. IT WAS NO ACCIDENT IN EITHER PERSONAL OR POLITICAL TERMS. FROM THE TIME I WAS ELECTED TO THE NATIONAL PARLIAMENT - TWENTY-TWO YEARS AGO AT THE END OF THIS MONTH - I REFUSED TO ACCEPT WHAT WAS THEN THE CONVENTIONAL WISDOM THAT THE SOLE OR CHIEF CONCERNS OF THE NATIONAL PARLIAMENT SHOULD BE FOREIGN AFFAIRS, DEFENCE, THE ANNUAL BUDGET AND THE LEVEL OF THE MAJOR SOCIAL WELFARE PAYMENTS. POLITICALLY, IT SEEMED OBVIOUS THAT A PARTY OF SOCIAL REFORM, SUCH AS OURS PROFESSED TO BE, EMASCULATED ITSELF BY ACCEPTING THESE LIMITATIONS AND PREOCCUPATIONS. IT COULD NEVER GET ANYWHERE UNLESS IT RECOGNISED, AS A NATIONAL PARTY, THE NEED FOR NATIONAL INVOLVEMENT - BY THE NATIONAL GOVERNMENT THROUGH THE NATIONAL PARLIAMENT - IN THE CONCERNS OF THE PEOPLE OVER THE WHOLE RANGE OF POLICY - THEIR SCHOOLS, THEIR CITIES, THEIR HOSPITALS, THEIR CULTURE, THEIR RECREATION, THEIR IMMEDIATE ENVIRONMENT, AND PROVIDING ACCESS TO JOBS, SHOPS AND RECREATIONS.

AND IN ALL THESE AREAS I SAW IT TO BE NECESSARY AND INESCAPABLE THAT LOCAL GOVERNMENT MUST PLAY A FULL PART - AS A FULL PARTNER - WITHIN THE FEDERAL SYSTEM. I FOUGHT TO HAVE THE VIEW ACCEPTED BY MY PARTY AND INCORPORATED IN ITS PLATFORM. I FOUGHT SUCCESSFULLY. I THEN FOUGHT TO HAVE THAT VIEW ACCEPTED BY THE AUSTRALIAN ELECTORATE. I FOUGHT SUCCESSFULLY. I HAVE SINCE FOUGHT TO HAVE THAT VIEW INCORPORATED IN THE LEGISLATION AND THE CONSTITUTION OF THIS NATION. I HAVE HAD SOME SUCCESSES AND SOME FAILURES. I HAVE NOT YET FINISHED THAT FIGHT.

WHEN AS LEADER OF THE AUSTRALIAN LABOR PARTY I BEGAN TO BRING LOCAL QUESTIONS TO THE CENTRE OF THE NATIONAL DEBATE I CAME IN FOR SOME "CHIACKING". I EVEN HAD THE POOR TASTE TO SUGGEST THAT SEWERAGE WAS A NATIONAL PROBLEM - IN FACT A NATIONAL ISSUE. I REMEMBER THE THEN PRIME MINISTER, JOHN GORTON, ACCUSED ME OF TALKING LIKE A SHIRE PRESIDENT. I ACCEPTED THE SOFT IMPEACHMENT. I THOUGHT IT GOOD COMPANY TO BE IN. I FIND IT GOOD COMPANY TO BE IN TODAY. IRONICALLY MR. GORTON HIMSELF IS NOW DEEMED AN EVEN MORE FEROCIOUS CENTRALIST THAN I. THE FACT IS THAT THE APPROACH I TAKE TO NATIONAL AFFAIRS OWES NOTHING TO ANY DOCTRINE CALLED "CENTRALISM", IF SUCH A DOCTRINE THERE BE.

IT IS SCARCELY EVEN "SOCIALISM", IF SOCIALISM BE DEFINED AS BERNARD SHAW AND THE WEBBS DID - AND THEY WERE THE PIONEERS OF MODERN LOCAL GOVERNMENT - AS "THE INEVITABILITY OF GRADUALISM" X I AM RATHER ENTITLED TO DESCRIBE WHAT I HAVE BEEN ADVOCATING, DEFINING, AND RE-DEFINING OVER A LONG TWENTY-TWO YEARS AND MORE, AS HAVING BEEN THE GRADUALISM OF INEVITABILITY X FOR IT IS INEVITABLE, GIVEN AUSTRALIA'S NATURE AND SITUATION, THAT THE NATIONAL GOVERNMENT MUST ACCEPT GREATER INVOLVEMENT IN ALL THESE MATTERS WHICH WERE ONCE DEEMED TO BE THE SOLE RESPONSIBILITY OF THE STATES OR OF LOCAL GOVERNMENT X THE RESULT OF THAT OLD APPROACH WAS THAT THE FUNCTIONS WHICH A MODERN COMMUNITY REQUIRES SHOULD BE PERFORMED THROUGH ITS ELECTED REPRESENTATIVES WERE EITHER DONE INADEQUATELY OR NOT DONE AT ALL, WERE FINANCED INADEQUATELY AND UNFAIRLY OR NOT FINANCED AT ALL X IT IS INEVITABLE THAT THE NATIONAL GOVERNMENT MUST ACCEPT INCREASING RESPONSIBILITY TO FINANCE THESE FUNCTIONS FAIRLY AND ADEQUATELY X WHAT I HAVE TRIED TO DO, WHAT THE AUSTRALIAN GOVERNMENT HAS TRIED TO DO, IS TO CREATE THE INSTITUTIONS AND MACHINERY - AND TO APPOINT THE MEN AND WOMEN - WHEREBY THIS INEVITABLE RESPONSIBILITY CAN BE DISCHARGED EFFICIENTLY AND FAIRLY X

TO THE EXTENT THAT THE POLICY SPEECH OF 1972 INCORPORATED THESE CONCEPTS IT MIGHT BE REGARDED AS SOMETHING OF A POLITICAL TESTAMENT X

IT MAY BE THAT HAD WE NOT BEEN SUCCESSFUL AT THE ELECTIONS BEFORE LAST, IT WOULD HAVE BEEN MY LAST TESTAMENT. BUT IT IS USEFUL TO LOOK BACK ON THAT DOCUMENT AND SEE HOW FAR THE AUSTRALIAN GOVERNMENT HAS BEEN ABLE TO ACHIEVE WHAT IT SET OUT TO DO FOR LOCAL GOVERNMENT AND THE PEOPLE FOR WHOM LOCAL GOVERNMENT HAS SO GREAT A RESPONSIBILITY.

I EXPLAINED OUR GENERAL APPROACH IN THIS WAY:

"EVEN THE MOST ENLIGHTENED AND EQUAL APPROACH TO SOCIAL WELFARE CAN ONLY SCRATCH THE SURFACE OF THE BASIC PROBLEM OF EQUALITY AND WELL-BEING OF MOST OF OUR CITIZENS. WE CAN DOUBLE AND TREBLE SOCIAL BENEFITS, BUT WE CAN NEVER MAKE UP THROUGH CASH PAYMENTS FOR WHAT WE TAKE AWAY IN MENTAL AND PHYSICAL WELL-BEING AND SOCIAL COHESION THROUGH THE BREAK-DOWN OF COMMUNITY LIFE AND COMMUNITY IDENTITY. INCREASINGLY, A CITIZEN'S REAL STANDARD OF LIVING, THE HEALTH OF HIMSELF AND HIS FAMILY, HIS CHILDREN'S OPPORTUNITIES FOR EDUCATION AND SELF-IMPROVEMENT, HIS ACCESS TO EMPLOYMENT OPPORTUNITIES, HIS ABILITY TO ENJOY THE NATION'S RESOURCES FOR RECREATION AND CULTURE, HIS ABILITY TO PARTICIPATE IN THE DECISIONS AND ACTIONS OF THE COMMUNITY ARE DETERMINED NOT BY HIS INCOME, NOT BY THE HOURS HE WORKS, BUT BY WHERE HE LIVES. THIS IS WHY LABOR BELIEVES THAT THE NATIONAL GOVERNMENT MUST INVOLVE ITSELF DIRECTLY IN CITIES AND CENTRES WHERE MOST PEOPLE LIVE.

PRACTICALLY EVERY MAJOR NATIONAL PROBLEM RELATES TO CITIES. A NATIONAL GOVERNMENT WHICH CUTS ITSELF OFF FROM RESPONSIBILITY FOR THE NATION'S CITIES IS CUTTING ITSELF OFF FROM THE NATION'S REAL LIFE. A NATIONAL GOVERNMENT WHICH HAS NOTHING TO SAY ABOUT CITIES HAS NOTHING RELEVANT OR ENDURING TO SAY ABOUT THE NATION OR THE NATION'S FUTURE. LABOR IS NOT A CITY-BASED PARTY. IT IS A PEOPLE-BASED PARTY, AND THE OVERWHELMING MAJORITY OF OUR PEOPLE LIVE IN CITIES AND TOWNS ACROSS OUR NATION."

I THEN OUTLINED SPECIFIC PROPOSALS. THEY WERE:

- (A) TO ESTABLISH A MINISTRY OR URBAN AND REGIONAL DEVELOPMENT.
- (B) TO SET UP LAND COMMISSIONS TO BUY SUBSTANTIAL TRACTS OF LAND IN NEW AREAS BEING OPENED UP FOR HOUSING AND TO LEASE OR SELL AT COST FULLY SERVICED BLOCKS.
- (C) TO MAKE DIRECT GRANTS TO THE STATES FOR URBAN PUBLIC TRANSPORT.
- (D) TO ASK THE PRINCIPAL WATER AND SEWERAGE AUTHORITIES WHAT AUSTRALIAN GRANTS IN THAT FINANCIAL YEAR WOULD ENABLE THEM TO EMBARK PROMPTLY AND ECONOMICALLY ON AN UNINTERRUPTED PROGRAM TO PROVIDE SERVICES TO THE PREMISES IN THEIR AREAS BY 1978.

- (E) TO MAKE DIRECT REPRESENTATION FOR LOCAL GOVERNMENT A CONDITION OF PARTICIPATION BY THE AUSTRALIAN GOVERNMENT AT THE PROPOSED CONSTITUTION CONVENTION OF 1973<sub>x</sub>
- (F) TO AMEND THE GRANTS COMMISSION ACT TO AUTHORISE THE COMMISSION TO INQUIRE INTO AND REPORT UPON APPLICATION FOR AUSTRALIAN GOVERNMENT GRANTS BY ANY LOCAL GOVERNMENT AUTHORITY OR GROUP OF AUTHORITIES, PREFERABLY ON A REGIONAL OR DISTRICT BASIS<sub>x</sub>
- (G) TO SECURE FOR LOCAL GOVERNMENT A VOICE AND A VOTE ON THE LOAN COUNCIL<sub>x</sub>

WITH ONE NOTABLE EXCEPTION, THESE UNDERTAKINGS HAVE ALL BEEN FULFILLED IN WHOLE OR PART<sub>x</sub> IN HIS ANNUAL REPORT YOUR PRESIDENT MR GUERIN REFERS VERY GENEROUSLY TO THESE ACHIEVEMENTS<sub>x</sub> PROPERLY, HE DESCRIBES THE AMENDED GRANTS COMMISSION LEGISLATION, THE SUBSEQUENT REPORT OF THE GRANTS COMMISSION AND THE ACCEPTANCE BY THE AUSTRALIAN GOVERNMENT OF ITS RECOMMENDATIONS AS THE MOST SIGNIFICANT ACHIEVEMENT THIS YEAR<sub>x</sub> AS A RESULT OF THE FIRST REPORT WE HAVE AUTHORISED PAYMENT OF NEARLY \$56½ MILLION (\$56,345,000) TO LOCAL GOVERNMENT BODIES<sub>x</sub> THE 806 AUTHORITIES WHICH BENEFIT COMPRISE 92 PER CENT OF ALL WHO APPLIED FOR FINANCIAL ASSISTANCE<sub>x</sub>

THE GRANTS RANGE FROM \$3,000 TO \$2 MILLION FOR THE LARGEST AND MOST POPULOUS COUNCIL AREA IN AUSTRALIA - BRISBANE. I EMPHASISE THAT THE AUSTRALIAN GOVERNMENT ACCEPTED THE COMMISSION'S RECOMMENDATION THAT THE GRANTS ARE MADE WITHOUT CONDITIONS ON THE MANNER IN WHICH THEY ARE SPENT BY THE RECEIVING AUTHORITY. I ALSO EMPHASISE THAT THE NEW FUNDS SHOULD IN NO WAY BE A SUBSTITUTE FOR REVENUE NORMALLY RAISED BY COUNCILS BY LONG ESTABLISHED MEANS SUCH AS RATES AND CHARGES FOR SERVICES NOR REPLACE ASSISTANCE NORMALLY PROVIDED BY STATE GOVERNMENTS.

AS YOU WILL BE WELL AWARE, OUR CHIEF OBJECTIVE IS EQUALISATION OF SERVICES WITHIN REGIONS. WE HAVE LEGISLATED TO ENABLE THE GRANTS COMMISSION TO PROMOTE STANDARDS AS BETWEEN REGIONS IN A WAY WHICH IT HAD ONLY BEEN ABLE TO DO, FROM ITS CREATION IN 1933, AS BETWEEN THE STATES. THE GREAT INEQUALITIES IN AUSTRALIA NOW LIE NOT BETWEEN THE STATES BUT BETWEEN REGIONS WITHIN THE STATE BOUNDARIES.

I BELIEVE THE NEW WORK OF THE GRANTS COMMISSION, AS IT UNFOLDS, WILL PROMOTE ANOTHER DEVELOPMENT OF PROFOUND SIGNIFANCE TO THE SHAPE, IMPORTANCE AND EFFECTIVENESS OF LOCAL GOVERNMENT. I REFER TO THE CREATION OF REGIONS AND THE DEVELOPMENT OF GENUINE REGIONAL THINKING.



THE CREATION OF APPROVED REGIONAL ORGANISATIONS FOR THE PURPOSES OF THE GRANTS COMMISSION ACT IS NOW ALMOST COMPLETE. SO FAR THERE ARE 74 APPROVED REGIONAL ORGANISATIONS. IN THE FIRST YEAR OF OPERATION OF THE NEW ACT ONLY THIRTEEN LOCAL GOVERNING BODIES EITHER DECLINED TO ACCEPT MEMBERSHIP OF ANY REGIONAL ORGANISATION OR DID NOT SEEK ANY FINANCIAL ASSISTANCE THROUGH THE GRANTS COMMISSION. THIS NUMBER HAS ALREADY BEEN REDUCED AND WE LOOK FORWARD TO A VIRTUAL 100 PER CENT PARTICIPATION. THE SPIRIT IN WHICH INDIVIDUAL LOCAL AUTHORITIES ENTER INTO THE REGIONAL PROGRAM IS, OF COURSE, A MATTER FOR THEIR DECISION. I DO SUGGEST, HOWEVER, THAT AN IMAGINATIVE APPROACH TO THE REGIONAL ORGANISATION, INVOLVING PARTICIPATION NOT ONLY OF THE CONSTITUENT COUNCILS BUT OF THE REGIONAL COMMUNITY, WILL PROVIDE A MAJOR STEP TOWARDS BETTER REGIONS, BETTER LOCAL GOVERNMENT, BETTER COOPERATION BETWEEN FEDERAL AND STATE AND LOCAL GOVERNMENT AND BETTER, HAPPIER COMMUNITIES. AT PRESENT THE REGIONAL ORGANISATIONS CONSIST SOLELY OF REPRESENTATIVES OF LOCAL GOVERNMENT. THE FUTURE STRUCTURE AND DEVELOPMENT OF REGIONAL ORGANISATIONS IS NOT SOMETHING THAT SHOULD BE FEARED BY LOCAL GOVERNMENT BECAUSE IT IS A MATTER LARGELY FOR COMPONENT LOCAL GOVERNMENT AUTHORITIES THEMSELVES TO DETERMINE. THEY CAN IF THEY CHOOSE LEAVE THE REGIONAL ORGANISATION AS NOTHING MORE THAN A DEVICE FOR MAKING APPLICATION TO THE GRANTS COMMISSION.

I DO BELIEVE, HOWEVER, THAT EXPERIENCE WILL DEMONSTRATE THE ADVANTAGES OF REGIONAL CONSULTATION AND COOPERATION IN A NATION WHICH HAS HITHERTO HAD FAR TOO FEW GENUINE REGIONS AND FAR TOO MANY LOCAL GOVERNMENT BODIES; FAR TOO LITTLE REGIONALISM AND FAR TOO MUCH PAROCHIALISM<sub>x</sub>

I MENTIONED THAT THERE WAS ONE GREAT EXCEPTION IN OUR EFFORTS TO FULFIL THE PROGRAM FOR LOCAL GOVERNMENT OUTLINED TWO YEARS AGO<sub>x</sub> NOT, YOU WILL BELIEVE ME, FOR WANT OF TRYING<sub>x</sub> I REFER OF COURSE TO OUR EFFORTS TO SECURE A VOICE AND A VOTE FOR LOCAL GOVERNMENT ON THE LOAN COUNCIL<sub>x</sub> IN THE 1972 POLICY SPEECH I SAID: "LET THERE BE NO MISTAKE ABOUT OUR DETERMINATION TO MAKE LOCAL GOVERNMENT A GENUINE PARTNER IN THE FEDERAL SYSTEM<sub>x</sub> IN 1927 WHEN THE FIRST FINANCIAL AGREEMENT BETWEEN THE COMMONWEALTH AND STATES ESTABLISHED THE LOAN COUNCIL SEMI-GOVERNMENT AND LOCAL GOVERNMENT DEBTS WERE A MERE FRACTION OF STATE DEBTS<sub>x</sub> NOW SEMI-GOVERNMENT AND LOCAL AUTHORITIES HAVE TO FIND AS LARGE SUMS AS THE STATE GOVERNMENTS FOR THE REPAYMENT OF LOANS AND PAYMENT OF INTEREST<sub>x</sub> IT WOULD BE INCONCEIVABLE, IF THE FINANCIAL AGREEMENT WERE BEING DRAWN UP NOW, FOR THE SEMI AND LOCAL GOVERNMENTAL AUTHORITIES TO BE COMPLETELY IGNORED<sub>x</sub> AT PRESENT ON THE LOAN COUNCIL EACH STATE HAS ONE VOTE AND THE COMMONWEALTH HAS TWO VOTES AND A CASTING VOTE<sub>x</sub> WE PROPOSE THAT AT NEXT YEAR'S CONVENTION THE LOAN COUNCIL BE RESTRUCTURED TO CONSIST OF ONE REPRESENTATIVE FROM EACH STATE GOVERNMENT, ONE REPRESENTATIVE OF THE ALDERMEN AND COUNCILLORS IN EACH STATE CHOSEN BY THEM AND FOUR REPRESENTATIVES OF THE COMMONWEALTH<sub>x</sub>

"IT WILL THEN BE POSSIBLE FOR THE COMMONWEALTH, ON REQUEST, TO RAISE APPROVED LOANS ON BEHALF OF SEMI-GOVERNMENT AND LOCAL GOVERNMENT AUTHORITIES, THUS GIVING THEM THE ADVANTAGE OF THE LONGER PERIOD AND LOWER INTEREST APPERTAINING TO THE LOANS RAISED BY THE COMMONWEALTH ON BEHALF OF THE STATES."

I DON'T SUPPOSE I HAVE TO FOLLOW THROUGH THE STORY IN DETAIL. AT THE CONVENTION IN SYDNEY IN SEPTEMBER 1973 I DID SECURE SOME SORT OF AGREEMENT - OR AT LEAST I THOUGHT I HAD SECURED IT - FROM THE PREMIERS. AT LEAST THEY AGREED TO DISCUSS THE PROPOSAL AND WHEN THEY CAME TO CANBERRA ON 11 OCTOBER 1973 I EXPECTED TO MAKE REAL PROGRESS. I HAVE TO SAY THAT WITH ONE EXCEPTION THE PREMIERS DID LITTLE MORE THAN REINFORCE EACH OTHERS' PREJUDICES IN FAVOUR OF THE STATUS QUO. REGRETTABLY THE ONE EXCEPTION IS NO LONGER A PREMIER. THEIR ARGUMENTS BOILED DOWN TO TWO: THAT THE PRESENCE OF LOCAL GOVERNMENT ON THE LOAN COUNCIL WOULD MAKE THAT BODY UNWIELDY IF NOT UNWORKABLE, PARTICULARLY AS LOCAL GOVERNMENT REPRESENTATIVES WOULD LACK THE KNOW-HOW TO GRAPPLE WITH THESE PROBLEMS OF BORROWINGS, DEBTS, INTEREST AND FUNDING; AND SECONDLY, ALL THAT WAS NECESSARY FOR THE SOLUTION OF LOCAL GOVERNMENT PROBLEMS WAS FOR THE AUSTRALIAN GOVERNMENT TO PROVIDE MORE MONEY FOR THE STATES. IN OTHER WORDS, THE SAME SYSTEM, THE SAME SET-UP, WHICH HAS SO MANIFESTLY FAILED, SHOULD BE CONTINUED.

I DO NOT THINK ANY EXPERIENCE SINCE I BECAME PRIME MINISTER HAS SO COMPLETELY UPHELD THE ASSERTION I USED TO MAKE AS LEADER OF THE OPPOSITION - THAT THE STATES WHO COMPLAIN OF STARVATION FROM CANBERRA ARE INSENSITIVE TO THE NEEDS OF THEIR OWN CREATIONS. I NEXT SOUGHT TO ACHIEVE OUR OBJECT IN THE ONLY WAY OPEN - BY REFERENDUM, BY GOING TO THE PEOPLE OF AUSTRALIA. I DO NOT HIDE FROM YOU MY DISAPPOINTMENT AT THE REJECTION OF THAT REFERENDUM. IN A SENSE, I SUPPOSE IT MAY BE REGARDED AS ONE OF THE CASUALTIES OF THE ELECTION FORCED UPON US IN MAY. THE OFFICIAL CASE FOR NO WAS A MARVEL OF MISREPRESENTATION. THE PROPOSAL WAS TERMED A "MONEY BRIBE". IT CLAIMED: "IMAGINE THE MACHINERY WHICH WOULD BE NECESSARY TO EXAMINE THE AFFAIRS OF 1,000 MUNICIPALITIES AND TO DECIDE WHICH ONES WERE DOING WHAT, WHY THEY WERE DOING IT, HOW THEY WERE DOING IT, WHETHER THEY NEEDED ASSISTANCE, IF SO WHAT ASSISTANCE AND HOW MUCH". IN OTHER WORDS, THE OFFICIAL CASE FOR NO WAS ACTUALLY ATTACKING THE WORK ALREADY UNDERTAKEN BY THE GRANTS COMMISSION. IT DELIBERATELY CONFUSED THE LOAN COUNCIL AND THE GRANTS COMMISSION. DESPITE THE CONFUSION, DESPITE THE FIELD-DAY FOR ALL THE NAY-SAYERS, THE PROPOSAL RECEIVED A VERY HIGH LEVEL OF PUBLIC SUPPORT. THE INTERESTING FEATURE IS THAT THE SIZE OF THE YES VOTE WAS IN DIRECT PROPORTION TO THE SIZE OF THE STATE - THE LARGER THE STATE THE LARGER THE YES VOTE.

## BY STATES THE RESULTS WERE:

	YES	NO
NEW SOUTH WALES	50.79	49.21
VICTORIA	47.38	52.62
QUEENSLAND	43.68	56.32
SOUTH AUSTRALIA	42.52	57.48
WESTERN AUSTRALIA	40.67	59.33
TASMANIA	40.00	60.00
AUSTRALIA	46.85	53.15

WHATEVER THE PRESENT OUTLOOK ON THIS OR ANY OTHER MATTER AFFECTING LOCAL GOVERNMENT, I AM DETERMINED TO CARRY OUT THE FUNDAMENTAL PLEDGE I GAVE IN 1972 - THAT LOCAL GOVERNMENT SHALL BE MADE A FULL PARTNER IN OUR FEDERAL SYSTEM. THE GRANTS COMMISSION ACT IS OBVIOUSLY A BIG STEP FORWARD. THE REJECTION SO FAR OF OUR EFFORTS FOR REPRESENTATION ON THE LOAN COUNCIL IS OBVIOUSLY A SET-BACK. YET WE ARE ACHIEVING THE BASIC OBJECTIVE - PARTNERSHIP IN THE FEDERAL SYSTEM - IN MANY WAYS. WE ARE DOING THIS BY INVOLVING LOCAL GOVERNMENT CLOSELY IN MANY OF OUR MOST SIGNIFICANT PROGRAMS. I MENTION JUST A FEW OF THESE.

IN 1973 WE INSTITUTED TRIAL AREA IMPROVEMENT PROGRAMS INVOLVING SPENDING OF \$8 MILLION IN THE SYDNEY AND MELBOURNE WESTERN REGIONS. THIS YEAR THERE WILL BE THIRTEEN AREA IMPROVEMENT PROGRAMS OPERATING WITH A SPENDING OF \$14 MILLION.

LAST YEAR WE PROVIDED \$28 MILLION UNDER OUR NATIONAL SEWERAGE PROGRAM. THIS YEAR THE ESTIMATE IS \$105 MILLION AND THE PROGRAM HAS BEEN EXTENDED TO TOWNS WITH A POPULATION OF MORE THAN 10,000.

FOR THE FIRST TIME WE HAVE MADE URBAN LOCAL ROADS ELIGIBLE FOR FINANCIAL ASSISTANCE FROM THE AUSTRALIAN GOVERNMENT.

THE DEPARTMENT OF TOURISM AND RECREATION AND OTHER AUSTRALIAN DEPARTMENTS SUCH AS DEPARTMENT OF URBAN AND REGIONAL DEVELOPMENT ARE CONSULTING AT LOCAL LEVEL ON THE RECREATIONAL NEEDS OF THE PEOPLE. OUR GRANTS PROGRAM HAS MADE A START TOWARDS MEETING THOSE NEEDS. WE HAVE THIS YEAR ALLOCATED \$2.25 MILLION FOR GRANTS FOR LOCAL TOURIST ATTRACTIONS AND FACILITIES. WE ARE ESTABLISHING ADVISORY COMMITTEES FOR CONSULTATION WITH LOCAL GOVERNMENT, REGIONAL TOURIST ORGANISATIONS AND INDUSTRY REPRESENTATIVES TO PLAN REGIONAL TOURIST DEVELOPMENT. WE HAVE EXPANDED THE PROGRAM OF LOCAL OWNERSHIP OF AERODROMES.

LOCAL GOVERNMENT HAS PARTICIPATED IN THE INTERIM PROGRAM FOR PRE-SCHOOL AND CHILD-CARE SERVICES. ABOUT HALF OF THE 122 CAPITAL PROJECTS UNDERTAKEN THROUGH OUR CHILD-CARE PROGRAM WERE SPONSORED BY LOCAL GOVERNMENT BODIES. AS THESE PROJECTS DEVELOPED, PROGRESS PAYMENTS WERE MADE DIRECT TO THESE AUTHORITIES. ONCE THE PROJECTS WERE WELL UNDERWAY RECURRENT GRANTS WERE PAID TO THE MANAGEMENT BODIES WHICH USUALLY INCLUDE LOCAL GOVERNMENT REPRESENTATION.

WE HAVE MADE AVAILABLE MORE THAN \$3½ MILLION IN DIRECT GRANTS TO LOCAL GOVERNMENT AUTHORITIES FOR ABORIGINAL ADVANCEMENT IN THE PAST YEAR. MOST OF THAT WAS ALLOCATED UNDER THE SPECIAL WORK PROJECTS SCHEME ADMINISTERED BY LOCAL GOVERNMENT AUTHORITIES. I MAY SAY THAT, IN GENERAL, WE HAVE BEEN VERY SATISFIED WITH THE ADMINISTRATION OF THE GRANTS AND I APPRECIATE THE SPIRIT IN WHICH LOCAL GOVERNMENT HAS ENTERED INTO THE PROGRAM.

WE HAVE COOPERATED CLOSELY WITH LOCAL GOVERNMENT THROUGH THE CREATION OF THE REGIONAL COUNCILS FOR SOCIAL DEVELOPMENT IN THE IMPLEMENTATION OF THE AUSTRALIAN ASSISTANCE PLAN.

THE LEGISLATION FOR THE HOSPITALS AND HEALTH SERVICES COMMISSION PROVIDES FOR THE COMMISSION TO MAKE RECOMMENDATIONS ON FINANCIAL ASSISTANCE TO BE MADE AVAILABLE BY THE AUSTRALIAN GOVERNMENT TO LOCAL GOVERNMENTS AFTER CONSULTATIONS WITH THE STATES. THE COMMUNITY HEALTH PROGRAM AND THE COMMUNITY MENTAL HEALTH, ALCOHOLISM AND DRUG DEPENDENCY PROGRAM, BOTH INTRODUCED IN 1973, PROVIDE FOR DIRECT GRANTS TO LOCAL GOVERNMENT ORGANISATIONS. LOCAL GOVERNMENT NOW HAS AN OPPORTUNITY TO PARTICIPATE DIRECTLY IN THE PROVISION OF A WIDE RANGE OF HEALTH CARE SERVICES AND FACILITIES AT THE COMMUNITY LEVEL, WHERE ITS PARTICIPATION CAN BE MOST EFFECTIVE.

WE HAVE BEEN GRATIFIED BY THE COOPERATION WE HAVE RECEIVED FROM LOCAL GOVERNMENT IN THE REGIONAL EMPLOYMENT DEVELOPMENT SCHEME. SO FAR, 350 PROJECTS COSTING MORE THAN \$8.5 MILLION HAVE BEEN APPROVED. A FURTHER 100 PROJECTS ARE UNDER CONSIDERATION. A PARTICULARLY ENCOURAGING FEATURE HAS BEEN THE WILLINGNESS OF PROJECT SPONSORS, PREDOMINANTLY LOCAL GOVERNMENT AUTHORITIES, TO CONTRIBUTE THEMSELVES TO THE COST OF PROJECTS.



THE ROLE WE ASSIGN TO LOCAL GOVERNMENT IS THE REAL ANSWER TO CHARGES OF CENTRALISM. UNDER A VARIETY OF PROGRAMS WE HAVE PROVIDED LOCAL GOVERNMENT WITH THE FUNDS TO UNDERTAKE A RANGE OF ACTIVITIES PREVIOUSLY INADEQUATELY CARRIED OUT OR TOTALLY NEGLECTED. WE DELIBERATELY HAVE MADE AND SHALL MAKE LOCAL GOVERNMENT A VEHICLE FOR OUR LEGISLATION ON AGED PERSONS' HOMES AND HOSTELS, SHELTERED EMPLOYMENT, HANDICAPPED CHILDREN, MEALS ON WHEELS, HOME CARE AND NURSING, NURSING HOMES AND HOMELESS MEN AND WOMEN. THESE ARE ALL ACTIVITIES WHICH CANNOT BE CLOSELY REGULATED FROM THE NATIONAL OR STATE CAPITALS AND ARE BEST PLANNED AND IMPLEMENTED BY LOCAL GOVERNMENT WORKING WITH LOCAL COMMUNITIES. THEY JUSTIFY ASSISTANCE FROM THE NATION'S FINANCES BUT NOT INCREASES IN RATES.

LAST MONTH WE WERE FORTUNATE ENOUGH TO BE ABLE TO ANNOUNCE THAT MR JUSTICE ELSE-MITCHELL, JUDGE OF THE LAND AND THE VALUATION COURT OF NEW SOUTH WALES SINCE 1962, HAD ACCEPTED APPOINTMENT AS CHAIRMAN OF THE GRANTS COMMISSION FOR THE NEXT FIVE YEARS. HE IS A MAN WITH A VERY DEEP UNDERSTANDING OF THE PROBLEMS OF LOCAL GOVERNMENT. WHEN HE WAS CHAIRMAN OF THE ROYAL COMMISSION INTO NEW SOUTH WALES' LAND VALUATION RATING SYSTEMS IN 1965, HE SAID:

"PRESENT CENTRALISED POLICIES, WHICH HAVE REDUCED LOCAL GOVERNMENT TO A STATE OF VASSALAGE AND COUNCILS TO THE ROLE OF MENDICANTS, NEED DRASTIC REAPPRAISEMENT, THOUGH I WONDER IF STATE GOVERNMENTS ARE VERY ANXIOUS FOR LOCAL AUTHORITIES TO GAIN ANY SUBSTANTIAL MEASURE OF FINANCIAL INDEPENDENCE OR TO DEVELOP QUALITIES OF STRONG LOCAL AUTONOMY."

THE POLICIES AND PROGRAMS OF THE AUSTRALIAN GOVERNMENT WILL, I BELIEVE, GO FAR TO END THAT CONDITION OF VASSALAGE. THE PARADOX IS THAT MORE DIRECT COOPERATION BETWEEN THE NATIONAL GOVERNMENT AND LOCAL GOVERNMENT CAN HELP END STATE CENTRALISM BY GIVING THE CHANCE FOR THE GROWTH OF GENUINE REGIONALISM. OUR AIM IS TO PROMOTE THE QUALITY OF THE REGIONS AND TO PROMOTE EQUALITY BETWEEN THE REGIONS. IT CAN BE ACHIEVED ONLY THROUGH COOPERATION BETWEEN THE NATIONAL GOVERNMENT AND LOCAL GOVERNMENT. THERE IS NO OTHER WAY. THIS IS NOT JUST MY CHOICE; IT IS A CHOICE IMPOSED UPON US BY NECESSITY, BY THE INEVITABILITY OF AUSTRALIAN HISTORY.

(END)