

SPEECH BY THE PRIME MINISTER, THE HON. E.G. WHITLAM, Q.C., M.P.  
AT THE OPENING OF THE MEETING OF THE CAPITAL CITY LORD MAYORS,  
27 JUNE 1975, AT THE TOWN HALL, CITY OF SYDNEY

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MY LORD MAYORS,

WE LAST MET 18 MONTHS AGO IN CANBERRA. WE MEET AGAIN TODAY IN THE TOWN HALL OF THE CITY WHICH GREW FROM THE FIRST EUROPEAN SETTLEMENT IN AUSTRALIA, 187 YEARS AGO. IN 1842 IT BECAME THE FIRST MUNICIPALITY IN NEW SOUTH WALES. IT IS INDEED AN APPROPRIATE VENUE FOR A MEETING BETWEEN THE HEADS OF AUSTRALIA'S CENTRAL CITIES AND ITS NATIONAL GOVERNMENT.

TODAY, WE WILL BE DISCUSSING IDEAS OF MUTUAL CONCERN. WE WILL BE IDENTIFYING AREAS WHERE OUR OFFICERS CAN HAVE FURTHER DISCUSSIONS. THERE HAVE ALREADY BEEN REGULAR MEETINGS BETWEEN OFFICIALS OF THE CAPITAL CITIES SECRETARIAT AND THE DEPARTMENT OF URBAN AND REGIONAL DEVELOPMENT AND IT IS MY HOPE THAT THESE COOPERATIVE EFFORTS CAN BE FURTHER EXTENDED.

THE CAPITAL CITIES

YOU HAVE NOT COME TOGETHER TODAY TO REPRESENT LOCAL GOVERNMENT GENERALLY. WE SEEK DISCUSSIONS ON MATTERS OF PARTICULAR CONCERN TO THE CAPITAL CITIES. YOU ARE SEEKING RECOGNITION FROM THE AUSTRALIAN GOVERNMENT OF THE SPECIAL PROBLEMS WHICH THE CAPITAL CITIES SUFFER AND THE NEED FOR SPECIAL MEASURES TO SOLVE THOSE PROBLEMS.

WITH THE OBVIOUS EXCEPTION OF BRISBANE, THE FUNCTIONS PERFORMED BY THE CAPITAL CITY COUNCILS DIFFER FROM THOSE SUBURBAN AUTHORITIES IN EACH METROPOLIS IN SCALE AND LOCATION, RATHER THAN FUNCTION. AT THE SAME TIME, WE ALL ACCEPT THAT IT IS DIFFICULT TO GENERALISE ACROSS THE RANGE OF CAPITAL CITIES AS THEY EACH DIFFER TO SOME DEGREE.

WE ACKNOWLEDGE THAT CAPITAL CITY COUNCILS DO UNDERTAKE HIGHER LEVELS OF SPENDING DUE PARTLY TO THE HIGHER COSTS IN PROVIDING SERVICES IN CENTRAL CITY LOCATIONS. HIGHER STANDARDS OF SERVICES ARE OFTEN DEMANDED AND THERE ARE SPECIAL SERVICES WHICH ARE NOT WHOLLY USED BY RATEPAYERS.

GENERALLY, YOU HAVE A DISPROPORTIONATE AMOUNT OF PROPERTY EXEMPT FROM RATING AND THIS INCLUDES PROPERTY OWNED BY THE AUSTRALIAN GOVERNMENT. YOU HAVE EXTENSIVE PARKLANDS AND CULTURAL FACILITIES WHICH ARE USED BY THE PEOPLE OF THE WHOLE METROPOLIS.

ON THE OTHER HAND THESE SPECIAL PROBLEMS ARE NOT UNIQUE TO CAPITAL CITY COUNCILS. SEASIDE COUNCILS ARE REQUIRED TO COPE WITH THE INFLUX OF VISITORS USING THEIR BEACHES AND RECREATION FACILITIES. SOME SUBURBAN OR COUNTRY TOWN COUNCILS HAVE VERY LARGE AREAS OF GOVERNMENT PROPERTY OR OTHER NON RATEABLE PROPERTY WHICH CAN SUBSTANTIALLY REDUCE THEIR INCOME PROSPECTS. IN CERTAIN OF THE SMALLER CAPITAL CITIES THE PROBLEMS WHICH ARE FACED ARE NOT THAT DIFFERENT FROM THE PROBLEMS OF CITIES SUCH AS NEWCASTLE AND WOLLONGONG.

ADDITIONALLY, MUCH OF THE EXPENDITURE OF THE CAPITAL CITY COUNCILS IS DEVOTED TO WORKS AND SERVICES WHICH ENSURE THE CONTINUED VIABILITY OF THE CITY AS A COMMERCIAL CENTRE OF THE METROPOLIS.

THIS IS REFLECTED IN THE HIGH LEVEL OF RATEABLE VALUES WHICH IN TURN RESULT IN ABOVE AVERAGE REVENUE RAISING CAPACITIES WITH WHICH TO FINANCE THOSE ACTIVITIES.

IT IS IMPORTANT FOR US ALL TO RECOGNISE AT THE OUTSET THAT THESE DIFFICULTIES AND PROBLEMS COULD BE ALLEVIATED BY MEANS OTHER THAN GRANTS FROM HIGHER LEVELS OF GOVERNMENT. INSTITUTIONAL REARRANGEMENTS SHOULD BE EXAMINED. THE ADEQUACY OF THE PRESENT STRUCTURE OF METROPOLITAN LOCAL GOVERNMENT AND SCHEMES FOR COST SHARING BETWEEN THE CAPITAL CITIES AND OTHER AUTHORITIES IN THE METROPOLITAN AREA ARE TWO POSSIBLE AREAS WORTHY OF CONSIDERATION.

AUSTRALIAN GRANTS COMMISSION

I RECOGNISE THAT THE ROLE OF THE GRANTS COMMISSION IS OF CONCERN TO YOU. I SHOULD EMPHASISE AT THE OUTSET THAT THE COMMISSION IS AN INDEPENDENT BODY HEADED BY A VERY INDEPENDENTLY MINDED CHAIRMAN.

DECISIONS ON METHODOLOGY REST WITH THE COMMISSION AND I, FOR ONE, CANNOT <sup>FORECAST</sup> ~~ANTICIPATE IN ADVANCE~~ OF ITS REPORT FOR 1975-76.

IN ITS 1974 REPORT ON FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT BODIES, THE GRANTS COMMISSION RECOMMENDED THE ALLOCATION OF \$56.4M DURING THE FOLLOWING FINANCIAL YEAR FOR GENERAL REVENUE FISCAL EQUALISATION GRANTS TO LOCAL GOVERNMENT BODIES. I SHOULD STRESS THE WORD "EQUALISATION". WE CONSIDER THAT THOSE LOCAL GOVERNMENT BODIES WITH THE GREATEST PROBLEMS AND LEAST MEANS OF HELPING THEMSELVES SHOULD RECEIVE THE MOST ASSISTANCE. THIS IS REFLECTED IN THE CHARTER OF THE GRANTS COMMISSION.

I HAVE SAID, THAT I CANNOT <sup>PREDICT</sup> ~~ANTICIPATE~~ WHAT RECOMMENDATIONS THE COMMISSION WILL MAKE ON THE QUESTION OF FINANCIAL ASSISTANCE FOR THE CAPITAL CITIES. I RECOGNISE THAT LAST YEAR THE COMMISSION RECOMMENDED A \$2M GRANT TO THE BRISBANE CITY COUNCIL IN RECOGNITION OF THE SPECIAL SITUATION OF BRISBANE COMPARED TO THE OTHER CAPITAL CITY COUNCILS.

I UNDERSTAND THAT THE COMMISSION HAS HAD THE BENEFIT OF THE VIEWS OF THE AUSTRALIAN COUNCIL FOR LOCAL GOVERNMENT ASSOCIATIONS WHICH HAS MADE SUBMISSIONS ON BEHALF OF LOCAL GOVERNMENT GENERALLY. I WILL READ THE SHORTLY TO BE DELIVERED GRANTS COMMISSION REPORT WITH GREAT INTEREST.

#### SPECIFIC PURPOSE GRANTS

YOU WILL ALL BE AWARE OF THE SUBSTANTIAL INCREASE IN THE LEVEL AND RANGE OF SPECIFIC PURPOSE GRANTS WHICH HAVE BEEN MADE AVAILABLE TO LOCAL GOVERNMENT BY THE AUSTRALIAN GOVERNMENT. WE ARE NOW INVOLVED IN A COMPREHENSIVE SYSTEM OF GRANTS TO LOCAL BODIES.

IN 1973-74, GRANTS WERE MADE DIRECTLY TO LOCAL AUTHORITIES FOR AGED PERSONS HOMES, DELIVERED MEALS, HOME NURSING, SHELTERED EMPLOYMENT, CHILD CARE, ABORIGINAL ADVANCEMENT, AND COMMUNITY ARTS. ASSISTANCE WAS ALSO GIVEN TO LOCAL AERODROMES ALTHOUGH THIS CATEGORY IS UNLIKELY TO BE OF GREAT CONCERN TO YOU TODAY.

PAYMENTS HAVE ALSO BEEN MADE THROUGH THE STATES FOR SEWERAGE AND ROADS AND, IN CERTAIN AREAS, FOR URBAN DEVELOPMENT GENERALLY AND FOR AREA IMPROVEMENT. IN 1974-75 MY GOVERNMENT INTRODUCED NEW OR EXPANDED PROGRAMS FOR CHILD CARE CENTRES, PRE-SCHOOLS, REGIONAL EMPLOYMENT DEVELOPMENT, AND ASSISTANCE TO REGIONAL ORGANISATIONS. THE AUSTRALIAN ASSISTANCE PLAN HAS ALSO PROVIDED FUNDS FOR LOCAL PROJECTS.

IT IS NOT PRESENTLY POSSIBLE TO PRECISELY CALCULATE IN FINANCIAL TERMS THE GROWTH IN SPECIFIC PURPOSE ASSISTANCE. THE DIFFERENCES IN FUNCTIONS CARRIED ON BETWEEN LOCAL GOVERNMENTS IN EACH STATE OR PARTS OF STATES AND THE WAY IN WHICH FUNDING OF PROGRAMS IS SOMETIMES LINKED WITH STATE FUNDED PROGRAMS, MAKES THE TASK DIFFICULT. SUFFICE TO SAY THAT THE LEVEL OF ASSISTANCE HAS BEEN CONSIDERABLE, AND WHEN ADDED TO FUNDS MADE AVAILABLE FROM OTHER SOURCES, WE BELIEVE THAT LOCAL GOVERNMENT HAS BEEN GIVEN SUBSTANTIAL HELP IN PROVIDING BOTH BASIC LOCAL INFRASTRUCTURE SERVICES AS WELL AS THOSE MORE PERSONAL SERVICES WHICH OUR COMMUNITY HAS BEEN INCREASINGLY DEMANDING.

IT IS OUR AIM TO KEEP UNDER REVIEW THE TERMS AND CONDITIONS OF SPECIFIC PURPOSE GRANTS. WE NEED TO GUARD AGAINST OVERLAP AND DEVISE PROCEDURES WHEREBY THE DETAILED DECISION-MAKING CAN BE DEVOLVED TO UNITS OF GOVERNMENT CLOSE TO THE PEOPLE.

ON 18 JUNE 1975 I RELEASED A STATEMENT OF THE AUSTRALIAN GOVERNMENT'S POLICY ON REGIONALISM. AMONGST OTHER THINGS I SAID THAT A REGIONAL POLICY IS BASED ON THE CONCEPT THAT SOME PROGRAMS AND SERVICES OF GOVERNMENT ARE MOST EFFICIENTLY AND EFFECTIVELY PLANNED, CO-ORDINATED AND DELIVERED AT A LEVEL INTERMEDIATE TO THAT OF STATE AND LOCAL GOVERNMENT AND THAT THE POLICY IS BASED ON THE CONTINUED EXISTENCE OF FEDERAL, STATE AND LOCAL STRUCTURES.

AT THE CONFERENCE WITH PREMIERS ON 19 JUNE I INVITED PREMIERS TO JOIN THE AUSTRALIAN GOVERNMENT IN THE DEVELOPMENT OF CO-OPERATIVE PLANNING ARRANGEMENTS FOR THE BETTER ALLOCATION OF RESOURCES WITHIN FUNCTIONS.



THE STATE GOVERNMENTS HAVE AGREED TO FURTHER DISCUSSIONS BETWEEN OFFICERS ON THE POSSIBILITIES OF CO-OPERATIVE PLANNING. I WOULD HOPE THAT AGREEMENT ON A GENERAL APPROACH CAN BE REACHED IN THE NEXT FEW MONTHS. OBVIOUSLY FULL IMPLEMENTATION MAY TAKE SOME YEARS, BUT YOU CAN HAVE MY ASSURANCES THAT THE PLACE AND ROLE OF LOCAL GOVERNMENT IN ANY CONSULTATION AND PLANNING ARRANGEMENTS WILL BE OF PRIME CONCERN TO THE AUSTRALIAN GOVERNMENT.

WE ALSO RECOGNISE THE IMPORTANCE OF INFORMATION ABOUT THE VARIOUS PROGRAMS OF FINANCIAL ASSISTANCE WHICH ARE AVAILABLE FROM THE AUSTRALIAN GOVERNMENT. AT OUR LAST MEETING, YOU MADE COMMENTS ON THIS ISSUE AND AS A DIRECT RESULT THE DEPARTMENT OF URBAN AND REGIONAL DEVELOPMENT PRODUCED A BOOKLET IN MAY 1974, WHICH GAVE DETAILS OF THE VARIOUS PROGRAMS. THAT BOOKLET IS NOW BEING REVISED AND SHOULD BE AVAILABLE SHORTLY.

IT IS TO BE UNDERTAKEN IN LIAISON WITH THE NEW ZEALAND DEPARTMENT OF INTERNAL AFFAIRS AND A COMPREHENSIVE WORK PROGRAM HAS BEEN PREPARED INVOLVING ALL LEVELS OF GOVERNMENT. IT IS INTENDED TO PRODUCE A REPORT BY THE END OF OCTOBER ADVISING GOVERNMENTS ON POSSIBLE MEASURES TO TACKLE LOCAL GOVERNMENT FINANCIAL DIFFICULTIES, AND FURTHER RESEARCH.

URBAN AND REGIONAL DEVELOPMENT

I UNDERSTAND THAT MY COLLEAGUE, MR TOM UREN, THE MINISTER FOR URBAN AND REGIONAL DEVELOPMENT, HAS MADE SOME REMARKS ABOUT THE ROLE OF THE CENTRAL BUSINESS DISTRICTS OF AUSTRALIAN CITIES IN THE CONTEXT OF THE WHOLE CITY. IT IS CERTAINLY MY EXPERIENCE, FOR ALL HIS TALK ABOUT GENTLENESS, THAT TOM UREN CAN BE BLUNT WHEN HE IS TALKING ABOUT SOMETHING WHICH GREATLY CONCERNS HIM.

MY GOVERNMENT'S PROGRAMS AND POLICIES CANNOT BE VIEWED IN ISOLATION. ALONG WITH THE MAJOR DECISIONS WHICH YOU TAKE, THEY SHOULD BE DEVELOPED WITHIN A STRATEGIC FRAMEWORK IN WHICH THEY AND OTHER INITIATIVES IN URBAN AND REGIONAL DEVELOPMENT THROUGHOUT AUSTRALIA ARE SEEN AS PART OF A COORDINATED WHOLE.

THE BREADTH OF RESOURCES WHICH NOW HAVE TO BE CHANNELLED IN THE DIRECTION OF URBAN AND REGIONAL DEVELOPMENT AND THE NATIONAL PRIORITY NOW ACCORDED TO THE PROBLEMS OF CITIES AND REGIONS PUTS A HEAVY RESPONSIBILITY ON THE AUSTRALIAN GOVERNMENT TO SEE THAT RESOURCES ARE USED EFFICIENTLY AND ARE DISTRIBUTED EQUITABLY THROUGHOUT AUSTRALIA. WITH THESE CONCERNS, AS WELL AS ITS POLICIES ON THE LOCATION OF PUBLIC SERVICE EMPLOYMENT, THE AUSTRALIAN GOVERNMENT HAS A RESPONSIBILITY TO ENSURE THAT ITS DECISIONS ARE NOT TAKEN IN ISOLATION. IN THE SAME MANNER, THE CAPITAL CITIES COUNCILS SHOULD RECOGNISE THAT THE EFFECTS AND ACTIONS OF POLICIES OF ALL CAPITAL CITIES DO HAVE FUNDAMENTAL CONSEQUENCES FOR SURROUNDING AREAS OUTSIDE THEIR IMMEDIATE RESPONSIBILITIES.

I WELCOME THIS OPPORTUNITY TO DISCUSS THESE GENERAL ISSUES WITH YOU. THIS CONSULTATION AND DISCUSSION SHOULD CONTINUE AT OUR LEVEL AS WELL AS BETWEEN OUR OFFICIALS. IT IS APPROPRIATE THAT AT SOME FUTURE DATE WE SHOULD INCLUDE LOCAL GOVERNMENT GENERALLY IN OUR ROUND TABLE DISCUSSIONS.

I AM SURE THAT TODAY'S DISCUSSIONS WILL BE AN  
IMPORTANT EVENT IN THE CONTINUED PROGRAM OF  
CONSULTATION BETWEEN THE NATIONAL AND LOCAL LEVELS  
OF THE GOVERNMENT OF AUSTRALIA.

1. Opening of Parliament
2. Order of precedence
3. Just govt to day erects a funds  
institutions in its capital as  
state govt once did.
4. Council Gov.