



## PRIME MINISTER

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**SPEECH BY THE PRIME MINISTER  
LOCAL GOVERNMENT ASSOCIATION OF QUEENSLAND  
BROADBEACH - 7 SEPTEMBER 1987**

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Sir Albert Abbott, President, and Lady Abbott,  
Councillor Bill Laver, Chairman, Albert Shire,  
Alderman Denis Pye, Mayor, Gold Coast City,  
Ladies and gentlemen.

This is the ninety-first annual conference of the Local Government Association of Queensland but it is the first to be officially opened by a Prime Minister.

So as well as thanking you for that honor it is appropriate as well that I take the opportunity, at this early stage in my Government's third term in office, to reaffirm our commitment to the development of Local Government in Australia.

That commitment dates from our first days in office in 1983, when I appointed Tom Uren as Minister for Local Government. He was the first Minister to exercise specific responsibility for the Commonwealth's relationship with Australia's Local Government bodies.

Tom's years as Minister for Local Government, which ended this year with his retirement from the Ministry, were years of close and very constructive relationships between our two levels of government. I think I speak on behalf of us all in once again expressing gratitude to him for the great service he rendered the nation.

As you know, the first act of my Government after the election was the implementation of major reforms to the structure of Commonwealth administration.

These reforms strengthen the Commonwealth's commitment to Local Government. A senior Cabinet Minister, Mick Young, now has the overall responsibilities for the portfolio which includes Local Government. Senator Margaret Reynolds has been given particular responsibility for Local Government and regional development matters.

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I am confident that Margaret Reynolds will maintain Tom Uren's tradition of vigorous and well-informed presentation of your interests to the Government. As a consequence of her own experience in local Government in Queensland, and as a Senator from Queensland, she will bring important new perspectives to the portfolio.

I can assure you, too, that the Commonwealth Office of Local Government will continue to play a vital role in helping to link national objectives with varying local needs and conditions.

Through this period of necessary budgetary restraint, the Commonwealth's commitment to Local Government has been reinforced with the introduction of the Local Government (Financial Assistance) Act of 1986 which continues to provide general purpose payments to councils. Those payments totalled \$460 million in 1983-84 and have risen to \$640 million this financial year.

Total Federal Government assistance to local Government, including untied grants, roads grants and other specific purpose payments now exceeds \$1,100 million annually.

These expenditures represent a significant investment by the nation in the role and capacity of Local Government.

A major cause of the success we have achieved since 1983 in strengthening Local Government has been the recognition of the need for co-operation between Local Government, the States and the Commonwealth.

We will continue to place heavy emphasis on inter-government co-operation, drawing on the unique attributes of each level of Government, to produce the best results for all our constituents.

You will be aware however, that despite that objective, there have recently been some difficulties in our relationship with the Queensland Government concerning the distribution of the Commonwealth's general purpose grants.

Alone of the States, Queensland refused to enter negotiations on the development of appropriate principles for the distribution of those grants to Local Government bodies.

That failure left the Commonwealth no alternative but to take a more intrusive role than it would have wished and to determine for itself the principles on which the funds were to be allocated in Queensland.

In doing that however we told the Queensland Government that we want to avoid this outcome next year and are willing to start discussions as soon as possible to reach an acceptable solution.

We recognise that Local Government in Queensland will not be helped if its State Government is unwilling to work with the Commonwealth in such a vital area.

I want to stress that on the Commonwealth's part there is no wish to single out Queensland or to deprive the Queensland Government of its legitimate role in the distribution of grants.

It is appropriate here that I pay tribute to your President, Sir Albert Abbott, for his role in seeking to facilitate agreement between the Commonwealth and the Queensland Government during the course of these negotiations.

It is important also that we look beyond a single instance of disagreement and focus on the many areas in which co-operation between levels of Government is being improved - here in Queensland and throughout Australia.

I have been particularly pleased to see the increasing number of activities involving the joint efforts of Commonwealth, State and Local Governments and their growing readiness to share information, ideas and experiences.

The diversity that characterises Australia's Federal system of Government can be a powerful force for the betterment of all Australians if we harness its potential by co-operative endeavour.

On that note I would like to reflect with you on our prospects for working together more closely in meeting the challenges we face as a nation. In particular I would like to canvass ways in which we might co-operatively improve the effectiveness and responsiveness of public administration.

You will be aware that within the Commonwealth sphere we have taken steps to streamline administrative procedures in order to create a more integrated, leaner and more efficient public sector.

The new ministerial and departmental arrangements seek to reduce overlap and duplication in the work of the Federal Government and to improve our policy co-ordination and program delivery. We have been prepared to ask fundamental questions about what functions the public sector should perform and how it should perform them.

Many of the questions we are raising cannot be addressed by the Commonwealth in isolation and it is time that the questions were put on a broader agenda.

The people of Australia have a legitimate right to expect the different levels of government to work in harmony. Any dispassionate observer of the operations of the Australian political system would note overlaps in some areas of public administration and gaps in other areas.

Our challenge is to close the gaps and remove the duplication that has built up over the years within and between levels of Government in order to develop a more responsive, better integrated and cost-effective public sector.

Local Government has special relevance in this process. As I announced in Labor's election policy launch we intend to develop a positive approach to devolving administrative functions to Local Government.

Commonwealth programs and procedures will be scrutinised to establish whether any of them could be undertaken more effectively by Local Government. Inter-governmental agreements encompassing program purposes, financial arrangements, needs-based planning processes and performance measures will also be examined and, where scope exists, they will be improved.

This approach is fully complementary with the Federal Government's recognition of the fact that Local Government is an integral part of our nation's system of public administration and the delivery of community services.

In all this, we are conscious of Local Government's concern about having increased responsibilities imposed on it without commensurate increases in financial resources.

It is clear that the imperatives of national economic management have severely limited the Commonwealth's financial flexibility. We have no option but to look at ways of achieving economies in Government.

We recognise, at the same time, that local Government must have access to funds adequate to discharge its responsibilities.

It is necessary for all of us in every level of Government to reassess how we undertake our functions and to reach agreement on respective roles and responsibilities.

We must always be prepared to look, together, at how our limited resources are being managed so that we can ensure that the highest priority needs are being addressed as efficiently and as effectively as possible.

For Local Government this may involve the development of more efficient management practices, the review of regulatory procedures that have outlived their usefulness, and more strategic financial planning and asset management.

Like the Commonwealth it may also require a preparedness to dispense with functions which are no longer required so that we can redirect resources to where need is greatest.

I am confident in the capacity of Local Government to meet these challenges. And I am aware that work is already being undertaken to improve the efficiency of Local Government administration.

For example, with support made available through the Commonwealth's Local Government Development Program, your own Association has been active in developing a corporate planning strategy manual and a community services inventory. The Queensland Department of Local Government is developing a model to assist councils with aspects of financial management. The Queensland Local Government Industry Training Committee is developing a package of training exercises to improve the development of council staff.

Another significant development is the National Review of Local Government Labour Markets, a project being jointly sponsored by the States, Local Government and the Commonwealth.

This Review will provide information and practical advice to Ministers so that co-ordinated action can be undertaken on a national basis to ensure that Local Government has available an adequate supply of appropriately skilled personnel. A major thrust of the Review is to find ways of removing impediments to labour mobility in Local Government.

The Review is approaching its task by releasing a series of discussion papers on the issues involved.

It gives me great pleasure to launch the first two of these Discussion Papers: "Improving Flexibility in Local Government" and "Portability of Superannuation".

These papers are being circulated to all Local Government and other interested bodies with a request for comment. They will be revised on the basis of these comments before being considered by governments for action.

The National Review of Local Government Labour Markets is an important project which promises to yield significant gains. I am sure it will prove an excellent example of what can be achieved by all levels of government working together.

In their various ways each of the activities I have discussed today is raising fundamental questions about the direction and organisation of Local Government. I am encouraged by the fact that these questions are being raised and examined by Local Government itself. For our part at the Commonwealth level we will continue to support your efforts - and I wish you well in your deliberation on these and other issues over the next few days.

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