

**The DEPUTY SPEAKER (Mr McMullan)**—The original question was that this bill be now read a second time. To this the honourable member for Brisbane has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The question now is that the words proposed to be omitted stand part of the question.

Question agreed to.

Original question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

### LOCAL GOVERNMENT

Debate resumed from 11 September, on motion by **Mr Lloyd**:

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.

upon which **Mr Albanese** moved by way of amendment:

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.”.

**Ms BURKE** (Chisholm) (12.18 pm)—I welcome the motion before the chamber today and the amendment that has been moved by the opposition. I was privileged to be part of producing the rather lengthy report that forms the basis of the resolution before the parliament today. It is long overdue; the report was tabled in October 2003. I suppose it is a case of ‘better late than never.’ While the resolution before the chamber does mirror what is in the report’s recommendations, it does not go far enough. It certainly does not recognise the complete value that local government adds to our community. When doing the report we adopted, I suppose, a pragmatic view that, yes, constitutional recognition by way of referendum was preferable but, as it was not really within our power as parliamentarians to deliver that, what we could deliver was the resolution before parliament today. Local government often feels like the third wheel: ignored by everybody. As one witness in Perth put it most aptly, ‘Local government is the shag on the rock overlooked by everybody.’ We got him to repeat it again because we thought getting that into *Hansard* was pretty cute. It really did sum it up. Out there in the land of government services, local government was seen as just rates, roads and rubbish. Of course, they are far more than that.

One of the difficulties of dealing with this report and going across the country—and you only need to look at the number of submissions we received—was that I think the vast majority of local government councils at the time of the report, and there were 721, put in submissions. We made a valiant effort to meet with as many of them as we possibly could. I can attest to that because I kept getting on planes that kept getting smaller, and the pilots kept looking younger. We endeavoured to actually go and meet with those people out there—the people who do a lot of that face-to-face interface with their communities in delivering services.

A big difficulty is: what is local government? What does it actually deliver? Each local government is so incredibly different. You only need to look at the size of the geographical area that some local governments cover. In Perth, some are as big as Victoria and some, like Peppermint Grove, are literally one block. The inconsistencies in the size of areas represented by local governments makes it difficult to actually regulate what they do. Some councils are responsible for airports, some councils are responsible for ports, some councils are responsible for transport and some councils are responsible for sewerage. Other councils have gone into massive service delivery.

In my neck of the woods, my two major councils both have retirement villages and nursing homes. They own them, run them and provide the services. In Victoria, councils have taken on a great deal of aged care servicing, so nowadays it is viewed as council’s responsibility. What they are actually doing is getting funding from the Commonwealth to provide that service. They are the service deliverer. But they are now seen by the community as the

people responsible for that. If something falls over, the council gets blamed. This really is iniquitous because they are just providing the service model.

One of the difficulties was actually going around and saying to local governments: 'What is your job? What should you do?' Fundamentally, they kept saying, 'We need to do whatever the community asks.' That is all well and good if you can fund it and support it. One of the great difficulties is that rates can keep going up and people can keep getting hurt by them. Councils can look for other revenue bases like fines and fees. I can certainly attest that both of the councils in my neck of the woods are getting in a lot of fines—and I am paying the majority of them! So we are out there subsidising the other method of creating revenue for these councils, but it is unsustainable. There needs to be a far more sustainable basis of funding for these local governments so they can provide the vital services their communities demand.

But local councils also need to get to the stage of saying, 'No, this is not our responsibility.' Just because the state or the federal government puts out a funding model and says, 'Look, you can tender for this,' should it be the responsibility of local government to apply for those funding dollars? What happens is that a lot of those funding dollars are offered on the basis of a two-year program. At the end of two years the program is over and there is no more funding, but the local community says, 'No, that service must continue.' So what does local government do? It picks up and continues funding that and has to find a revenue base to do that. It is unsustainable. So a lot more recognition has to go into what the role of local government is.

During the inquiry we decided that that was virtually impossible for us to quantify and answer, but we did conclude in the final chapter of this report that a way forward was to have a sensible discussion and for all levels of government to ask: 'What are our basic roles and responsibilities? Where is there overlap?' It has been estimated by an academic who provided research into the report that about \$20 billion is wasted in duplication through the three levels of government.

We can have the debate about whether we are overgoverned and whether we should get rid of a tier of government, although that is probably a long way off. But, at the same time, there is massive duplication. If you have someone who comes into your electorate office and says, 'I'm looking for assistance with child care,' you can actually go to three levels of government to find them that assistance with child care. If someone comes and looks for assistance with aged care, you can again go to three levels. A lot of it is duplication. A lot of it is waste. We need to finetune that—we need to sit down and actually work that out.

We recommended that the council of ministers come together with an appropriate representative from local government. One of the difficulties in this report was finding out who actually speaks on behalf of local government. Their peak bodies would say, 'We can only come if we've had a motion; we don't really speak on behalf of them.' But getting representation for what is now 700 local government authorities to come and actually provide a voice is virtually impossible. A greater sense of who is speaking on behalf of these groups needs to be achieved within local governments so that they can come with a clear voice. The Australian Local Government Association do a good job, but they are limited again in what they can say on behalf of local government. So we need to ascertain who speaks on their behalf.

Towards the end of the report which forms the basis of the motion today—in chapter 7, which we titled 'The way forward'—there is a good quote from an official from DOTARS. He said:

The FAGs act is really structured on the basis that local government is a creature of the states. It does not provide a direct relationship in that sense ... To move away from that requires the Commonwealth to take a quite different view of local government, its relationship with it and its governance. That is a debate which really has only just started—it is probably a starting point which the committee's report will provide some guidance to government on.

Yes, it has, and this report does go some way to doing that, but the first step is for the federal government to recognise local government—to say, 'Yes, local government is a valid part of the governance within our country,' to give it credence and to then sit down at the table and talk to local government, because the federal government requires a great deal of service delivery through local government.

A lot of the reports, submissions and information provided to the hearings were very complimentary of the Roads to Recovery program. When we first started out on this adventure, the member for O'Connor was the minister and he moved that we go down the track of doing this report—and I commend him for it. At the time it was probably a bit of a political swipe at the states, because it was about cost shifting from the states to local government, but we discovered that cost shifting is not just from state government but also from the federal government. There is also a bit of cost shifting back from local government onto both state and federal levels, but it is virtually impossible to quantify that.

As the CEO from one of the councils that fall under my area said: 'Cost shifting happens. Let's draw a line in the sand. Let's not worry about trying to redress it. Let's move on. Let's work out how we can go forward in a

better model of funding, with a better system of distribution of grants to local government so we no longer have this cost-shifting problem. Let's not have this blame game or this situation where, at the end of the day, the rate-payers are picking up the tab because the only way local government has of finding the shortfall is to increase people's rates.'

There has been a great deal of discussion from the Prime Minister recently about opening up land and ensuring that more land is available for first home owners to purchase homes. In those discussions, the impact that would have on existing infrastructure has not been looked at. It does not look at any of these massive growth corridors. The member for Holt can testify to this probably much better than I can, because my suburb is very well settled, but there was no thought of how you would deal with the services in this urban sprawl—the water problems, the road problems and the sewerage problems. If you build a new suburb, you have to build a new school, child-care facilities and things like that, and the impost falls to local government.

There has been no discussion about how local government could pick up those things. The federal government—in its talk, which was a beat-up rather than about taking responsibility for interest rates—had not looked at its responsibility to and its relationship with local government. It is local government that will bear the brunt and, at the end of the day, it will be the ratepayers. I can tell you from various discussions that developers do not want to pick up these costs. It is the ratepayers who will bear them.

It is also about our environment and our way of life. In previous Labor governments there were ministers who were passionate about urban sprawl and good design. People such as Brian Howe and Tom Uren did some great work, but that has all gone by the by. We never see that any more. We never talk about good urban planning, good design and good development; we just have political grabs that suit the purpose of the day. But we need to think about these things. Federal government needs to have a much better relationship with local government so it can put these things in place.

Certainly, environmental issues fall very heavily on local government—for example, water conservation. One of the great difficulties that was discussed throughout this report was the system of FAGs and the distribution of funding from the Commonwealth via the grants commissions to the states. There was a lot of confusion about how it worked, who monitored it and who supported it. The report says that we should go back to basics and reassess how that money is distributed, because some councils have a great revenue base and some rely solely on their FAGs. We need to redress that and to work it out. At the hearings, one councillor from the Maroondah City Council put it this way:

At the moment each municipality plays the game of 'trying to maximise your grant' at the expense of other councils playing the same game in a scenario where none of them fully understand the rules of that game. This is a recipe for a waste of effort and perennial frustration.

And that came through time and time again: the complete, perennial frustration about how grants worked, how they were allocated and who worked it out. The federal government, by recognising local government in this way, now has the responsibility for going back and assessing how those grants are delivered, who actually is responsible for them and how they all work. Some councils are missing out and other councils are doing well. When you have the Brisbane City Council in the same funding pool as a tiny regional council in Queensland, competing for the same set of funds and not knowing what the rules of engagement are, it is very complicated. And it is those smaller councils that are obviously missing out.

At the same time, one of the greatest frustrations I have is representing a suburban electorate—where the majority of people live. Often my constituents are very frustrated that there is no such thing as a 'burbs' grant. There are rural and regional grants that go on out there, and sometimes my constituents get very annoyed that they pay all these rates for all these things but are never recognised as living in an area of need. And sometimes there are areas of need within those suburbs that need to be recognised.

Certainly, one of the difficulties is, as I said, quantifying what local government does. One of my local councils run a very effective small business incubator. It is a model that other councils recognise and look at. But is that the role of local government? They have decided that it is. There was a void there that state and federal governments were not filling. They run this very successful small business incubator that has now produced some great small businesses in our area which have been able to move out into their own premises. We need to go back to basics and say, 'What is it that the levels of government do', so that we are not having this duplication and this constant moving about on where to go and what to do.

As one of the other councils put it, councils are also stepping back from accepting infrastructure grants because they also need to determine what their roles and responsibilities are. I will quote again the Mayor of the Bega Valley Shire Council. He said:

We basically said as a council, 'It is fine to get the funding for some new infrastructure—a new toilet block or a new boardwalk or whatever—being matched fifty-fifty, but do we really need that or are we better using that \$100,000 or \$200,000, or whatever the matching figure is, to do something that the community really needs, like fixing the roads or upgrading some old timber bridges?' We made a conscious decision to reduce the matching grant funding and use it for only stuff we really need rather than stuff that looks nice and maybe has a nice community feel.

And that is one of the hard points that local government needs to come to. I always say to councils in my electorate that they have a much harder job than I have. They do it part time, they get paid nothing and they are generally the ones abused at local functions—whereas we can swan around and get away without facing that absolute abuse. Most people know who their local councillor is, because when the rubbish has not been picked up they are the person who gets the blame. They are the ones that really take it on the chin. I think councils need to decide what their main game is, instead of accepting funding that they cannot use or that they accept and then need to continue. I commend the resolution and the amendments moved by the opposition to the House. (*Time expired*)

**Mr TUCKEY** (O'Connor) (12.33 pm)—This is an important statement but, I must say, one that lacks the sorts of initiatives I would have appreciated as a result of the inquiry, the so-called Hawker committee, that the member for Chisholm spoke about at some length. I congratulate her and the members of that committee on their diligence in taking that inquiry upon themselves and reporting as they did to government.

The greatest deficiency, not in their efforts but in the report, is that local government did not make a case for the clearly defined responsibilities and services they thought they would be best placed to provide to the Australian community, and whence the financial resources to do those tasks might come. Notwithstanding that an inter-governmental agreement has been reached, as recommended by the committee, it seems to be a fairly fluffy arrangement from my perspective.

The minister advises us that 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. There is nothing wrong with that. For instance, when state governments pass legislation that says that health surveyors will go out and monitor some new piece of state legislation, that can be costed, presumably, if we are lucky.

The reality is of course that cost shifting has evolved simply by default. State governments in particular have had a habit of just not doing things. There has been debate in this house about it. I note that the member for Lalor this morning put a case that the Australian government should have total responsibility for health services. I wonder how that might change the fact that, of my 50 local authorities, 90 per cent are obliged to have a very significant budget commitment to keeping a doctor in town. We say that local government has moved on from roads, rates and rubbish, but that was the fundamental responsibility that was accepted when people said that local government was a creature of the states. They evolved as service organisations of great width and had primarily only one source of money: the rates they levied on their ratepayers. Then of course they got moneys from state governments in certain areas, and the minister's speech gave us clear evidence of the volatility of those sorts of grants. They go up by 80 per cent and then crash by 60 per cent; how a local authority can budget in those circumstances, I do not know. By comparison, the Whitlam government—and let me give credit to them—introduced the FAGs scheme, as we know it.

I had the privilege, I guess, of being a state grants commissioner during my 16 years in local government prior to coming to this place. I was one of the first grants commissioners. Careful consideration is constitutionally necessary when the Australian government makes an allocation of funding. The Commonwealth Grants Commission decides how the money will be distributed to each state under the formula, and then a state grants commissioner goes around and decides how it will be granted to each local authority.

When it came to R2R we as a government quite wisely went around that system and created a formula, and we have distributed the funds accordingly. Local government consistently reports to me. I did a stint as a local government minister when I commissioned the report and everybody said how pleased they were with the simplicity of managing those funds. That was as important to them as the money itself. Many complained about the complexity involved in servicing state grants for roads. I think that one councillor said to me that they had two full-time staff doing the paperwork relevant to state grants for roads and, in fact, they had nobody specifically allocated to dealing with R2R.

Historically, the Commonwealth has also managed to load responsibilities onto local government not so much by default but by generosity. We have some wonderful schemes. We might give a sports operator a three-year funding package or some other package, at the end of which we say: 'There you are. You have had your money.' By this time the community has got to like this particular service, whatever it might be, and so it devolves to local government to continue its operation. Whereas state governments have cost-shifted to local government by de-

fault—and I do not see anything in this new intergovernmental agreement that prevents that—the Australian government sometimes, by generosity, has done the same thing.

This thing is going nowhere. Let me say at this point in time, for practical reasons: I do not support the opposition amendment proposing that we have another referendum on constitutional recognition of local government. I always thought the question was meaningless anyway. They virtually told local government that they exist, and I do not think that is the question. There is an established precedent now, and the minister's speech has a mass of references to the amount of funding that is distributed directly to local government by the Australian government and spasmodically by state governments. The reality is that that is what local government needs. It gets very little constitutional recognition but it has always put its faith in that, when in fact what it needs is money and a clearly defined intergovernmental agreement that identifies the services that local government should provide—in my view, to the exclusion of other providers. Historically, and in most parts of the world, local government is the provider of local education services, local health services and, I might add, local police services.

In my life in local government in Western Australia, for almost the entire period, country local government operated the vehicle licensing system. We issued the licences, we kept the money for our roads and we were obliged to employ a traffic inspector. I have to say, social life in country towns was a lot more comfortable in that period, depending a bit on the attitude of the council. Our attitude was that the man was there to control traffic, not to collect fines. We would go for months without the reporting of a prosecution. The town of Carnarvon was somewhat isolated. It was a bit different to my electorate now, where one shire adjoins another, but the reality was that the traffic inspector's job was to make sure, under the observation of the elected councillors, that the flow of traffic and the behaviour of drivers were of a satisfactory level. Were one to check the accident crash statistics or the death statistics when that system prevailed, in a positive sense, they were probably quite as good as they would be today with three or four police constables carrying on in the way that they are obliged to do to make sure that they get their total prosecutions each week.

Those sorts of things are typically the responsibility of local government in many parts of the world. What is wrong with an intergovernmental agreement clarifying what you look after? If you are paying 70 per cent of the costs of keeping a doctor in town, why not pick up 100 per cent of the responsibility and then be recognised in the funding packages that come from the Commonwealth or the others so that you do it? I make the point using a local example in Western Australia. We have a very large state government hospital called Sir Charles Gairdner Hospital. I do not see that as a responsibility of the City of Nedlands in which it is located. What I am talking about are local hospitals, local schools and local policing problems. I think that local government should have the responsibility in those areas. As minister I told them so. They certainly did not ask for and they certainly did not get the sorts of recommendations that consequently came out of the committee of inquiry, the Hawker committee.

We have all this triplication by the three arms of government. The question is: who would do it better?

There is a very interesting situation in a geographically large state like Western Australia: very few people in Western Australia—it does not matter who is the political party in power—vote for the minister for health, the minister for education or the minister for policing, but they know who the shire president or the mayor is and they certainly know how to take revenge on them if they think certain services are not up to an acceptable standard or are not being delivered in the fashion they would prefer.

I think this parliament and all governments, whether state or federal, should have an intergovernmental agreement that says: 'This is my territory. This is what I am responsible for.' Once that territory is defined, I think there are huge opportunities for local government to be able to do that.

**Ms Hall**—I would like to ask the member a question, if I could. Could the member tell me whether or not he would support as a better working model a system that was basically stronger with, instead of the three levels of government, the Commonwealth and then stronger regional bodies?

**Mr TUCKEY**—I accept that question and I think I probably would be supportive of the impossible. We have got to remember that the states—or the colonies, as they were—created the federal government and they wrote pretty precise rules. I do not believe that is achievable, as I am concerned about the achievability of constitutional recognition. I would say, 'Why bother?' It is an expensive business. Money is the strength of power. There is no limitation on the two Big Brothers of government, if you like, getting together and saying, 'We think town X would better run its own hospital.' We used to have hospital boards in my electorate. But let them run it through local government and, instead of talking all the time about how we want to make local government bodies bigger—and I think there are difficulties with that—give them more jobs to do.

I said that to one shire clerk or chief executive, whatever he was, in one country town, and he said, 'I don't know if we could manage the hospital.' I asked, 'How many staff have you got,' and he said, 'Sixty.' I asked, 'And how many staff has the hospital got,' and he said, 'Forty.' I said: 'So where is the problem? Your payroll system

and everything can deal with that. And, if your councillors or whoever can interview and appoint a chief executive, why can't they do the same thing with a director of nursing, for instance?'

I am just putting this forward. It is theoretical. I welcome the minister's statement, but it does not say much. I welcome the report and I have criticised publicly—I wrote letters—local government for not putting their hand up during that inquiry to say, 'You tell us what we are and give us some responsibilities that around the world local government does very well, and make sure that the funds that are shared by the Australian government in particular be available in a measurable way.'

As I said, there will always be a role for state governments in running major hospitals. But they will not send doctors out to the bush, because they cannot get a Medicare number, so why not let the local government do that and let probably this parliament make funding arrangements that would assist them in that process? Then they can make some regional arrangements if they like; they do so to some degree in other areas. I think local government is wasted. It does not have funding certainty. It needs both responsibility and funding certainty. (*Time expired*)

**Ms HALL** (Shortland) (12.48 pm)—I would have to agree with the last statements that the member for O'Connor made in relation to funding and certainty. I think that they are big issues for local government. Like the member for O'Connor, I have history in working for local government: I was on Lake Macquarie City Council for a term, for four years, and I experienced many of the problems that have been raised in this debate on the minister's statement.

Before I get to the bulk of my contribution to this debate, I would just like to hone in on the health issues. The member for O'Connor spoke about some of the initiatives that local councils have taken in the area of health. The House of Representatives Standing Committee on Health and Ageing, of which I am a member, were in Western Australia earlier this year and we had councils come along and give evidence to the committee. They detailed for us how they had built houses for doctors, dentists and physiotherapists; were supplying them with cars; and were giving them a guaranteed base income just in case they did not manage to earn the required amount.

I was very impressed with the initiatives of these councils; I thought they showed a true dedication to their community. But that also raised some questions in my mind as to why local governments are having the cost of providing health care shifted to them when this is actually a federal government responsibility. The federal government should ensure that these towns—the people who live in these towns, these local government areas—have access to health services that they need. Local government is a very important level of government. People do not realise and respect the contribution that local government makes to the functioning of our nation. It is the level of government that is closest to the people, it is the level of government that is most accessible to the people, and it is the level of government that deals with the everyday basic issues that make people's lives bearable.

The member for O'Connor mentioned the three Rs: roads, rates and rubbish. Yes, they have always been the core responsibility of local government. But over the years it has really diversified. Throughout the country you will find that in different states the responsibilities of local government are very different. Quite often local governments are asked to perform these duties and provide these services with inadequate funding. Yes, the main source of income is rates, along with financial assistance grants—which, I might add, have steadily declined as a percentage of the budget since 1996. At that time, 0.9 per cent of FAGs were provided by the Commonwealth; in 2007 it will be a bit over 0.7 per cent, and by 2010, if it continues to go this way, it will be 0.5 per cent.

Both federal and state governments—I do not want to leave the states out in my contribution—need to make bigger contributions to local government. They need to recognise the importance of local government and the issues that it deals with on a daily basis. Whilst I was sitting here I quickly jotted down a few of the issues that local governments have to deal with. More and more, welfare is becoming a role of local government. My colleague the member for Holt, in Victoria, noted that local government in that area provides aged care, a myriad of health services and a myriad of other welfare type activities. I think it is even a direct provider—correct me if I am wrong—of home and community services.

That is very different from New South Wales. In New South Wales local governments are still responsible for providing services for youth and elderly people. All councils support and promote sport and sporting activities; they ensure that there are proper playing fields and that there is access to those playing fields for young people. They are constantly providing facilities in the community for the use of community members: halls, public toilets, you name it—the little things that people tend not to think about. And of course there are libraries. Libraries are one of the real responsibilities. They are very important within the communities that we all represent here in parliament. I should quickly mention initiatives that have been taken in both the local government areas that fall within the Shortland electorate—Wyong shire and Lake Macquarie. They have programs where parents can come along and read to their babies. This is creating a love of books and learning that will follow those children through life. I am sure that also happens in other areas.

The role of planning the kind of community that we live in falls to local government. For example, the decision about whether a certain area will be developed, whether an aged-care facility will be built or whether there will be sufficient parks belongs with local government. They are planning issues. In the electorate I represent in this parliament, those planning issues are often the subject of a lot of focus within the community because there is a tension between development and the protection of the environment. That is something that local government has to evaluate and study. Once those studies are completed, they have to be put out for community consultation and, when they come back to the council, it makes a decision as to whether or not a particular development will go ahead. That has an enormous impact on the lives of the people living in that community.

Recently within my local government area there has been a move towards urban consolidation, so the height level of buildings has been increased from four to six storeys along the waterfront areas of Lake Macquarie. There was concern within the community, and after due process, including consultations, the local government had to make a decision about the type of development that would be permitted. My speech today is not critical of local government; rather it puts on the table the kinds of issues that local government has to contend with.

A very sensitive development proposal came across both councils, and the councils rejected that because it was going to lead to wholesale clearing of pristine bushland. As Sydney and Newcastle are very much joined together, it was felt that some green areas were needed, so both councils rejected this development and the developer took the councils to the Land and Environment Court. That is another issue for councils because, when they make these decisions, quite often they are subject to legal action. The councils were successful in their bid to reject that development.

All the time, local government is dealing with the tension between development and the need to protect the environment. Councils always need to be very mindful that, if their decision is rejected and the developer takes them to court and they lose, it will cost the ratepayers a lot of money. It is a very important role of local government. Both Wyong Shire Council and Lake Macquarie City Council are high growth areas. Wyong Shire has had a number of issues associated with water and infrastructure. The councils grapple with those issues. Lake Macquarie City Council has always had responsibility for Lake Macquarie, which is the largest salt water lake in the Southern Hemisphere. Over the years there have been problems with siltation as a result of the development around the lake, as well as a number of other problems—once again, tension between development and the environment.

I think that the approach that has been adopted there, where an agreement was reached between the state government, the local council and relevant departments to fund remediation work in Lake Macquarie, could be used as a model for levels of government working together. Generally speaking, at the local government level those people involved are interested in working with federal and state governments and forming an ongoing partnership with them and with local communities. Unfortunately, when it comes to both the Commonwealth and the state, there tends to be an issue of the blame game—the silo mentality. I would encourage the minister to look at really working in partnership with local councils—not moving a motion like this, which I think is really an attempt to have a go at the states, but truly acknowledging the role that local government plays and the benefit to Australia as a whole of working with local government.

I would like to acknowledge the success of the Lake Macquarie City Council in winning an award for Over 55 and Understood. Both local government areas have fairly elderly populations. The Shortland electorate has a high proportion of people over the age of 55. In this project, businesses met with the council to look at ways of recognising the significant contribution of older people and at how businesses can work with older people, embracing them not as a burden to their communities but as an opportunity. They looked at how older people's contributions could be used as an opportunity and how businesses could link into the opportunity that having an elderly population could provide.

This is an important motion, as is the amendment. I support the amendment moved by the member for Grayndler. One of the biggest problems I as a councillor found was that the bureaucracy and the elected body were nearly one. I believe that if local government were to become a true level of government then it would have a different approach. The bureaucracy and the elected body would be separate and there would be proper recognition of the role of local government and the contribution that local government makes to Australia. The question I asked the member for O'Connor really reflects my own position on that matter. I think that Australia would benefit greatly by having stronger regional bodies and a stronger role for local government. (*Time expired*)

Debate (on motion by **Mr Hartsuyker**) adjourned.

**Main Committee adjourned at 1.04 pm**