

27 November 2008

## COMMITTEES

### **Infrastructure, Transport, Regional Development and Local Government Committee Report**

**Mr BRADBURY (Lindsay) (11.12 a.m.)** — I rise to take note of and to acknowledge the hard work of and the significant contribution that has been made by the Standing Committee on Infrastructure, Transport, Regional Development and Local Government in the preparation of this interim report. I am very pleased to follow on from the member for Parkes. Whilst I do not agree with everything that he said, I certainly acknowledge that he is one of the people in this place who are great advocates of the potential of and the opportunities that can be realised and delivered upon by local government. I know that his background in local government is something that has held him in good stead in making a contribution.

Much has been said already in this debate about the Regional Partnerships program, and even more has been said about it in other places. I do not wish to pick through the entrails of that program; I think others have done that much more competently than I could ever aspire to. But I make the general observation—and I think this is an observation that is confirmed in the committee's interim report and indeed in the consultations that led to it—that there seemed to be a fairly loose set of objectives that that program was seeking to achieve. 'Loose' might be a euphemistic description; when we look at the process that was applied to applications, we see that 'loose' would not do justice to the reality of what occurred. I think that that has been acknowledged, and certainly the recommendations that are set out within this report go a long way towards tightening up the process for any future regional and local community infrastructure program, which I think is a great thing not just because it will deliver greater confidence in the program but because it will deliver greater accountability in terms of where taxpayers' dollars are ultimately being spent.

I want to focus in on a couple of the committee's recommendations. The one I want to begin making a few comments in relation to is recommendation 4, which reads:

The Committee recommends that local government be the auspice agency for applications in a region with a requirement that local government contribute (whether by way of capital, maintenance or operational funding). Not-for-profit organisations that do not require a local government contribution would require a letter of support from local government and then be able to apply directly.

I speak in support of that particular recommendation. I know that the quality of the contribution made by local government right across this country can sometimes be varied in nature, and there is no question about that. There are some councils that are performing better than others. Notwithstanding that, I think that due recognition should be given to the fact that, as elected representatives within their local communities, councillors and aldermen are representing the interests of their local communities and often are the best way of ascertaining the true sentiment of local communities. They are accountable because they, like us, are elected and are therefore accountable to the people. I think that that extra layer of accountability, which comes in the form of local government elections in those areas where they do occur, ensures a degree of robustness and accountability in those organisations. I speak very much in support of recommendation 4.

I note that the committee's report actually foreshadows and contemplates the fact that there was to be a gathering of local government mayors from right around this country with the Prime Minister and various ministers. It was timely that this interim report was handed down in advance of that, particularly given the announcements that were made by the Prime Minister and the Minister for Infrastructure, Transport, Regional Development and Local Government.

I note with great interest and also with great pride the fact that the announcement that was made in relation to the \$300 million for regional and local infrastructure will deliver, out of the first \$250 million which has been allocated to various councils, just over \$1.7 million to the Penrith City Council, which is the local government authority within my electorate. That is very promising to see. I note in particular the special attention that this initiative has paid—and it has been a very long time coming—to those local government areas that are in high-growth areas. Through my previous involvement with local government, having spent nine years on the council at Penrith, I know that a number of the growth area councils had identified that the usual formula that is used in the financial assistance grants process does not always take into account some of the factors that impose greater costs on local government authorities in areas where there is greater growth and a more rapid rate of growth than others. The National Growth Areas Alliance was formed in recognition of that particular reality, and I note that the Penrith City Council is one of the member organisations of that peak body. I welcome the component that was built into the allocations that reflects the growth component of those councils.

I also welcome the announcement of the \$50 million fund for strategic projects. I am doing everything I can to encourage my local council to make applications in respect of that fund. We are in a time where we can make a contribution towards stimulating not only our local economies but our national economy. We all understand the importance of that, given the impacts of the global financial crisis. But, apart from delivering those benefits, I think that there are some great local projects in my community that would benefit from funding under that particular proposal.

A meeting occurred that involved the mayors from around the country: the Australian Council of Local Government. The formation of this body was an additional element, a new dimension, to the Federation. We all know that the Federation, which was basically enshrined in the Constitution back in 1901, reflected some different realities to those that we deal with today. The states were very much enshrined in that process. Today we see much of the hard work, when it comes to service delivery, being delivered on the ground in local communities by councils, particularly councils that are large and have a greater capacity to actually deliver in these areas.

Notwithstanding what we have in the Constitution, the official document as it stands at the moment—and we all understand how difficult it is to amend that document—the Rudd government I think very wisely has sought to embrace local government and commits not only to seeking constitutional recognition of local government but also to dealing very closely with local government and improving opportunities for a direct relationship between the national government and our local governments. Of course, this is something that has been very much supported by Labor governments in the last 30-odd years. The Whitlam government was the first Labor government that began the process of having a direct dialogue with local government, with the establishment of untied grants directly to local government. We saw both the Whitlam and the Hawke governments put to the Australian people a referendum to grant constitutional recognition for local government.

What we have seen since then—and I acknowledge in this regard one of the things that the Howard government did; I think it was one of the better decisions that they made in the time that they were in office—is the establishment of the Roads to Recovery program. That builds upon the commitment that had already been established and enunciated—the direct relationship between the Commonwealth government and local government. I note that in present-day terms we have some \$1.75 billion being made available by the Commonwealth government to local government authorities under the Roads to Recovery program.

### *Interjection*

**Mr John Cobb**—*And they love it.*

### *Continue*

**Mr BRADBURY**—They do love it. I acknowledge the honourable member's interjection. They love it because of the massive demands on local authorities when it comes to maintaining their local infrastructure. Roads are only part of the equation. Certainly, when it comes to roads and other forms of infrastructure, local governments have many obligations and many liabilities, but they do not necessarily have the capacity to raise the funds in order to adequately address and maintain those obligations. In addition to the direct assistance in the Roads to Recovery grants, we also have funding in the order of \$1.9 billion that goes not directly to local government through the Grants Commission process but through the financial assistance grants that are made available by the Commonwealth.

I note that there was some criticism at the time the Australian Council of Local Government meeting was held, but I want to reflect on the comments of the mayor of Penrith, who I should note is an independent mayor and would probably describe himself as a conservative, having previously been a member of the Liberal Party. He made some very favourable comments in the Western Weekender on 21 November 2008. He said:

"This is keeping a promise made by the Rudd Government to have direct discussion with councils right across Australia. The PM announced it would become an annual event because he believes in direct dealing with local government," ...

The article goes on to a few more flattering comments:

Believing the trip to Canberra was worthwhile, Cr Aitkin now hopes to present ideas that were discussed on the day to his fellow councillors.

"It's been a wonderful experience to share Penrith's journey with mayors from across Australia and also to learn about some of the marvellous projects delivered to each mayor's respective cities, some of which I will follow up and see if Penrith would like us to go down the same roads," ...

He also noted that the council was well and truly underway in its efforts to draw up a hit list of projects that could be funded with the \$1.7 million that had been allocated to Penrith City Council by the Rudd government. I note that the council was already in the process of considering those projects, and next week the council will formally determine its list of priorities. There are some very worthy projects on the list in the business paper prepared by the council. From my background on the council, I know that many of these infrastructure projects, particularly the refurbishment of neighbourhood centres, are very much needed. The capacity and the funds to deliver them has been something that has prevented local

government from being able to do what they would like to do in order to present the facilities that their communities need. This funding is one down payment, one step, in the process of providing the council with the wherewithal to do that.

In my community, the council is looking at the Ridge Park Hall, the Arthur Neave Memorial Hall, the Namatjira Neighbourhood Centre, the Emu Plains Community Centre and the Quarterdeck, which is co-located with the Penrith Swim Centre. These community facilities will either benefit from or are proposed to be the beneficiaries of the new investment in local infrastructure coming from the Rudd government. The Penrith Senior Citizens Centre will be fenced, and I know that that has been an ongoing issue. Victoria Park in St Marys—which is a tremendous park with a lot going for it but which does need a little bit of work in order to restore it to its once grand state—is also a proposed beneficiary of these works. As well as numerous other playground replacements and equipment upgrades, the funds will also supplement the proposal for the Cranebrook Skate Park, which ended up falling short of funds. The project costs for that park exceeded what the council was able to deliver on the original estimates, largely because community consultation with the young people in the area demanded facilities that were of a higher quality in some respects. Hopefully, those enhancements will be delivered as part of this program.

In conclusion, I note that this is the direction that the report sets out in terms of future funding for regional and local community infrastructure. I think that it is a direction that has the support of the community, and that it is the right direction. I am sure that, with the continued resourcing that this government will commit to these projects, we will see local government authorities right around this country having an even greater capacity to deliver for their communities.