

**2008 Local Government Association Annual Conference
Broken Hill
Sunday 26 October 2008**

**Cr Genia McCaffery
President, Local Government Association of NSW**

Friends and supporters of Local Government in Broken Hill.

Welcome.

The Honourable Barbara Perry MP, Minister for Local Government

Cr Bruce Miller, President of the Shires Association of NSW

Ms Chris Jeffries, President of the NSW Branch of the Australian Local Government
Women's Association

Mr Ken Boyle, Administrator of Broken Hill City Council , who is unable to be with us
today because he is unwell.

Frank Zaknich, the General Manager of Broken Hill Council.

Mr Mark Ferguson, President of the NSW Branch of Local Government Managers
Australia

Association office holders, Executive members, mayors, delegates, friends

I would like to acknowledge and show my respect to the traditional custodians of the
land, the Wiljakali (pronounced wiljacali) people, of elders past and present, on which we
gather here today. Thank you Maureen O'Donnell for your generous welcome.

And thank you Mark Wheatley for leading our church service earlier this afternoon.

The theme of our conference is 'Inspiration in the Silver City'.

It's certainly been an inspiration so far.

Travelling so far across such awe inspiring landscapes.

Arriving in this celebrated city which is truly an oasis in a dry land and in the fluid
history of our dry continent.

Seeing for ourselves the contrast between this city with all its bold energy, and the harsh
beauty which surrounds it, gives us an inkling of what must have inspired the first
immigrant settlers to make their homes here, to raise their families, to dig and drill into
the hard earth, to brave the summers and the heat and the aridity and the distance from
comfort - and loved ones - and an easier life.

And maybe it gives we newcomers a glimpse of how the Wiljakali people lived in true harmony with a land they never saw as harsh and to be conquered, but which rewarded their gentler stewardship with a prosperity which sustained them through countless generations.

It is apt to be meeting in Broken Hill at a time of global financial uncertainty.

This city and its people provide a lesson in how to stare down adversity, find your strengths and build new futures.

The people of Broken Hill have made and remade this community many times over in response to drought, economic hardship, and technological change.

Where other mining towns have boomed and bust, the people of Broken Hill have adapted to each change and added new ways of sustaining their community.

Today we are welcomed to a city which is rightly famous for its contribution to Australia's economic history and well being, but also for its social and cultural contributions.

Broken Hill has a vibrant arts community, a priceless architectural heritage, a role in the unfolding story of Australian film making, an iconic place in the history of the labour movement, and an assured future as a tourist destination.

For many of us this will be our first Local Government Annual Conference.

Indeed, for a large number of us this will be only our second month in elected office.

Just when we've finally achieved a chance to help make our communities better places to live, economic uncertainty threatens to pull out the rug.

Local Government will be just as affected by a financial downturn as any other sector - maybe more so given the financial constraints we suffered before the emperors of merchant banking were revealed as having no clothes.

And maybe that is our strength. Local Government is already expert at doing so much with so little.

We know from studies like the Report into the Sustainability of NSW Local Government, that councils are already remarkably lean and efficient businesses.

We know that our share of taxation is declining and our capacity to raise income has been restrained severely by rate pegging.

When our communities look for leadership in uncertain times, they can be assured that

councils already know how to make a dollar go a long way.

And the community will look to us for leadership.

And we will provide it.

Even if you are just six weeks into your elected life, you will already know that being an elected councillor is not about personal gain or private agendas.

Being elected to represent your community is about being part of a team, about listening and debating and negotiating, and ultimately about translating community goals and aspirations into real outcomes.

It's about making communities better places to live, which in the end is the proudest goal we can have.

It is a pleasure to welcome Minister Barbara Perry to our conference.

Minister Perry, it has been a pleasure to meet you and get down to business.

We all know you for your fine work in juvenile justice and especially for your unbending commitment to Western Sydney.

As you know, the path between our door and your Department is well worn.

For the most part we find vast areas of agreement with the Department and its approach and we look forward to working with you to build on those areas of agreement.

I am delighted that the Premier, Nathan Rees, will be addressing us tomorrow morning.

The Premier's attendance is evidence that the Government understands the importance of local government in making our communities work, and we look forward to hearing his address.

We also look forward to welcoming the Opposition Leader, Barry O'Farrell and the Shadow Minister for Local Government Chris Hartcher.

If there is one outstanding lesson we can learn from the global financial crisis it is that the things we were told were common economic sense have been overturned.

Those of you from councils waiting to determine the value of certain investments have already learned this.

But in a sense we in Local Government were always uncomfortable with the mantra that public borrowing and investment was bad - and private borrowing good, regardless of the lack of value in the outcomes of that private borrowing.

I am heartened by Prime Minister Rudd's bold commitment to roll out an expanded

infrastructure program.

Public spending is a time honoured way to use the strength of government to provide stability and certainty through continued economic activity in uncertain times.

Minister Perry, this is a lesson which must not be lost in New South Wales.

Our communities will wholeheartedly support a strong infrastructure program, even at the Risk of upsetting the discredited credit rating agencies.

And we in Local Government are ready to work with you to ensure the success of such a program.

I am also heartened that after so long the New South Wales Government policy of rate pegging is finally under review.

It is great to see how many councils have made submissions to IPART's review of our revenue framework.

I hope member councils are all participating in IPART's regional workshops during October and November.

An independent rate setting process will be a great advance on the current mysterious arrangement where once a year a magic number emerges from a dark recess in the Minister's office.

But in the end, every community deserves the right and the respect to determine their own plans for the future and set a rate which provides the funds to deliver those plans - which means the removal of rate pegging all together.

And the community deserves the right in a democracy to elect councils to act as their delegates in the achievement of those plans and to hold their elected councils accountable for their success in achieving community goals, every four years.

Speaking of elections, you will be aware of a continuing debate between the Association and the Electoral Commissioner about the cost and conduct of Local Government elections in New South Wales.

Despite his protestations, the Commissioner has been unable to provide adequate justification for the massive cost increases to councils for running the 2008 elections compared with 2004.

We fear that the New South Wales Treasury is hiding behind the independence of the Electoral Commissioner to use councils as a cash cow to fund the Electoral

Commission's costs over and above the actual cost of council elections.

If our fears are unfounded then all the Commissioner and the Treasury have to do is show us exactly what the money has been spent on.

How hard can that be?

Over the past few months we have been inundated with examples from councils of how the elections, under the watch of the Commission, were managed poorly.

Voters and candidates have received incorrect advice.

One candidate was even told by the local returning officer that they were elected when in fact they were not.

The most outrageous example was ballot papers running out at a booth in Blacktown and the voters being disenfranchised.

This is not the deluxe election service we paid for.

But I have an even greater fear.

And that is the spectre of postal voting.

The Commissioner has proposed postal voting before and there are private partners ready to go.

Minister Perry, voters are cynical about government and uncertain about their future.

This is a time to strengthen the bond between voters and the people they elect.

The Association believes attending a polling booth to cast your vote personally is at the centre of our democratic culture.

We will not be swayed in our opposition to postal voting.

And we will not let electoral costs to councils be inflated as a stalking horse for introducing mail order government.

The Commissioner of ICAC, who will address our conference, released his report into Wollongong City Council with the message that the corruption he found was unprecedented.

Shocked as I know we all were at these revelations, we can take some comfort in these words.

The unprecedented extent of corruption in Wollongong stands as a lesson to us all in understanding our role as councillors, behaving ethically and maintaining the community's trust.

But where the Government has got this wrong is in denying the Wollongong community the opportunity to pass judgement on the people who breached their trust.

The Commissioner may have used strong language, but believe me, the voters of Wollongong would have been savage.

Yet their fundamental right to judge their council has been denied.

Voters in Wollongong and in the other sacked councils, including Broken Hill, deserve the earliest opportunity to pass judgement on the performance of their elected councils.

And this should be at the next election or within twelve months of the dismissal.

I invite Minister Perry to bring legislation before Parliament as soon as possible to achieve this.

The Association supported the Government's changes, in response to Wollongong, to the way election donations and party funding are managed.

And we go further in supporting full public funding of all elections.

I know this is yet another call on the public purse, but on balance the Association believes this is a small price to pay to restore community confidence in the way councils and indeed all governments, are run.

And we encouraged the Government to amend the Code of Conduct.

We are working closely with the Department to ensure all councillors, whether long standing or newly elected, receive advice and support in understanding their role as elected officials.

Our forums this weekend are just one opportunity and I encourage you all to attend regular training and update your knowledge and skills.

It is our obligation to our communities and the minimum they expect.

We also supported the proposal for Integrated Planning and Reporting.

The welter of plans and reporting requirements placed on councils soaks up precious resources and fails to satisfy community demands for efficiency, effectiveness and transparency.

Integrated planning and reporting will allow everyone to participate in planning, identify clear objectives, understand the funding and other resources required to meet those objectives and most importantly, know when those objectives have been met.

Too much of the current regulation is about the trivial and the unimportant - about

trawling for cheap headlines rather than better ways of doing things for the community.

A good result however will be modern long term asset management.

Councils and their communities will know the real state of their assets and what they need to do to make sure future asset requirements will be met.

The new Minister for Planning is continuing to roll out the changes to land use planning laws.

In my time in Local Government I don't think I have ever experienced a campaign as fundamental, as professional and as inspiring as the Keep It Local campaign which we all ran together during the year.

Don't be disheartened that we didn't achieve all we wanted.

We actually achieved significant concessions from the government including the retention of regional infrastructure levies, improvements to the accountability of private certifiers, and the trialling of housing codes before their introduction.

And these achievements were the result of cooperation and concerted effort by us all.

We worked together at all levels - elected, professional and community - to expose the government's and the development industry's motives, to explain the consequences of the changes to the community in clear and simple language, and to lobby effectively.

Members of Parliament reported that they had never experienced such volumes of correspondence and emails on any campaign before.

And in the end, the changes passed the Upper House by only one vote and only in the dead of night.

But passing the legislation is only the start of the process.

We must monitor the implementation of the changes and lobby hard for improvements and reforms each time the changes are shown to be flawed and the community's right to control what gets built in our neighbourhoods is trampled on.

One area in which we need to make progress is independent hearing and assessment panels - IHAPs.

While the Association has always strongly argued that IHAPs be advisory and voluntary, those councils which use them - Sutherland, Fairfield and Liverpool amongst others - report that IHAPs allow councillors to step back from adversarial assessment of development, giving them the space to gather all the information they and the community

need in a depoliticised environment.

They also report less appeals and lower costs.

Elected councillors can make informed and objective decisions to support , modify or reject the recommendations from an advisory IHAP and detail the reasons for their decision for the information of the community.

The time has come for us to support the introduction of advisory IHAPs into the development assessment process as a proven way of enhancing the decision making process while elected councillors retain the final say.

We did well to persuade the government to trial the housing codes before their introduction.

Because the codes are not working and our position has been vindicated.

The new Minister for Planning Kristina Keneally has done what any sensible new Minister would do.

She has looked at the evidence, talked to stakeholders, and based on that information delayed the implementation of the codes.

So that she can review them and get them right.

This is the action of a minister with her finger on the pulse of NSW communities, a minister who has sacrificed rushing changes through or pleasing one stakeholder group to actually come up with sensible and workable policy.

If she continues in this vain, there is the opportunity to really improve the system.

We were concerned to hear that Minister Keneally was considering delaying the introduction of the independent Planning Assessment Commission.

Removing major planning decisions from the Minister's desk was one of the few good things about the planning changes.

Why she should want to risk fuelling community scepticism about government interference in planning I do not know.

Of course, major planning decisions should be returned to councils as well.

The State Government should be dealing with fixing the state's public transport, education and health systems, and leaving matters of planning to the experts: Local Government!

Which leads me to constitutional recognition.

As you know, the Commonwealth Government has committed to exploring constitutional recognition of Local Government in its first term.

In response the Australian Local Government Association is working on our behalf to identify models and understand what sort of community campaign will be required to carry a referendum.

We all know that constitutional recognition is a long held goal of councils across the country.

But we need to be careful to choose a model which moves us forward and gives us flexible and vital government, rather than a strait jacket.

The Australian Constitution has been notoriously difficult to change.

In fact, most of the reforms to our system of government have come about through practical responses to changing circumstances negotiated between the three spheres of government.

Current moves to review and reform inter-governmental relations may have as much to offer Local Government as a change to the constitution.

The Prime Minister's proposal for a Council of Australian Local Governments, to which mayors have been invited in November, will be important for understanding exactly what needs to be achieved and how.

The proposals for symbolic, institutional and financial models which we all considered will be debated at the Local Government Constitutional Summit in Canberra in December.

We are also considering a NSW summit.

While I am swaying towards symbolic recognition myself, I will be interested to hear your views about how we should proceed.

I can't ignore the spectre of a referendum failing again.

Another failure would thwart our aspirations perhaps fatally.

Either way, our journey towards constitutional recognition cannot be rushed and may best be served as a longer term project.

Again there is a motion on our business paper to form One Association to represent Local Government in New South Wales.

This is also a long standing policy of both Associations, but as you know, the

Associations have different and essentially incompatible proposals to achieve this.

I know the lack of progress causes many of you frustration.

I assure you that the working relationship I have with Cr Bruce Miller and the Executive of the Shires Association is an excellent one.

I believe the effectiveness of our work on behalf of councils is not diminished by being undertaken jointly.

Debating the question of One Association is just one of many motions we will consider in the next three days.

Our Annual Conference is the supreme policy making body for the Association and our member councils.

It is your opportunity as elected councillors to bring matters of local, state, national and wider importance before your peers for debate and resolution.

There is a great breadth and depth in the issues councils have submitted for debate.

You will also find a series of motions submitted by your Executive.

These motions cover areas which have been occupying your Executive during the year or which in the view of your Executive, will be significant areas for the Association in the future and require direction from you.

They include the questions of funding aged and disability services and how to ensure vulnerable communities receive adequate support, ensuring that our obligations to address climate change are not diminished due to economic uncertainty, that the role of regional planning and action in natural resource management is upheld, and that the state's land use planning system reflects best practice in consultation with councils.

The resolutions of this conference will form the basis for the work of the Association and your newly elected Executive in 2009.

In the past year your Executive undertook a major review of the Association's Management Plan, priority setting process and structure.

On the recommendation of the two Treasurers who project managed this review, we streamlined our policy committee structure as well as making other significant changes.

As a result I believe that your Association is better able to focus on the issues most important to you and your communities while continuing to provide services in areas like political advocacy, councillor and staff training, recruitment, industrial advice and procurement - all at a time of growing financial stringency and uncertainty.

As part of our continuing review of the services we provide, we will soon be sending you a member survey.

I strongly urge you to complete the survey, because your comments will help us continue to tailor our services to meet your needs.

2009 promises to be another busy year.

We will be working with the new Premier and the new Minister to find agreed ways to improve inter governmental relations.

And we will be energetic participants in the national debates about federalism and constitutional recognition.

These will set the scene for major work in the area of Local Government reform and how the shape and structures of Local Government might be amended and improved to reflect ever growing community needs.

We also plan to continue our marketing focus, building on the success of the Keep It Local campaign and the relationships between Association and council staff which allow us to roll out professional campaigns quickly, cheaply and effectively.

We will fight to minimise the negative impact of the new planning laws, especially the housing codes.

We will promote the good things councils are doing so that our communities receive balanced information and can make informed judgements.

We will fight for more infrastructure funding and the freedom to set our own rates.

We will continue to argue that local water utilities must remain under local control.

And we will do all we can to cement Local Government as the strongest voice our communities have.

A conference like this can only occur with the help and hard work of many people.

The staff at Broken Hill City Council have done a great job and tired as they must be, they've still got three days ahead of them as well as the mopping up.

Congratulations to Ken Boyle and your staff Frank Zaknich, Fiona Ellis and Murray Harris for a fine effort and a great welcome.

This is an election year for both councils and your Executive.

As you can see, a number of the previous Executive did not stand for re-election or are stepping down at this conference.

Thank you to the office bearers, your Vice Presidents Leo Kelly and Robert Bell, your Treasurer Bev Giegerl and your Past President Sara Murray.

Your support and energy and good sense have been a bedrock for the good work of the Association in 2008 and for many years.

Thank you to all of your Executive for their hard work throughout the year.

I wish you well in your retirement or for your re-election.

Thank you also to the staff of the Association.

The events staff - Meg Fisher, Michelle Muller and Karen Rolls - do a great job every year and this year is no exception.

Thank you to Bill Gillooly, our Secretary General, and to all the staff for another year of expert and professional service.

Thanks to you all for daring to think you could change things and for having the courage to put your hand up for election.

We can all be proud of the record of service of elected councillors, and be proud so much has been achieved for our communities by people like you willing to put community service first.

Thank you also to our sponsors - Country Energy, the Department of Environment and Climate Change, Fairfax, Future Plus and the Local Government Superannuation Scheme, and many others.

And yes, this is an election year for both your Executive and your President.

Serving as your President has been a great privilege.

It's been challenging and inspiring - eye-opening and exhilarating.

All those things and more.

I am standing for re-election and I hope I have your support.

It will be a great privilege to continue to serve as your President and with your endorsement, continue to keep Local Government on the front foot, in the Silver City and

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beyond.