

# 100<sup>th</sup> ANNUAL CONFERENCE

Cr Bruce Miller

President

## SHIRES ASSOCIATION OF NEW SOUTH WALES

Opening Address

**"Accentuate the Positive"**

Tuesday, 3 June 2008  
9.25am

Sofitel Wentworth Sydney Hotel

Grand Ballroom

61 Phillip Street, Sydney

Her Excellency Professor Marie Bashir, Governor of New South Wales ; the Hon Paul Lynch, Minister for Local Government and Aboriginal Affairs; Mr Chris Hartcher, Shadow Minister for Local Government, my colleague, President of the NSW Local Government Association, Cr Genia McCaffery; Cr Norma Thomas, Australian Local Government Women's Association, Ms Penny Holloway, President of the Local Government Managers Association, Immediate Past President Cr Col Sullivan; patrons; other members of the Executive, Mayors, councillors, Ladies and Gentlemen:

I too would like to acknowledge the traditional custodians of the land and also show my respect to their elders past and present.

It is with great pleasure that I welcome you all to the 2008 Shires Association Conference.

Every year we hear the president stand up and talk about the challenges they have faced at the helm since the last conference.

And now that I'm in the role, I really understand what they've meant.

But I'd argue my term has been unique, in that local government has been under direct and unprecedented attack on a number of fronts.

Its made for an interesting, but confronting, and at times frustrating 12 months.

You've all heard about planning.

And if you haven't, you have been hiding under a rock.

Despite a continuing, hard fought campaign by the Associations, councils across the state including yours, industry groups and communities,

the Planning Minister Frank Sartor has charged ahead and tabled planning laws that, when passed, possibly this week, will strip us of many of our powers,

and slash the amount of funds we get to build parks, playgrounds and community centres.

This is despite widespread opposition to many of the laws;

thousands of people writing to their local MPs expressing concern;

and the 'Keep It Local' campaign, which was rolled out across the State.

I might add that your Association is not opposed to planning laws which make the system simpler, quicker and fairer.

But we are opposed to changes which impact on the rights of residents and ratepayers without any compensating benefits.

Planning law should not simply be about finding new ways to fill the pockets of developers at the expense of our communities.

We *have* been successful in obtaining some changes to what was originally proposed. These include:

- The partial backing down on the collection of levies;
- Reinstating our right to collect developer levies for regional facilities;

- An independent advisory panel to deal with larger developments until the Planning Assessment Commission is introduced; and
- the release of some of the proposed building codes before the laws are passed.

But there is no doubt the big winners in this battle will be private companies and developers, at the expense of councils and their communities –

good and appropriate development –

the rights of neighbours

and the rights of mums and dads the Minister so passionately claims to represent.

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That's just one example of where local government has been under attack.

Also, figures have been skewed and questions raised over the way we manage our investments.

In particular, the issue of CDOs was used as an excuse to take control of the developer levies growth centre councils get, and to restrict the way councils manage some of their money.

This was extremely frustrating because councils weren't the only ones hit by the downturn;

The State has been less than forthright in reporting its own exposure to this global downturn and;

councils had sought expert advice; and were following State Government guidelines.

While some councils were unfortunately hit, I am happy to confirm that the Associations have no exposure to CDOs or equivalent products.

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Water. You are all well aware that our water utilities are being reviewed,

and there is a fear amongst many councils, despite assurances from Minister Nathan Rees, that we will lose control of them.

Which could mean a loss of jobs and a reduction in council funds.

Which would have a detrimental affect on our ability to deliver essential services to our communities.

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When you consider all this – the possibility of more of our community's assets being taken out of our control-

the theme of this year's conference - 'Accentuating the Positive' - might seem poorly timed.

You might even think we are having a lull.

I'd argue the contrary.

Focusing on the positive, and turning the negatives into positives where we can, has to be our motivation over the coming year if we don't want to end up a political and economic dead duck.

We need to look at what we, in local government, can do to make improvements within our own sector.

We must have the backbone to admit there are problems.

And come up with some real solutions.

For the answers that require inter Governmental support, we have to put our case forward, while doing our bit to make it happen.

Not by simply asking for hand outs.

Friends, we have to accept that the cavalry is not coming.

Even if the State is not broke – there is little will to work with us for the benefit of communities.

In all my meetings with ministers and industry representatives, their one complaint is that all we do is whinge.

I've got to admit they have a point.

But I must also say that our whinges, if that's what you want to call them, are nearly always accompanied by solutions.

Of course, there are times when we have no or little control over the problem and the solutions have to come from other spheres of government.

Cost shifting is an example that springs to mind.

The Associations have just finished a survey of where cost shifting is happening and why.

And the results were as expected.

They showed the cost to ratepayers was around \$380 million in 2005/06 and increased to \$412 million in 2006/07.

The best evidence yet for:

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- an urgent end to the practice of cost shifting;
  - the reduction of constraints on local government revenue raising such as rate pegging;

and for an Inter-Governmental Agreement to clarify funding and responsibilities between Local Government, the State and the Federal Governments

I also believe every Cabinet Minute should contain a formal Local Government Impact Statement which clearly spells out the financial and other impacts of a proposed law or activity on councils and their communities.

The Government actually announced yesterday that IPART would carry out a review of council revenue.

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I welcomed the review, and the acknowledgement that councils are getting squeezed at both ends, but in his announcement the Minister for Local Government indicated a continued commitment to rate pegging.

I have to ask, how can a genuine review of council revenue not include rate pegging in the terms of reference?

NSW is the only State in Australia that has it, and it is well known it is preventing councils from providing the services and facilities our communities need.

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All of you will have received an unwelcome letter in the mail – an invoice from the Electoral Commission demanding up to four times more to run this year's local government elections than in 2004.

The Associations raised this issue with the Government in the middle of last year, when the initial advice was sent out.

The Government said - and is still saying - they are simply recovering the 'real costs' of running the elections.

To date they have failed to produce any hard data explaining the astronomical hikes.

And have conveniently left out of media releases and interviews, that we used to run the elections ourselves – and when we did they were more efficient and cheaper.

And that councils simply can't afford this extra cost shift.

As it stands, we've got councils cutting the number of booths they will have at the elections – which will make it more difficult for the community to vote.

And others looking at what service and infrastructure projects and upgrades they'll have to put on the backburner in order to foot the bill.

We urge you to make sure your community knows this sort of thing is going on.

And we will continue to demand answers.  
These days, democracy obviously doesn't come cheap.

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So I've mentioned two examples of where local government is being stung unfairly and has had little control over the situation.

But at other times the ball's in our court.

Let me be clear.

This is not about throwing our hands in the air, rolling over and saying it's all too hard.

It's about showing leadership and proving to our communities that we are the strongest voice - and the best advocates - they have.

We need to set the agenda, not be railroaded into following someone else's.

We have to make changes, or have unwanted and inappropriate change thrust upon us.

The review of our water utilities is an example of where councils have the opportunity to influence their future.

Many have made submissions to the inquiry, and put forward sensible suggested models for their region with the assistance of the options paper the Associations provided.

Many of you also attended work shops run by the Minister.

It makes sense that local government be at the centre of the process, and that our involvement be pivotal, because they are our assets, we have the history, the background and the local knowledge.

We are best placed to work out the best way to improve the efficiency of water and sewerage management, while meeting local requirements.

I continue to work closely with the Minister on the inquiry, and he is aware of how crucial it is that councils retain control of these very important locally owned local assets.

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Local Government has come a long way, but we are prone to spreading ourselves too thinly.

We have to learn to pick our fights.

It is natural to be defensive, and to protect ourselves when under attack.

The planning campaign was a great example of strength in numbers – local government banding together – uniting.

It has meant we have spent a lot of time lately defending ourselves against a State Government that is at times downright malicious and dishonest.

An institution that thinks nothing of using councils as a scapegoat when caught between a rock and a hard place.

But I'm not going to use this speech as a Government bashing exercise.

It might make us feel better, but in the end it is not constructive.

And, as I have mentioned, there has been too much of that lately.

The issue of One Association is a good example of where resources have perhaps been over expended.

One Association is of course the ideal model.

It would strengthen our fighting power and make us a more efficient operation.

I have been a strong advocate for the merging of the organisations.

In fact I have moved motions calling for it at previous conferences.

I am not suggesting we bury the objective of One Association, however the LGA has made its position clear.

That Association says the only way we will achieve One Association is for all Shires members to join the LGA, which I believe is a Clayton's solution to this issue. And

There is no doubt rural and regional NSW would be the big loser.

But in the end it is in your hands – I will be guided by you.

At this time, we are fighting a number of critical battles,

and putting more effort into achieving a One Association model seems to me not the best use of scarce resources.

I believe we should be spending time building the Associations' brand, and improving Local Government's public perception.

I talked before about turning negatives into positives.

I think we need to spend more time promoting all the good things we are already doing for our communities.

The projects, initiatives and events we run to make our communities the places where people want to live.

**How** we are helping regional and rural communities save millions of litres of water through our \$22 million dollar Water Loss Management Program.

**How** hard we are fighting to protect our environment and undo the damage already caused over the years.

**How** we are improving our asset management systems and making our operations more efficient.

**How** we are joining together in strategic alliances to deal with our resource and skills shortages.

**How** local government has been working with the State Government to reform liquor licensing, and has been advocating various other measures to reduce anti-social behaviour.

Councils are passionate about their communities, and it's important our community knows it.

It will also help our ratepayers understand how we spend their money and what services and facilities are available to them.

We are not just roads, rates and rubbish. We are the glue that holds our communities together.

The Associations have been doing a bit of internal spring cleaning and reshuffling – and by that I mean restructuring the standing committees, and moving staff around and redirecting their responsibilities.

It was one of the priorities I mentioned last year, in order to make us more outcomes focused, and I am pleased to say that while it's a work in progress, we are already seeing some of the benefits of a more streamlined process.

Thank to our Treasurer Paul Braybrooks for his concerted effort in having the carriage of this important task.

One of our commitments as part of this shake up is to a strategic communications plan.

The 'Keep It Local' slogan is a neat summary of the benefit of local government – it is the sphere of government closest to the community, and we want to highlight that.

To help us write the plan we will be seeking your opinion on many of the publications we produce, how we communicate with you, and what you expect from us.

I have talked a lot today about the difficulties we have had in dealing with Government.

It hasn't all been bad.

Recently I met with Tony Burke, Federal Minister for Agriculture, Forestry and Fisheries to advocate new drought relief recovery measures and to be briefed on the Government's reviews of Exceptional Circumstances (EC) funding.

Although Minister Burke confirmed his decision that major changes or announcements would not be forthcoming prior to the three reviews being completed, and as yet they haven't been commenced, the outcomes of the meeting were positive and many concerns with the current EC funding schemes were addressed.

By our Association showing leadership and being proactive on issues, hopefully meetings like this will be more common.

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Aside from tightening up our communications and remaining closely involved in the water review, this year your Association will also focus on:

- The September Elections;
- Planning;
- Constitutional Recognition; and
- Improving direction and focus.

This year there are a number of important changes in how we deal with motions.

You have probably seen in the business paper that there are a number of strategic motions which look at priority issues or consolidate or strengthen motions received from the Divisions.

When dealing with some of these we intend to suspend standing orders to allow for a more comprehensive discussion.

And hope this will result in a more dynamic and interesting conference.

More importantly, we want to ensure we properly deal with key issues affecting our member councils and their communities, and that by the end of the conference we know what our priorities are, and what we want to achieve over the coming year.

This year is also a voting year for members of your Executive.

I can't stress enough the importance of voting– these are the people that will take the issues affecting your Division and your communities to other spheres of Government and industry

- please be conscious of voting opening and closing times during the Conference.

Well you've heard enough from me.

I've got to say that I am really enjoying the role as your president, and I hope you think I'm providing the leadership you expect.

If I'm not, I'm sure you will let me know. And I encourage you to do so.

Thanks to my Vice Presidents – Barry Johnston and Steve Low, Treasurer Paul Braybrooks and the immediate past president Col Sullivan for their advice and support

The Associations' Secretary General Bill Gillooly; the rest of the Associations staff who help keep me afloat; and the councillors who offer me their opinion and their advice.

And to all my executive – they have been an extremely close knit and committed group, who have not been afraid to give me their opinion.

I will now hand you over to the Minister for Local Government, Paul Lynch.

Paul, I appreciate the access and open mind that you bring to our partnership.

I welcome your recent announcement of funding to improve aboriginal communities' water and sewerage services.

The trick is going to be developing guidelines for the management agreements that will be required for Aboriginal Land Councils and councils – and I look forward to working with you on that.

Enjoy the conference everyone.

**ENDS**