

**The Hon. Dr. FOLEY** (Boronia Province): Mr. President, I am aware that in speaking to a Bill, even one as multifaceted as the Victoria Grants Commission Bill, one has little latitude. Certainly one does not have the opportunity to spread one's wings, as the Chief Secretary so interestingly put it. I hope, Mr. President, that you will allow me sufficient latitude to extend to you my sincere congratulations on the achievement of the distinguished office that you now hold. You follow men who have left their stamp, not only on this Chamber, but on the Parliament and Victoria itself. You, Sir, are of that tradition, and I for one look forward to working with you as you climax a distinguished Parliamentary career. As a political, as well as a Parliamentary, neophyte, I am particularly grateful for the courteous, sympathetic, and I hesitate to say, paternal manner in which you have introduced me to this distinguished place. I am indeed most grateful.

Mr. President, if the history of this elegant Chamber, its character, its potential, my aspirations in it, and not least my own innate inadequacies all conspire to make this maiden address less fluent and articulate than it should be, then I apologize in advance and ask honorable members to believe that the situation is a temporary one. I also ask members to accept some responsibility, and perhaps even draw some satisfaction from my difficulty: One is never nervous or timorous when speaking to persons whose views, attitudes and abilities he does not respect. That may be a rather abstruse compliment; it is a sincere one nevertheless.

As a final point in these introductory comments, I thank honorable members opposite, in anticipation, for hearing me in silence. I hope I shall give honorable members little cause to regret that courtesy.

Referring to recent maiden speeches in this Chamber, Mr. Walton suggested that those addresses were somewhat provocative

—provocative enough to cause some members to “bite their tongue in order not to interject”.

If propriety and courtesy are not sufficient to deter me from being contentious, I can assure the House that an orchestrated biting of the tongues opposite certainly will. The reminder that my being contentious would deprive this Chamber even temporarily of the reasoned argument of Mr. Walton and the acerbic, if somewhat vocal, wit of Mr. Elliot, will keep me on a temperate course. At the merest twitch, or tightening of a jaw, I will be quick to recast my argument.

Mr. President, if it is believed that the individual must have the maximum possible degree of control of his own destiny; if we believe that decision making should be made at the lowest possible level—preferably at the individual level; if we believe that freedom of choice is always more important than material objects that result from the decision of others; if we believe that whilst there is diversity in humanity, there exist communities of interest; if we further believe that to identify and meet those community interests is the function of local government; and if, in addition, we believe that local government is better able to meet those community interests than either State or Federal Governments; Mr. President, if we accept those principles—and frankly I believe that in this society they are so self-evident as to be trite—then *ergo*, what we have before us is one of the most important Bills to come before this House.

During the debate there has been, and will be, a number of informed and informative contributions from all sides of the House. In many, if not in most cases, those addresses will be made by members who have been, or still are, closely associated with local government in Victoria. Those members can, and will, speak with an authority, and in a detail, that I can only envy.

What I wish to do is practise a little comparative advantage, and with the limited tools at my disposal and the limited experience, I will first take a broad view and place the Victoria Grants Commission Bill into its philosophical context. I have already gone some way to doing that. Secondly, I will examine, not the Bill's immediate, obvious and somewhat detailed impact but rather its long-term, general and what I believe will be a quite profound effect on local government in this State.

The most obvious point to be made about this Bill is that it is a vital and integral element in what has come to be called, incorrectly, the new federalism. The so-called new federalism is merely an attempt to return in some way, to the old federalism—federalism as it was conceived by the framers of the Australian Constitution; a federalism which has since been turned upside down by an amendment to the Australian Constitution; the transfer of income taxing powers to the Federal Government and a reluctance, to say the least, by the Federal Government to relinquish the powers so gained.

I refer of course to the 1927 Financial Agreement Act and to the four 1942 Acts which give the Federal Government pre-eminence over the States in the collection of income tax.

The Financial Agreement Act through section 105A of the Australian Constitution created the Australian Loan Council and thereby put the capital development of the States in the hands of a Federal-State, but Federal dominated, committee. Uniform taxation completed the change.

To paraphrase Alfred Deakin: By 1942 the States were successfully and irrevocably tied to the chariot wheels of the Commonwealth.

Mr. President, the Victoria Grants Commission Bill will play an important part, I believe, in reversing that process.

It is no coincidence that this small, but very significant step towards returning greater discretionary powers

to the States and local government is also a central element in the Victorian Government's quality of life platform.

If the quality of life is an increasing function of having choice, making one's own decisions and being responsible for those decisions and is diminished when people are directed, then this Bill will effect a quantum, but obviously difficult to quantify, improvement in the quality of life in this State.

The genesis of this Bill and the principles upon which it is based are succinctly expressed in the federalism policy of the party which I am proud to represent in this Parliament. That policy states—

In a crowded world of massive and growing complexities of laws and regulations, individual freedom is increasingly threatened unless the nature and shape of our democratic institutions adapt themselves to provide safeguards.

Federalism, therefore, is not merely a structural concept. Its principal justification is a philosophical one. It aims to prevent dangerous concentration of power in a few hands. In doing so, it provides a guarantee of political and individual freedom.

For true national concern to be achieved and maximized, it must be done through a partnership effort by all forms of government. Canberra should not meddle with power-hungry hands at levels where local knowledge and talents can perform so much better.

In the Victoria Grants Commission Bill we have the first legislative evidence, at least in this House, of that vital Liberal—I emphasize Liberal—principle being effected. Conversely, and now I turn to some of the arguments that Mr. Walton has put forward, the Victoria Grants Commission Bill is a major step towards reversing the initiative numbing, centralist policies of the recent, and unlamented Whitlam Labor Government—a Government, which, under the guise of increasing funds available to local government, robbed it of its most important elements—discretion and responsibility. Its very *raison d'être*. Through a morally reprehensible use of section 96 of the Australian Constitution,

that same Government assiduously and insidiously reduced local government to mendicant status.

Decisions on whether a health centre would be located in Richmond, or Ringwood or Rockingham in Western Australia; the size and the location of that health centre under that regime, were increasingly being made by public servants in Canberra, who, more often than not, had never even been in Victoria or Western Australia and most certainly would not have any idea of the peculiar needs of those unique communities to which I am referring.

The Bill currently before this House is a total and unequivocal rejection of that philosophy. Let me be quite clear about that point. Federalism is not—I emphasize not—predicated on more money for local or State Governments, although I should be quick to point out, it will, and has, inevitably meant just that. The Victoria Grants Commission Bill is an instrument of federalism, and as such will provide more discretion, increased responsibility, and a greater control by the individual over his or her destiny.

It is often said that local government is the level of government nearest the people and is therefore the best understood. Mr. President, the first part of that statement is a tautology, and the second is unfortunately not true. Regrettably the closeness referred to is spatial only. In terms of understanding I would suggest that local government, far from being the best understood, is in fact the least understood sphere of government.

It is equally regrettable that the reasons for this serious deficiency are neither obvious nor simple. Even if they were, I would not have the temerity to apportion blame.

I will, however, draw attention to one major impediment to that understanding—an impediment that this Bill will go some considerable way to removing.

*The Hon. Dr. Foley.*

Local government does not, currently, conduct its business, develop its plans and report its activities in terms that are readily comprehended by the public.

There are two broad reasons for that lack of coherence and gap in understanding. Firstly, local government rarely sets strategic goals. Secondly, while the community expresses its needs in terms of broad social objectives such as improved recreation, improved health, improved transport and so on, local government expresses itself in terms of capital works, road works, playing fields, and so on. One expresses itself in social terms—the outputs of society—the other in terms of physical resources, or inputs. One talks of ends; the other of means of achieving those ends, without describing the ends.

Anyone wishing to dispute that simple, but enormously significant, fact should poll his municipality on community needs, and having done that, either attend council meetings or examine the annual and other reports produced by the councils.

By one view Victorian local government has, since its inception, been moving towards a more social or people orientation, although I believe any objective appraisal would surely conclude that the movement has been slow, disparate, disjointed and painfully incremental.

Another view, and it is the one I find most appealing, is that the recognition by local government that it is in the business of meeting social objectives and its interest in new forms of management did not become widespread and was not identifiable as a movement until 1973. A primary impetus for that change in orientation was, I suggest, the creation of the Federal Grants Commission. Formation of the Federal Commission in 1973 and the approach adopted by the then Federal Department of Urban and Regional

Development towards local government fundamentally irrevocably changed the direction of local government.

Those Federal instrumentalities, which had substantial funds to make available for local government allocated those funds on the basis of social criteria. Councils putting forward submissions for road funds, or making a case before the Grants Commission, were asked to say to what extent the extra funds would improve transport or health or recreation, or to what extent those municipalities were socially disadvantaged *vis-à-vis* other municipalities.

In response to those requests some councils were unable to present adequate proposals. Others put in enormous extra work to express their input oriented information into an output or social form. Others, while doing the latter, saw the need to build a management system that would allow them to build a socially oriented system without extra work or the use of consultants.

Some Australian local government authorities remain in the first category—to the great disadvantage of the public they represent. Most are still in the second category, but looking with increased interest at re-orienting their management structure and their management system. Several councils are already developing that new orientation and reaping its substantial rewards.

It is no coincidence, Mr. President, that the councils leading that movement are in Victoria.

The Victoria Grants Commission will continue to effect, and will accelerate, the exciting changes to which I refer—changes that will see an improved dialogue between all spheres of government; new developments in the management of local government and, most important of all, an improved dialogue between local government and the public—the public whose social goals it is local government's responsibility to identify and meet.

With added and increasing discretion, with an orientation towards ends rather than means, and consequently a more visible social conscience, Victorian local government faces an exciting and challenging future.

Whether the new-found discretions and responsibilities will bring greater effectiveness and improve the quality of life to the extent which they theoretically promise will be determined by the capacity of local government to meet that challenge.

Mr. President, I thank you and honorable members opposite for your forbearance and for allowing me enough latitude to indicate, in a general way at least, some of the motives that bring me to this place and some of the aspirations that will both guide and sustain me for what I hope will be a long career in the service of the people of the Boronia Province and Victoria.

I conclude, Sir, by reaffirming my unequivocal and unreserved commitment to the principles on which the Victoria Grants Commission Bill is founded. I commend the Bill to the House.

**The Hon. D. M. EVANS** (North Eastern Province) : Before beginning my maiden speech and address to the House, like the previous speaker, Dr. Foley, may I offer my congratulations to you, Sir, on your election to the position you hold, the very august position of President of this Chamber, and thank you for the opportunity of addressing the House tonight.

I am very pleased to begin my career in this House by speaking on the Victoria Grants Commission Bill, allied as it is to local government, because prior to coming to Parliament as one of the members for North Eastern Province, one of the areas in which I attempted to serve the community was in that very field of local government. For the edification of Mr. Ward, it was in the Shire of Oxley and the area of