



Speech by

# Mr BRUCE LAMING

## MEMBER FOR MOOLOOLAH

Hansard 18 September 1998

### APPROPRIATION (PARLIAMENT) BILL APPROPRIATION BILL

**Mr LAMING** (Mooloolah—LP) (2.38 p.m.): One of the difficulties encountered in speaking in debates such as that on the Budget, particularly when one is towards the end of the speakers list, is finding something a little different to say. I will reserve my comments on my electorate until my contribution to the debate on the Address in Reply. Over recent days, we on this side of the House have had to listen to a dreary series of anti-GST contributions from Government members. I am not going to talk about the GST or, as I might more correctly describe it, tax reform right now. I believe that it is one of the first steps towards what I hope will be a more equitable process of Federal/State taxation reforms. I will come back to that a little later.

Today I am going to delve a little bit deeper into what I believe to be the root of the problem, which is the way in which we are governed, not just taxed, in this country. Although my remarks are not perhaps relevant to individual line items in this Budget, they are very relevant to this and future Budgets generally.

One hundred years ago, before Federation, the States were responsible for all functions of Government. On Federation, the States gave up certain specific powers to the new Commonwealth Government. Firstly, I will list the more significant of those powers: taxation, tariffs, post and telegraph, defence, quarantine, census, currency, bankruptcy—

**Mr Nuttall:** Is this a history lesson? We don't need a history lesson.

**Mr LAMING:** I suggest the member does.

**Mr Nuttall:** Why?

**Mr LAMING:** Would the member like to finish the list?

**Mr Nuttall:** Do you want to tell us why we need a history lesson?

**Mr LAMING:** The member will get the punch line. If the member wants to get home early tonight, he should be patient and not interrupt. Those powers also included naturalisation, marriage and divorce, pensions, immigration, foreign affairs, and conciliation and arbitration.

Secondly, I will list some of the residual State functions that, over the past few decades, have been usurped by Federal Governments of both political persuasions: regional development, family services, small business, education, primary industries, tourism, sport, employment, training, industrial relations, environment, transport, health, local government, minerals and energy, justice, arts, ATSI, status of women, communication, IT and consumer affairs. Each one of the portfolio areas on this list has departments and Ministers both in Canberra and in Queensland and, for that matter, probably in each of the other States as well.

Thirdly, I would like to now advise honourable members of those responsibilities that are not duplicated by the Federal Government: public works and housing. That is it: end of list. I suppose that puts the member for Rockhampton in a unique category.

**Mr Hamill:** He is unique.

**Mr LAMING:** He is unique. Even housing receives a substantial part of its revenue from the Commonwealth. To summarise, we have approximately 15 major areas of clear Federal responsibility, two non-duplicated State responsibilities, and 21 that are to a greater or lesser degree duplicated. At best, such a situation is an inefficient use of the parliamentary process and, at worst, a recipe for

confusion, conflict and a huge waste of money. No wonder most people think that we in Australia are overgoverned and that we should abolish at least one level of Government.

I do not subscribe to that point of view. I believe that three levels of Government are appropriate in Australia. In fact, a very good case can be mounted for the retention of three levels of Government, despite the Premier's comments during question time today that he would, if I heard him correctly, like to see the Federal Government abolished. Perhaps he was not being serious. For instance, I do not believe that our schools, hospitals or police stations would be nearly as well run if their affairs were conducted from Canberra.

I believe that one of the most important challenges facing parliamentarians of all political persuasions at both Federal and State levels is to drastically reduce duplication of Government responsibility and funding. I will mention some of the more obvious matters. Consideration should be given, particularly by the Federal Government, to examining such areas as education, training, transport, health, and, particularly, local government. Why the Federal Government has a Minister for Local Government is beyond me. These areas of responsibility could well be left entirely to State Governments. On the other hand, the Federal Government could probably make a strong case to take a more national approach to matters such as international tourism, the environment and possibly industrial relations. A number of areas may still require both a State and Federal involvement.

I am sure that others might disagree with my suggestions for possible improvements. However, these issues should be debated. In fact, I believe that they are more important than the current republic issue, which has been debated. Such improvements would have tremendous benefits for both Federal and State Budgets, because duplication and overlap is a waste of effort and a waste of taxpayers' funds.

A lot of this duplication is caused by Australia's vertical fiscal imbalance. This has allowed Federal Governments to dictate State policies by the power of the purse. It is for that reason that I and most thinking Australians will support Mr Howard's position on tax reform. There will still be a long way to go so that State Governments do not have to go cap in hand to Canberra each year. However, the Federal coalition's tax reform package is a bold step in that direction, and it deserves our support. After all, what is the Federal Opposition offering?

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