



Speech by

Evan Moorhead

MEMBER FOR WATERFORD

Hansard Tuesday, 4 September 2007

FEDERALISM

Mr MOORHEAD (Waterford—ALP) (11.46 am): Our system of federalism has been in place for more than 100 years. At the time when the constitutional conventions of the 19th century were considering what our federation should look like, we did not have radio, we did not have TV, we did not have email, we did not have telephone and we did not have internet technology. We also were a sparsely populated nation largely based on agriculture and rural production.

Today Australia is a different country. We have a strong and mature economy, and we have internet and communication technologies that allow political conversations to traverse across state borders. Our system of federalism is outdated. Federal governments of all political persuasions have continually looked to reshape federalism, particularly in the last 30 years. The process included significant examples like the Tasmanian dams intervention in the 1980s and the industrial relations reform in the early 1990s, but the matter was taken to the extreme when the Howard government used its corporations law power to take over industrial relations in all jurisdictions in Australia. As well, national scheme legislation has been used more and more because of the need for uniformity across the states. This is particularly important in areas such as trade and commerce. At the time of our federation, few businesses extended beyond the borders of one state. Now we have an economy where many companies do.

Rather than continually trying to undermine our current constitutional provisions for federalism, it is time to have a debate about what our system of government should look like. Do we need as many politicians as we currently have? After 15 March 2008 Queensland will have 645 politicians for a state of just over four million people. Do we still need the states in their current format? Our state governments preceded federal government. We were the colonies of the 19th century. We have arbitrary borders based on the decisions of that time rather than on good service delivery. I am sure people will support changes if State of Origin football can still be guaranteed.

Until 1977 the abolition of the states was a platform of the ALP but then was seen by some to be too radical. Given that Prime Minister Howard now presides over the most centralist national government in the history of our federation, this is probably a more conservative proposition. There must be a better way than our current system of duplication of services, of policy advice and a constant system of blame. Both the federal and state governments have parallel bureaucracies dealing with health, education and transport. Fewer and fewer issues are falling as either a state or federal issue, but many require cooperation and funding from both state and federal governments. This has resulted in ridiculous cost shifting, evident particularly in our health system with more and more cost shifting away from Medicare onto our public health system. The constituents we represent do not want to be constantly sent from federal government to state government and back again. They want to know who is responsible and who can build better government services.

Should we entrench local government? Kevin Rudd has promised to revisit the question of protecting local government as a third level of government in our Constitution. I support this proposal. I think the Australian Constitution should reflect the importance, and growing importance, of local government. The history on this point is fascinating. Proposed by the Hawke Labor government, the 1988 referendum to insert the protection of local government was opposed by conservative politicians

everywhere, including those who come to this place pretending to be the saviours of local government. The no campaign at the time, led by Peter Reith and John Howard, argued that to guarantee local government a place in our Constitution would undermine states' rights. Since coming to government, John Howard has done more than anyone else to undermine states' rights. If I were cynical I would suggest that this is because at the time of the referendum a majority of Australian states were under conservative governments.

It is time for an honest debate about the future of Australian federalism. Our current system is straining under the pressure of federal governments finding new ways to extend their legislative power and influence, further creating duplication and blame largely for political reasons rather than for reasons of good policy. Whoever wins the federal election should be calling a constitutional convention to start the debate on the future of Australian federalism. At least Kevin Rudd has had the vision to put local government and our Constitution on the national agenda. Prime Minister Howard and his team have a history on this matter of campaigning against local government in 1988 for base political gain. It is time to put that behind us.