

Submission to

Inquiry into Australia's Relations with China

**Senate Foreign Affairs, Defence and Trade
References Committee**

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13 June 2005

Dr Kathleen Dermody
The Secretary
Senate Foreign Affairs Defence and
Trade References Committee
Suite S1.57
Parliament House
CANBERRA ACT 2600

Dear Dr Dermody

Inquiry into Australia's relations with China

Thank you for the invitation to provide a submission to the Senate Foreign Affairs, Defence and Trade References Committee on Australia's relations with China.

We note the inquiry refers to a number of Terms of Reference (ToR) with a view to investigating the possibilities of a Free Trade Agreement (FTA) with China, namely

- (a) Australia's economic relationship with China
- (b) Australia's political relationship with China
- (c) Australian responses to China's emergence as a regional power.

The attached submission by the Australian Local Government Association highlights our relationship with China and particularly addresses the ToR, "(b) (ii) opportunities for strengthening the deepening political, social and cultural links between Australia and China."

I believe that local government can play a key role in creating greater understanding of our political, social and cultural links, through strengthening existing relationships at the local level.

I am happy for ALGA's submission to be a public document.

Please do not hesitate to contact me should you wish to discuss the contents of our submission.

Yours sincerely

Cr Paul Bell AM
President

enc.

Introduction

This brief submission to the *Inquiry into Australia's relations with China* details the relationship that local government has with China.

It provides information on the Australian Local Government Association, the peak national body for local government. The submission details our representation at the international level through the United Cities and Local Government Asia Pacific, a Regional Section of the United Cities and Local Government, the international local government body; as well as our role in hosting and receiving delegations from China.

Finally, the submission refers to local government participation in the Sister Cities program.

About ALGA

The Australian Local Government Association is the national voice of local government, representing 673 councils across the country.

ALGA is a federation of state and territory local government associations, its Board being made up of two representatives from each ALGA member, plus the President who is independent. Since 2001, membership has included the government of the Australian Capital Territory, in its capacity as the provider local government services.

ALGA members

- ACT Government
- Local Government and Shires Associations of New South Wales
- Local Government Association of Northern Territory
- Local Government Association of Queensland
- Local Government Association of South Australia
- Local Government Association of Tasmania
- Municipal Association of Victoria
- Western Australian Local Government Association

Utilising a small Canberra based secretariat, ALGA represents the agreed interests of members at the national and international levels, provides leadership, develops policy, shares information and builds collaborative partnerships for good governance in Australia.

Key activities include representation of local government on national bodies and ministerial councils, providing submissions to government and parliamentary inquiries, raising the profile and concerns of local government at the national level and providing forums for local government to guide the development of national local government policies.

As one of Australia's three spheres of government, local government is represented by ALGA on the Council of Australian Governments (CoAG). This peak government body brings together the Prime Minister, state premiers, territory chief ministers and

the ALGA President to develop responses to issues of concern to all three spheres of government. ALGA's strengthening links with the Australian Government reflects an awareness of local government's emerging national role.

ALGA's strategic priorities

1. Strengthening local government finances
2. Sustaining local roads and transport infrastructure
3. Improving local environmental outcomes
4. Enhancing regional equity and regional development
5. Meeting community needs
6. Connecting local governments through information technology
7. Collaborating with other governments

International relationships

ALGA performs its function of representation at the international level through our membership of international organisations, the United Cities and Local Government (UCLG) and Commonwealth Local Government Forum; our support of the East Timor Friendship Relationships program; facilitating local government's response to the Indian Ocean Tsunami 2004; and receiving and hosting delegation visits.

For the purposes of this Inquiry, we have detailed our involvement in UCLG, particularly UCLG Asia Pacific (UCLG-ASPAC), and information on delegation visits from China.

United Cities and Local Government

UCLG was formed in May 2004, uniting the former bodies International Union of Local Authorities (IULA), United Towns Organisation (UTO) and Metropolis into a single world organisation.

The mission of UCLG is:

To be the united voice and world advocate of democratic local self-government, promoting its values, objectives and interests, through cooperation between local governments, and within the wider international community.

To achieve this mission, UCLG shall pursue the following objectives:

1. To promote strong and effective democratic local self-government throughout the world;
2. To promote unity and cooperation amongst members;
3. To ensure the effective political representation of local government to the international community, in particular the United Nations and its agencies;
4. To be the worldwide source of key information and intelligence regarding local government;
5. To be the worldwide source of learning, exchange and capacity-building, supporting the establishment and strengthening of free and autonomous local governments and their national associations;

6. To promote economic, social, cultural, vocational and environmental development and service to the population based on the principles of good governance, sustainability and social inclusion;
7. To promote race and gender equality, and to combat all forms of discrimination that are illegal with regard to international law, and/or illegitimate in relation to the values and policies of the organisation;
8. To be a strong democratic organisation, reflecting in its composition and functioning the diversity of the local spheres of governance;
9. To promote decentralised cooperation and international cooperation between local governments and their associations;
10. To promote twinning and partnerships as a means for mutual learning and friendship between peoples;
11. To develop policies, programs and initiatives within the framework of the World Organisation's mission, values and objectives, which implies seeking appropriate means to implement them, within the internal rules of the organisation.

United Cities and Local Government – Asia Pacific

ALGA is an active member of UCLG, through the Asia Pacific Regional Section (UCLG-ASPAC).

In 2004, ALGA President, Cr Paul Bell AM, was elected Vice President of UCLG-ASPAC, representing the Pacific Sub-region. In this role, he has portfolio responsibility for Capacity Building, Training and Research. In April 2005 Cr Bell attended the UCLG-ASPAC Biennial Congress in Daegu, South Korea. The President of UCLG-ASPAC is Mr. Haosu Chen, representing the Council of People's Association for Friendship with Foreign Countries (CPAFFC).

Our relationship in the UCLG-ASPAC framework strengthens our personal relationship with CPAFFC. ALGA has enjoyed a special relationship with the CPAFFC, having hosted delegations attending each National General Assembly of Local Government.

Visiting delegations from China

CPAFFC delegation to National General Assembly of Local Government

National General Assembly of Local Government is the largest national local government event, held annually in Canberra each November. The first National General Assembly was held in 1994.

It is convened by ALGA for local councils across Australia to develop and express a united voice on the core issues affecting local government and their communities. National General Assembly provides an important platform to showcase local government to influential decision-makers of the federal government, at both the political and departmental levels.

Since its inception, CPAFFC has sent a delegation to National General Assembly seeking introductions to Australian local government to foster community relationships and business partnerships. Delegation members represent various provinces across

China. For example, provinces represented in 2004 were Shanxi, Jilin, Sichuan, Henan, Shanqiu, Shandong, Jiangsu. There are approximately 15-20 delegates in each delegation.

This year, ALGA is investigating options to increase the level of our engagement with the delegation to ensure the exchange offers optimal value for both China and Australia. We have made preliminary inquiries to host a roundtable that engages not only local government, but the local business sector and relevant federal government agencies.

Other delegations

In addition to the delegation hosted during National General Assembly, ALGA receives numerous invitations to receive delegations. The purpose of such meetings is to provide information on: the role of local government in the Australian system; our relationship with the federal and state governments; and governance structures generally.

The most recent of these was a 15-strong delegation from the Central Party School, led by Vice Minister Professor Shi Taifeng. The Central Party School has a critical function in the Chinese system of government, providing compulsory leadership education for senior officials, and ministerial and political appointees at the national and provincial level. The delegation was part of the Australian Government-funded China-Australia governance program (administered by AusAID), which aims to build long-term strategic relationships between Australia and China. This visit was the first such activity under the program and was facilitated and accompanied by Professor Stephen Fitzgerald, Australia's first Ambassador to China.

Sister City relationships

A number of Australian local councils have sister city relationships with cities in China. The purpose of the Sister City relationships is to foster close cultural and business ties with regions in China. Below is a list of those councils ALGA is aware have a Sister City or Friendship/Cooperative City* relationship with a city or district in China, followed by a brief description of the relationship.

1. Adelaide – Qingdao, Shandong*
2. Brisbane – Shenzhen, Guangdong
3. Gold Coast – Beihai, Guangxi
4. Hurstville – Changzhou, Jiangsu
5. Melbourne – Tianjin, Jiangsu
6. Perth – Nanjing, Jiangsu*
7. Port Adelaide – Yantai, Shandong*
8. Port Pirie – Suizhou, Hubei
9. Sydney – Guangzhou, Guangdong
10. Woollongong – Longyan, Fujian*

Adelaide City Council

Adelaide City Council (South Australia) has a Cooperative City relationship with Qingdao and Shandong Province has a sister-state relationship with South Australia. South Australia has well established links with government and business leaders in Qingdao. Qingdao will host the sailing events for the 2008 Olympic Games.

Brisbane City Council

Brisbane City Council (Queensland) has a Sister City relationship with Shenzhen, Guangdong province, primarily to build strong links and share knowledge. It also aims to develop opportunities in business, education, health services and recreation.

Brisbane is also partnering with Chongqing Municipal Government at the Asia Pacific Cities Summit in October 2005, using this as an opportunity for greater opportunities for foreign investment and partnerships.

Gold Coast City Council

Gold Coast City Council (Queensland) has a Sister City relationship with Beihai, Guangxi province to foster closer business and cultural ties.

Hurstville City Council

Hurstville City Council (New South Wales) has a Sister City relationship with Changzhou, Jiangsu Province. Delegations from Changzhou regularly visit Hurstville to learn about local government processes within Australia and to visit community facilities. In recent years, these visits have also involved the hosting of public seminars to promote close economic ties between the two cities.

Melbourne City Council

Melbourne (Victoria) has a Sister City relationship with Tianjin, Jangsu Province, to foster international understanding and goodwill between the two cities and recognise the contributions made by the Chinese community to Melbourne's business, cultural and community life. In 1998, the Melbourne Office opened in Tianjin to facilitate trade, investment and educational exchange between the two cities. In 2001, the City of Melbourne, the Tianjin Municipal People's Government and RMIT International Pty Ltd entered a joint partnership to form the Tianjin Government leaders Training Program.

City of Port Adelaide Enfield

Port Adelaide (South Australia) has a Friendship Relations Agreement with the people of the Zhifu District of Yantai City. The council's objectives for the Friendship Relations Agreement are to promote trade between the respective cities and countries, to develop educational, cultural and recreational links, and to advance together in the pursuit of science and technology.

City of Perth

Perth (Western Australia) has established a Charter of Mutual Friendship with the City of Nanjing, Jiangsu Province. Nanjing is in the economic zone of the Yangtze Delta. It has a comprehensive industrial base, is one of China's four major scientific research and educational centres and is also an important cultural centre for the region. Delegations from Nanjing have focused on culture and the arts, media exchange opportunities and research in the areas of animal husbandry and agriculture.

Port Pirie Regional Council

Port Pirie Regional Council (South Australia) has a Sister City relationship with the city of Suizhou, Hubei Province. The council has an agricultural rural sector and the regional city of Port Pirie is a commercial port, with the Zinifex Port Pirie Smelter, the world's largest lead smelter.

City of Sydney

Sydney (New South Wales) has a Sister City relationship with Guangzhou, Guangdong Province. The main objectives of the Sister City relationship are to create friendships nationally and internationally at the local level; promote cultural understanding and awareness; bring common interest groups together and provide a forum for the exchange of sister city experiences; and to develop economic, trade, cultural and educational exchanges.

Woollongong City Council

Woollongong City Council (New South Wales) has a Friendship City relationship with the city of Longyan in Fujian Province. The relationship has been built on friendship and cultural exchanges, but will focus on stronger business connections in the future.

More Sister Cities

There are several other local councils listed on the Australia Business Council website <http://www.acbc.com.au/> under Australia China Sister City/Province links.

In addition, through the Sister Cities Association, ALGA is aware that two more cities in China are seeking an exchange with a city in Australia, namely:

Benxi, Liaoning Province
Shang Qiu, Henan Province

Conclusion

This submission demonstrates the important role local government plays in linking local communities globally.

For over a decade, ALGA has enjoyed a strong relationship with China, through hosting the CPAFFC delegation at each National General Assembly of Local Government as well as numerous delegations throughout the year. More recently, our relationship with China has strengthened through our formal responsibilities in UCLG-ASPAC.

In addition, a number of local councils have direct relationships with Chinese cities and districts, through the Sister City relationship program.

We believe that local government can and does play a key role in creating greater understanding of our political, social and cultural links, through strengthening existing relationships at the local level.

We thank you for the invitation to make a submission to the *Inquiry into Australia's relations with China*.