Australia thanks the Secretary-General for his report on human settlements and appreciates its calls for an integrated approach to dealing with rural poverty, vital to dealing with the problems of urbanisation in the developing world.

Australia supports the view that persistent poverty in rural-urban migration, and should be addressed as part of the strategies for the development of human settlements. As my EU colleague said "slums are a consequence of urban poverty".

The most effective overarching strategy to deal with problems associated with urbanisation is the two-pronged approach that focuses on broad economic growth while reforming and improving systems of governments, with a focus on service delivery (water, sanitation, transportation and solid waste management).

Continued economic growth, which generates benefits for urban inhabitants (for example jobs, income, investment opportunities), is dependent on the capacity of cities to provide sufficient infrastructure to meet the needs of business and individuals.

Broad-based economic growth coupled with poverty reduction strategies is crucial to creating the resources for poverty and slum reduction.

Aid alone is not sufficient to ensure growth. It will require the mobilisation and effective use of all resources, including foreign direct investment, domestic resource mobilisation and greater trade liberalisation.