

OUR REF: SK:ajb
YOUR REF:

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Mr Glenn Worthington
Secretary
Joint Select Committee on the
Constitutional Recognition of Local Government
PO Box 6021
Parliament House
CANBERRA ACT 2601
(via email to jsclg@aph.gov.au)

Dear Mr Worthington

Re: Constitutional Recognition of Local Government

We commend the Government for establishing the Joint Select Committee and make the following submission for the Committee's consideration.

Glenelg Shire Council (GSC) submits that the Australian Constitution as the foundation of modern Australian law should be amended to recognise the modern day practice of the Federal Government directly funding local councils. It is GSC's position that to continue to enable vibrant local communities to be underpinned by reliable services, safe and appropriate infrastructure and the expanding demands on local councils the Federal Government should be able to directly fund local councils.

The role and responsiveness of local councils in respect to local community issues is critical to affecting the lives of all Australians in their local communities.

The importance of the constitutional ability for the Federal Government to directly fund local councils has been questioned in recent High Court decisions. It is GSC's position that if the Australian Constitution is not amended to ensure direct funding from the Federal to Local Government, then councils will likely receive monies via State Governments after costs for State administration are deducted and before the monies can be spent directly in local communities.

The role of Local Government continues to expand well beyond that envisaged in 1901 when the Australian Constitution came into effect. Today's Local Government provides an expansive range of services from child care, arts and culture, through to economic development and environmental sustainability. Whilst rates, roads and rubbish remain important Local Government services, they now sit among a range of core services provided by Local Government. In Glenelg Shire, there are currently over 150 services provided to residents by Council.

In contemporary Australia many basic needs for communities are provided by Local Government, yet the competing demands on every dollar of local council income has never been greater. To maximise the spend of Federal money in local communities, Local Government is the key link. Yet currently, only 3% of Australia's total taxation revenue, is levied by councils.

In recent years the funding from the Federal Government has been diminishing at a time when there has never been greater need to service local communities with the most basic of needs. Any impediment to direct funding from the Federal Government to local councils has a significant effect on local communities. Any unnecessary administrative expense diminishes the service at grass roots level. This means that the only alternative for local councils is a reduction in core services and delays or dismantling of important community infrastructure.

GSC submits that section 96 of the Australian Constitution should be amended to read 'Parliament may grant financial assistance to any State **or Local Government body formed by or under a law of a State or Territory**'. This change would secure the Federal Government's power to be able to provide funding directly to Local Government in the national interest.

In conclusion, Glenelg Shire Council declares its support for financial recognition of Local Government in the Australian Constitution so that the Federal Government has the power to fund Local Government directly. We sincerely appreciate the opportunity for our local community to be considered as an important reason to make amendments to the Australian Constitution.

Yours sincerely

CR KAREN STEPHENS

Mayor