



Submission to the Joint Select Committee on Constitutional Recognition of Local Government

Whitehorse City Council

February 2013

Introduction

The Whitehorse City Council welcomes the opportunity to make a submission to the Joint Select Committee on Constitutional Recognition of Local Government.

Times have moved on and the powers of the Commonwealth Government have evolved and expanded to cover many new areas that were not envisaged at the time of Federation of the colonies on 1 January 1901.

Similarly local government's role has expanded from its original role of building roads, bridges and public buildings to one of increasingly being called on to assist in delivering Commonwealth Government initiatives at local level.

Local Councils are the voice of their communities. The greatest strength of local government is its closeness to communities and its ability to identify needs and find solutions.

Local government works in partnership with federal and state governments, as well as business and other service providers, to deliver the most appropriate services to the community. As the third level of government, local government sits at the table with the federal and state governments to develop programs and initiatives.

It is important given the significant role local government plays in delivering services and advocacy to Australian communities, that it be formally recognised in the Australian Constitution.

Financial Recognition:

Whitehorse believes the Constitution should be changed to explicitly say that the Commonwealth Government can provide funding directly to Council.

Whitehorse agrees with The Municipal Association of Victoria, that (1) proposes a new power to be added to the constitution to expressly empower the Australian Government to fund local government and (2) proposes that the existence of local government be reflected in the constitution and provides the right of people to democratically elect their Council.

The recent success of federal and local government partnerships, such as the Australian Government's National Stimulus Package 2009 and the Roads to Recovery program, demonstrate how direct funding arrangements enable councils to deliver better services and infrastructure to local communities. Council is dependent on this type of funding and more importantly requires certainty of funding so that this program and others can continue.

The High Court's ruling in the 2009 *Pape* case has cast the legality of direct Commonwealth grants in doubt and indirect Commonwealth funding assistance, through conditional grants to state governments, can prove inefficient and costly. Consequently, there is a critical need to secure the capacity for future commonwealth funding arrangements with local government.

A reference to local government in Section 96 of the Constitution would create a specific head of power in the constitution for *direct payments* to continue and give local government certainty and secure its ability to cater for the needs of local communities, as was the original intention when local council's were established in 1840. The amendment to Section 96 of the Constitution should read: ***"Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory"***. Council has previously passed a motion supporting financial recognition.

Bi Partisan Support

It is important that there be bi-partisan support as an essential precondition if a referendum is to have the best chance of success. All key parties need to come together to support with a united voice the case for change and why local government needs to be in the constitution.

In addition, it is also important that the Joint Select Committee recommends a time which maximises the chance of success.

An informed voter is more likely to cast an informed vote, which is based on facts rather than misinformation. To this end Whitehorse supports a publicly funded national education and awareness campaign to inform the public about the constitution, how to change it and about the question being asked before the referendum.

Conclusion

Over 560 local Councils in Australia provide vital public services every day of the year. After 170 years it is time to include local government in the Constitution as the third level of government. Constitutional recognition will protect what we already take for granted and give local government the funding security to better deliver the services that the community needs and deserves.

In conclusion Whitehorse supports the Constitutional recognition of local government in the Australian Constitution. Furthermore we contend that Australian communities would support a 'Yes' vote if the Constitution was amended to allow for direct payments from federal government which would allow continued growth and sustainability of their communities and way of life.