

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Municipal services

Senator: Senator Cory Bernardi

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Type of Question: Written

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Number of pages: 3

Question:

1. By jurisdiction, can you outline the level of funding the Commonwealth provides for municipal services and the nature of services this delivers in?
2. Is it correct that the previous Government did not provide for this in the forward estimates?
3. Was the previous Government aiming to transition responsibility to the States?
4. Does the Commonwealth fund these types of services in other parts of the country? Or is it a state and local government responsibility?
5. What is the Government's policy intention for this programme? Has funding been allocated in the Budget to support this transition?
6. What progress did the former Government make?

Answer:

1. Under the Municipal and Essential Services Programme the Commonwealth has approved the following funding for 2013-14:

State	Approved funding for 2013-14	Services Provided
WA	\$28,592,953	Maintenance of essential and municipal services, including water, electricity, sewerage, roads, waste management, airstrips and fire prevention, and administration costs such as accounting and insurances and community governance. Powerhouse fuel.

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State	Approved funding for 2013-14	Services Provided
SA	\$9,595,487	Maintenance of essential and municipal services, including water, electricity, sewerage, roads, airstrips, fire prevention, waste management, and dog health. Aerodromes maintenance. Powerhouse fuel.
QLD	\$3,510,262	Water and sewerage services, infrastructure maintenance, waste management; parks, garden and road maintenance, animal control and environmental health activities. Staff wages.
VIC	\$901,332	Municipal and essential services including power, water and sewerage operation and maintenance, road maintenance, landscaping and dust control, dog control, environmental health activities and infrastructure management. Payment of administration costs, including rates, water, sewerage, operational maintenance, insurance, building maintenance, salaries and utilities.
TAS	\$361,934	Provide assistance with operational costs and essential/routine repairs and maintenance to community water, power and sewerage systems.
Total	\$42,961,968	

In the Northern Territory the Commonwealth provides support for municipal and essential services in homelands within the Municipal and Essential Services Implementation Plan (MES IP) under the Stronger Futures in the Northern Territory (SFNT) National Partnership.

Over the ten years of the agreement to 30 June 2022, the Australian Government will provide \$206.4 million (indexed) to the Northern Territory government. The NT Government will contribute \$40.4 million (indexed) over the same period.

2. Yes, with the exception of funding committed to the Northern Territory under the MES IP referred to in Question 1 above.

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3. Yes. Clauses 15 and 17 of the National Partnership Agreement on Remote Indigenous Housing (NPARIH) indicate the Commonwealth's intention to negotiate revised roles and responsibilities with state and territory governments for the delivery of municipal and essential services in remote Indigenous communities by December 2009, with new arrangements to be in place by 1 July 2012. However, these milestones were not achieved as consensus across all parties to the agreement was not reached.
4. Commonwealth funding for municipal and essential services only supplements funding provided by state, territory and local governments who have responsibility for municipal and essential services in all communities.
5. The Government's policy intention is to transition the Commonwealth from involvement in the funding and delivery of municipal and essential services in remote Indigenous communities from 30 June 2014.
There are funds in the contingency reserve for the transition of municipal and essential services in 2014-15.
6. Milestones were outlined in the NPARIH but no further progress was made. The Commonwealth extended its Municipal and Essential Services Programme funding on a yearly basis for the past two financial years.