

Submission

to

Senate Finance and Public Administration Committee

Inquiry into Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007

Submitter: Greg McLean, Assistant National Secretary

Organisation: Australian Services Union

Address: Level 8, 321 Pitt Street,
Sydney NSW 2000

Phone: Tel: 02) 9283 9280

Fax: Fax: 02) 9283 9270

Email: gmclean@syd.asu.asn.au

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Terms of Reference

1. On 16 August 2007, the Senate referred the Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007 to the Finance and Public Administration Committee for inquiry and report by 4 September 2007.
2. The Bill seeks to allow the Australian Electoral Commission to undertake any plebiscite on the amalgamation of any local governing body in any part of Australia.

Introduction

3. The Australian Services Union represents local government employees throughout Australia. The Union is party to a Federal and State Awards and Agreements covering local government employees throughout the country.
4. This submission is made on behalf of the Local Government Branches of the ASU. A full list of ASU Branches and locations can be accessed on the Union's national website: www.asu.asn.au
5. In all States, except South Australia and Queensland, the ASU covers both blue and white collar employees. In Queensland, SA and in the Northern Territory, the Union covers white collar employees in the sector. The Union has approximately 60,000 members Australia-wide employed in local government.
6. The Australian Services Union's members throughout Australia in the local government and related sectors work in every classification in the industry including as council road gangs, child care workers, road construction and maintenance employees, engineers, architects, draughtsmen, council ordinance inspectors, beach inspectors, senior managers, cattle yard sales managers, roads and measures weights inspectors on country roads, Council Rangers and in many other classifications.
7. The ASU is Australia's largest Local Government Union and well able to comment on behalf of not only Local Government employees, but also their communities in which they live as well as work. The ASU is a truly community based Union committed to Regional jobs growth, suburban city growth and improvements in safe and secure communities throughout Australia.
8. The ASU has Branches and offices in all Australian States and Territories and in regional centres across Australia and has one of the most decentralized union membership bases in Australia. Through its members,

the Union is well informed about the needs of local councils, their employees and local communities in which they live and work.

9. The ASU has had extensive experience in the operation, structures and re-structuring of local Government.
10. Over the years, the Union has worked closely with State and Local Governments to ensure that the operation of local government has been carried out in the most efficient and beneficial way and in the interests of the local communities served by local government.
11. Members of the ASU are at the frontline of Council work and of local government service delivery to rate-payers and other residents. Members continue to be frustrated, in many cases, with their inability to deliver the extent and quality of services required by local communities because of the inadequacy of funding available to local government to provide the services.
12. This difficulty arises from a number of factors including cost shifting but also from difficulties in developing the appropriate revenue bases required by local governments to deliver the services required by the local communities which they serve.
13. With limited access to its own taxation revenue, local government is frequently at the mercy of the political priorities of other tiers of government. The ASU and its members are concerned about the financial viability of some local government authorities and their capacity to deliver quality services but are equally concerned that local governments have at times borne the brunt of policies of some state governments to 'reform' local government by forcing Council amalgamations, compulsory out-sourcing of Council activities, shared services and other programs many of which seem designed only to reduce costs by cutting employee numbers rather than seeking to improve service delivery and function on the basis of a fair share of general taxation revenue.
14. The ASU brings this background and experience to the present submission.

Current Situation

15. As noted by the Special Minister of State in the Second Reading Speech, this Bill gives effect to the Prime Minister's announcement on 7 August 2007 that the Federal Government would allow the Australian Electoral Commission to undertake any plebiscite on the amalgamation of any local governing body in any part of Australia.
16. While the Bill has application to any local council in any part of Australia, it is clear that the Bill is directed towards the current decisions of the Queensland Parliament to reform local government in that State by amalgamating local councils. The Parliament has determined that it will follow the recommendations of the Local Government Reform Commission and the number of Councils should be reduced by half.
17. It should be noted that all other State and Territory Governments (other than the ACT) have at one time or another embarked on a program of local government reform. In many cases, if not all, these amalgamations occurred with out referendums or plebiscites of citizens in the affected cities, municipalities and shires, including those undertaken by the Victorian Kennett Liberal Government which was undertaken by a State Government decision against substantial community opposition.
18. As noted above, the ASU and its members support the integrity and independence of local government as well as the creation of financially viable and strong local governments able to provide the levels of service required by local communities.
19. The ASU and its members have consistently taken the view that local government reform must be undertaken in consultation with local communities and the employees of local government whose job it is to deliver the services required and whose livelihoods are involved.

20. The ASU has taken a close interest in and has made submissions to all levels of Government supporting the creation of strong local governments; for example, with regard to the cost shifting inquiry of the Federal Parliament, the current inquiry by the Productivity Commission into own source revenue of local government, and so on. The Union has made a number of submissions with regard to the current local government reform program in Queensland.
21. The Union consistently has argued for long term solutions to the financial and other needs of local government and has resisted the politicisation of local government in response to political or inter-governmental relationship issues.
22. Local governments, and the communities they represent, deserve consideration of their needs on merit and not in any party political context.
23. The ASU and its members do not support the amalgamation of local councils unless this takes place with the close co-operation of local communities.
24. The ASU is strongly of the view that amalgamations must result in improved and additional services to local communities, plus increased local and regional employment, or there would seem little point to amalgamations.
25. The ASU also does not support any amalgamations that reduce the cost of service delivery by reductions in staff numbers.
26. The ASU does not support the contracting out of local government services to the private sector as this will reduce the level of services provided to the community and as it often results in a reduction in wages and conditions of employment for the service providers.
27. The ASU does not support contracting out as it results in community job loss, job migration and reduced “dollar” spends in local communities. Which in turn causes further, local and regional, job losses and economic downturn.

28. Any council amalgamations must not result in any forced relocations of staff as a result of closure of depots and offices or reduction in service. Commitments made government, state or otherwise, on the maintenance of services to the community, community infrastructure and access points assist in allaying community concerns surrounding reduction of service standards, access related issues, preservation of the value of town private and public property and the retention of jobs in the town. No forced relocations ensure that community and rural centre population numbers are maintained and essential services such as hospitals and schools are retained.
29. The maintenance of existing infrastructure, including depots, administrative centres etc, the location of council resources and local communications that assist in the availability and use of council staff and equipment at times of bush fires ,flood mitigation, state emergency services and any other related community emergencies.
30. In the current environment, local government faces significant challenges in being able to provide the level of service required by communities due to skill shortages, wage and salary differentials between the public and the private sectors.
31. The Union is of the firm belief that quality public services are best provided at the local level by local government employees well skilled and properly remunerated who are working in the best interests of the communities they represent, rather than in the interests of private sector enterprises, usually based elsewhere.
32. The Federal Government has created a great deal of uncertainty in local government as a result of its enactment of the WorkChoices legislation. Federal Government spokespersons on local government have been uncertain about its application to local government. The ASU strongly believes that if the WorkChoices legislation is applied to local government that community services, conditions of employment, local community dollar spend and local economies will be at risk.

33. The ASU Queensland Services Branch has been in close consultation with the Queensland Government on the issue of mergers and amalgamations of local government in Queensland. The Union has not supported every decision of the Queensland Government on this issue, but has entered into transitional arrangements, which it believes should adequately deal with issues as they arise.
34. The Union acknowledges that some communities are concerned about the impact of amalgamations on the levels of services to be delivered in some areas. The ASU has been fervent in its submissions to state governments, in Queensland and other states, that the continued viability of remote local communities should not be jeopardised by the reduction of local government services. To that end, the new legislation in Queensland contains principles in section 159ZH of the Local Government Act that adheres to the retention of those services and the continuity of employment. A similar legislative provision also operates in NSW.

Amalgamation Plebiscites

35. The Government says that the Bill is limited in effect to the conduct of plebiscites re the amalgamation of Councils in any part of Australia, but the Bill, if enacted, may have wider implications.
36. The Union believes that care is needed to ensure that the provisions of this Bill are not mis-used. The Union supports the recognition of local government as a tier of government in its own right. However, it is clear that in law at the present time, local governments are established under the terms of State Local Government Acts.
37. Local Government is currently funded from a variety of sources, including own sources revenues [rates, fees and charges, etc] as well as tied State grants and untied Federal grants through the Grants Commission and through specific grant programs, e.g. Roads funding.
38. Local government therefore faces pressures from a number of sources already. The intervention by the Commonwealth government in the manner

proposed may have implications for the relationship between local government and state governments. Again, measures taken by any tier of government must be undertaken in the best interests of local communities and not for any extraneous purposes.

39. In particular, measures should not be taken which have only short term impact or political 'benefit' but which carry long term consequences. Local communities deserve the commitment of all levels of government to the long term strengthening of local authorities. Australia is a large country and needs strong local and regional governance as well as service delivery. It must not be seen as a pawn in a larger game.
40. The ASU supports the conduct of local government amalgamation plebiscites where supported by local councils and communities as well as State governments. However, plebiscites should not be used for disruptive purposes or to attempt to create division.
41. The ASU understands the circumstances from which the current Bill has emerged and calls on all parties to keep at the forefront of their deliberations the best interests of local communities and the employees who service those communities.
42. At all times, in the present circumstances in Queensland, the ASU has taken the view that local councils and communities and local government employees should be consulted about the objectives and processes of local government reform.
43. The Union's main focus has, appropriately, been on the development of financially strong and viable local government authorities and the provision of high quality public services as well on the protection of the job security and terms and conditions of the Union's members. The Union has worked closely with the Queensland Government to ensure that the interests of employees in local government are considered, protected and preserved.
44. The State Government has made substantial commitments on these issues which are still under consideration. The actions of the State Government so far have been extremely beneficial to local government employees, whereas the effect to date of the Federal Government's WorkChoices

legislation has been to create new areas of doubt and uncertainty for local government and its employees.

45. If amalgamation plebiscites are to be conducted, they should also be done in the best interests of local communities. In particular, citizens must have available to them full information about the pros and cons of the issues at stake and funding must be made available to ensure that this can be done.
46. Moreover, if amalgamation plebiscites are to be held they must be held on their own timetables and not at the same time as State or Federal elections. The Union is strongly of the belief that local government issues must be treated on their own merits and not allowed to become part of State or Federal political issues.
47. In the long term, local communities will not welcome any actions by Government taken for short term political gain at the expense of the significant long term structural and service issues currently facing local communities especially in regional and rural areas.

Conclusions and Recommendations

48. The ASU supports the opportunity for communities to exercise a democratic process and put forward their views. The ASU does not support any plebiscite that is based on a political points scoring exercise.
49. The ASU supports the rights of state governments to exercise their legislative process through their own parliament according to law.
50. Any plebiscite must recognise the circumstances of the plebiscite including the circumstances of state governments.
51. If enacted, the ASU strongly recommends the utilisation of the powers given to the AEC only in the best interests of local communities and not in any manner, which is divisive or detrimental to the long-term interest of the local communities.
52. The ASU thanks the Committee for their consideration of the ASU submission, and requests an opportunity to appear before the Committee,

to comment further and answer any questions from the Committee. (The ASU's first preference to appear before the Committee would be at the Noosa hearings) .