



AUSTRALIAN LOCAL
GOVERNMENT ASSOCIATION

The Hon. James Spigelman AC QC
Chair
Expert Panel on Constitutional Recognition of Local Government
GPO Box 803
CANBERRA ACT 2601

Submitted via email to ExpertPanelSecretariat@regional.gov.au

26 October 2011

Dear Mr Spigelman,

The Australian Local Government Association (ALGA) represents the national interests of 560 local government bodies across Australia. Its membership is made up of the associations of local government in each state and territory, and the ACT is also a member in its role as the local authority in the Australian Capital Territory.

ALGA welcomes the establishment of the Expert Panel on the Constitutional Recognition of Local Government to examine the options for the recognition of local government in the Australian Constitution. ALGA strongly believes that reforms must be made to the Constitution to more accurately reflect and support the growing role local government performs in contemporary Australia. The submission notes that the constant expansion of the roles and functions of local government since Federation are not reflected in Australia's founding document. The absence of a formal place for local government in our nation's Constitution is a critical impediment in the effective functioning of our modern Australian Federal System.

Since the Rudd Government's commitment in 2007 to progress the issue of the recognition of local government in the Constitution, ALGA has expended considerable resources in a comprehensive research and consultation process to inform its preferred option for constitutional change. The submission highlights the process, the consideration of potential options and the overwhelming level of support from the sector to ALGA's preferred option of financial recognition of local government in the Constitution. The outcome of the recent *Pape* case in the High Court in 2009 served to reinforce the need for a financial solution.

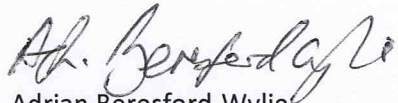
While there are some fundamental difficulties in gauging broader public support for a change to the Constitution to recognise local government (or in fact, almost any change to the Constitution), ALGA has undertaken robust polling which establishes that the majority of Australians support recognition and figure rises significantly in relation to ALGA's preferred option of financial recognition.

After more than 30 years of direct funding to local government by the Commonwealth, there remains uncertainty about the validity of funding and the need to continue the situation where money is passed through state governments before it reaches local government. Federal governments from both sides of politics have shown a preference for direct funding when establishing new programs and to fund local government to achieve national objectives. Funding directly to local government during the Global Financial Crisis is a case in point.

ALGA realises that amending the Constitution is a challenge and that Australians need to be prepared and educated for such a change. However the primary beneficiaries from this reform will be Australian communities.

ALGA would be happy to elaborate in this submission and to provide additional information to assist the Expert Panel in its process, if required.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Adrian Beresford-Wylie', written in a cursive style.

Adrian Beresford-Wylie
Chief Executive