

## **OPENING SPEECH FOR JOINT SELECT COMMITTEE SYDNEY, 20 FEBRUARY 2013**

Thank you for the opportunity to make this opening address and for the opportunity to appear before this second hearing of the Committee.

ALGA took the opportunity afforded by the Committee to lodge a supplementary submission following our appearance at the first public hearing of the Committee more than a month ago. Our Supplementary Submission focused specifically on four issues:

- The Preconditions for a successful referendum – noting that these are not just ALGA’s preconditions
- The fact that Section 96 grants would not be an adequate substitute for direct funding
- The considerable work local government associations have been doing to advance the constitutional recognition issue; and
- The fact that having a referendum is not the end game for ALGA. Our objective is to get a referendum passed.

You have the Supplementary Submission and we are happy to answer any questions you may have on its contents.

Of equal importance to ALGA have been the developments since the first hearing and the Committee’s own Preliminary Report issued on 24 January and the Government’s response to it.

ALGA maintained during robust questioning at the last hearing of this Committee that we were committed to the referendum and that we would be ready to campaign in favour of a referendum for the

financial recognition of local government in 2013. That point needs to be underlined.

We also said that there were preconditions that had been identified by various parties as necessary to give a referendum the best chance of success. We expressed concern that there might not be enough time to complete those preconditions, although we acknowledged that the Committee itself would have to make that judgement.

ALGA welcomed the Committee's preliminary report on 24 January which recommended that a referendum for financial recognition be held at the same time as the 2013 federal election. We also welcome the fact that your report was seized with a sense of urgency about the need to take immediate action to satisfy the preconditions including engagement by Federal Government Ministers with their state government counterparts to secure support for the referendum proposal, circulation of a draft constitution amendment bill by 31 January for public consultation and undertaking the steps necessary to change the Referendum Machinery Provisions Act to allow for public funding of the Yes, No and public information campaigns. Of course when the preliminary report was issued in January the Government had not determined the election date which could have been any time up to 30 November. There was at that point a potential 10 month window of opportunity until a referendum.

As soon as the preliminary report was released I wrote to both the Prime Minister and Leader of the Opposition, as suggested by you Chair, seeking a joint statement from them supporting the need for a referendum. At this point I have not had a response from either of them.

I also wrote to Minister Crean urging him to take the early action recommended by the Committee. I followed that up with a second letter and I met with the Minister last week.

It was an important meeting. The Minister was very strong in stating his commitment to the referendum and categorical in his assurance that there would be enough time to deliver on the preconditions.

A key we focused on at that meeting was the position of the state governments and how to engage them.

We have ramped up our own efforts to engage the state governments and I have written to Premiers and Chief Ministers urging them to engage with Minister Crean and their state local government association presidents. I have personally spoken to those local government ministers and Premiers with whom I have a relationship asking them to support the proposal. I have asked my State Association Presidents to talk to their Minister and Premiers where appropriate. I do not think there is anything more we can do as local governments. I understand from the Minister that he has also written to Premiers and may look at convening a further meeting of the Local Government Ministers Forum to discuss the matter. This would follow on from the first meeting of that Forum on 16 November 2011. ALGA would strongly support that meeting.

With regard to the timing of the preconditions for a referendum, ALGA's own research on the time lines which were involved in the 1999 Republic referendum sheds light on the time needed for various administrative and legislative processes. Of course the referendum for the republic had a different and longer public engagement process, beginning with the Constitutional Convention held in early 1998 which meant that both the Government and Opposition of the day had

committed to the actual referendum proposal and the timing of the referendum in February 1998 – 21 months in advance of the actual referendum held in November 1999.

The timeline also indicates that in administrative terms, an internal taskforce in the Department of Prime Minister and Cabinet was formed 11 months before the referendum. 9 months out from the referendum Cabinet had agreed to provide \$7.5 million for the yes and no campaigns and money for the public information campaign and the Yes and No Advertising Committees had been appointed by the Government, as had the public information committee, headed by Sir Ninian Stephen.

8 months out from the referendum the constitution amendment bill had been released for public comment and the bill to change the referendum machinery legislation had been introduced into parliament. That bill received royal assent 7 months out from the referendum. At that point the public service was able to finalise the tender processes to select the polling companies and advertising companies for both the Yes and No campaigns.

Now we are currently 7 months out from a referendum if one is held at the time of the federal election on 14 September. This has been a concern for us and our concern was heightened by the Minister's response to your preliminary report when he stated that the Government would not respond to your recommendations until after it has received your final report – due by the end of March.

At that point there will be five and a half months to election day and about five sitting weeks of the Federal Parliament. That is why we view the Minister's assurances last week as very important.

In January we expressed our strong concern at the time left to put in place the preconditions for a successful referendum.

We were criticised for expressing those concerns which were portrayed as a lack of commitment.

For the record, ALGA is committed to a referendum on financial recognition of local government in 2013 provided the preconditions for a successful referendum have been met.

We have confirmed that we are committed to the words proposed by this Committee and the former Expert Panel.

We have committed to provide millions of dollars to campaign for the referendum.

We await with interest your Final report and its assessment of the likelihood of success and, of course the Government's response.

We are happy to answer any questions you may have.