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COUNCIL FOR THE NATIONAL INTEREST  
WESTERN AUSTRALIAN COMMITTEE



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Committee Secretary  
Select Committee on the Reform of the Australian Federation  
Parliament House  
CANBERRA ACT 2600

*This Submission is made in response to the advertised Information and following our contact with the Committee office when an extension in time was granted until 10<sup>th</sup> September 2010.*

**SUBMISSION**

The submission addresses, broadly, the Terms of Reference (i) to (v).

We recommend:

- (i) that the provisions of the Australian Constitution be respected. A pro-centralist High Court of Australia has over many years broken down the intent of the Constitution through various High Court rulings. The proper arrangements for any change to the Constitution is a referendum and this should be the medium rather than through the High Court;
- (ii) that there should be no direct financial relationship between the federal government and local government. Local Government is a creation of State Governments. State governments, therefore, must retain the authority to fund the activities and programmes of local governments. If federal funding is to play a role in local government then that role should be always through the agency and approval of the respective state government.
- (iii) that there is no need for recognition of local government in the Constitution. Local government should always remain the province of the state governments. It is the responsibility of state governments to decide the role of local government in each particular state.
- (iv) that nothing should be done to create the opportunity for the federal government to by-pass state governments in the management of state functions. To do so will eventually and inevitably lead to a centralist federal government system, which will have the effect of making the states irrelevant and reducing their activities to a ceremonial role. It follows that role of the Council of Australian Governments (COAG) should be dramatically reduced from the current hyperactivity and become more of a discussion forum for greater cooperation and alignment of state and commonwealth legislation in the interests of efficiency not for the surreptitious subversion of the Constitution as seems to be the case recently.  
The cost of government per capita in Australia is excessive. Broadening the role of the federal government to directly fund local government will only increase the per capita cost and increase the waste and duplication, which is already unacceptably high.

The time has come to give back to the states many of the powers and functions appropriated by the centralist leaning High Court over many years and to start rebuilding the Federation. To do so will result in more effective government, more efficient government and huge cost savings. These savings could then be used to provide better services in the national interest and or lower income tax rates for business and individuals.

that strategies for strengthening the regions be a state responsibility. Regional development committees and regional grant programmes must be under the state control and authority with federal cooperation, if desirable and necessary, to achieve agreed national goals.

Denis J Whitely  
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CNI - WA  
7<sup>th</sup> September, 2010