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Mr Glenn Worthington
Secretary
Joint Select Committee on the Constitutional Reform of Local Government
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Sir

SUBMISSION ON THE RECOGNITION OF LOCAL GOVERNMENT IN THE AUSTRALIAN CONSTITUTION

The Local Government Association of the Northern Territory (LGANT) welcomes the opportunity to provide this submission to the Joint Select Committee on the Constitutional Reform of Local Government ('the Joint Select Committee') on behalf of its 16 member councils in the Northern Territory.

During 2012 all councils individually formally resolved at respective council meetings to support the recognition of local government in the Australian Constitution; the details of which were relayed to the Australian Local Government Association (ALGA).

A referendum is needed to not only correct history so that all governments in Australia (including local government - one of the oldest forms of local government in Australia) are given recognition in the Australian Constitution (not just the States and the Commonwealth) but also to:

- remedy recent High Court decisions which put into doubt the Commonwealth's ability to directly fund councils for activities that are in the national interest
- provide certainty and enhance financial sustainability for councils from them knowing that direct Commonwealth funding can continue
- allow councils to continue to provide services, infrastructure and facilities to their communities with autonomy.

The level of funding provided by the Commonwealth government to local government in the Northern Territory is very significant and particularly so for the one medium and seven large shires that function in remote areas. Commonwealth grants generally make up 50% or more in grant revenue which, for most shires, is by far their major source of revenue.

Doubt over the Commonwealth's ability to directly fund councils would be removed if Section 96 of the Constitution were changed to read:

Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory.

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LGANT supports ALGA's position on the referendum in terms of conducting it at a time and under circumstances that maximise the chance of it being successful. The preconditions for success include, amongst other things:



- a public awareness and education campaign to inform voters about our Constitution, how changes are made to it and the question being asked (a matter that was supported by the independent Expert Panel on Constitutional Recognition of Local Government)
- support for the referendum from all political parties
- the Australian Government taking the lead on the issue by talking to State and Territory governments to obtain their support.

LGANT engaged in discussions with the current and former Northern Territory governments on the proposed referendum. The reasons given from both in the past for not providing responses about the referendum were the desire to know the referendum question that is to be asked of the Australian people before making any commitments.

Now that the Joint Select Committee is holding consultations on the wording of the proposed referendum as recommended by the Expert Panel, LGANT expects the Territory Government will make known its position. LGANT recently received a letter from the Minister for Local Government, the Hon Adam Giles MLA, requesting a meeting with LGANT to discuss it further. This occurred after LGANT wrote to him enclosing the publication: *Case for Change, Why Local Government needs to be in the Australian Constitution* (Source: ALGA, November 2012). Published material on the recognition of local government in the Australian Constitution is on the LGANT website with links also to the ALGA website.

LGANT welcomes discussion with the Joint Select Committee and is willing to provide any further evidence of the need for change.

Yours faithfully

Damien Ryan
President

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