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General Manager

11 February 2013

Committee Secretary
Joint Standing Committee on the Constitutional Recognition of Local
Government
Department of House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Sir/ Madam

**Re: Bankstown City Council Submission on the Constitutional
Recognition of Local Government**

Thank you for the opportunity to provide a submission to the Joint Select
Parliamentary Committee on the Constitutional Recognition of Local
Government.

Bankstown City Council strongly supports the move for Constitutional
Recognition of Local Government through amending section 96 of the
Constitution. Further to this, Council has also passed a resolution supporting
the Australian Local Government Association's campaign for Constitutional
recognition.

Please find attached for your consideration Council's submission. If you would
like more information, please contact me on .

Yours faithfully,

Matthew Stewart
General Manager



Bankstown City Council's Submission on Constitutional Recognition of Local Government

Bankstown City Council strongly supports the move for Constitutional Recognition of Local Government through an appropriate amendment of the Australian Constitution.

Council's preference is financial recognition through the proposed amendment of Section 96 of the Constitution that would read 'Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory'. Additionally, the inclusion of local government in a Preamble is also supported if one is developed.

Council passed a resolution supporting the Australian Local Government Association (ALGA)'s campaign for Constitutional recognition at its Ordinary Meeting of 24 May 2011.

The Case for Constitutional Recognition

Over the past three decades the role and functions undertaken by councils in Australia have continued to evolve, expand and diversify - beyond those traditionally considered to be the responsibilities of local councils.

Across Australia, Local Government is now more typically involved in the socio- economic development of their communities; environmental, amenity, and natural resource management; and adaptation to climate change - while still carrying out its traditional property, infrastructure and human services.

In order to cater to the increasing need and expectation of their communities for infrastructure and services, Local Government across Australia relies on a range of funding sources , including its own revenue measures, as well as grants from state and territory governments , and the Commonwealth.

For many councils, the State and the Commonwealth funding certainty is critical to their ability to provide infrastructure and services.

However, after more than three decades of direct funding to Local Government by the Commonwealth, the 2009 High Court decision (Pape v Commissioner of Taxes) has put into serious uncertainty the Australian Government's authority to continue to directly fund Local Government, with current examples including the Roads to Recovery Program.

The purpose of amending the Constitution would be to resolve this legal uncertainty. While several forms of recognition have been considered by Council, financial recognition would best achieve the stated purpose. As previously stated, Council also supports the inclusion of local government in a Preamble if one is developed.

Conclusion

Consistent with the approach preferred by the ALGA, Council strongly supports financial recognition of Local Government in the Constitution through an appropriate amendment.

Given the historically low level of success in a referendum in Australia, Council would also like to urge the Expert Panel to formulate the referendum proposal in a way which will be able to attract popular support for the amendment. Also, there appears to be a need for a campaign to explain the referendum proposal to the voters.