

Ref: ECM

Submission Number: 08
Date Received: 26/11/2012



26th November 2012

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

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Dear Secretary

Constitutional Reform of Local Government

I am writing to the Joint Select Committee on the Constitutional Reform of Local Government to outline the Sunshine Coast Regional Council's support for the constitutional recognition of local government in Australia.

Councils throughout Australia play a vital role in the provision of essential services and infrastructure at the local and regional level, including at times of natural disasters.

Achieving constitutional recognition must be a priority in order to secure the financial and democratic future of local government. Recognition will pave the way for local government to receive funding directly from the Federal Government without having to pass the funding through State Governments.

Constitutional recognition will not only strengthen the relationship between local government and the Federal Government, it will also provide financial security for councils and their communities.

The importance of the constitutional recognition of local government has been highlighted in stark terms by the 2009 decision of the High Court in the case of *Pape v Federal Commissioner of Taxation* which raises legal doubt over the Commonwealth's powers to fund local government directly.

The inclusion of local government in the Australian Constitution is essential to stem the current uncertainty arising from the High Court decision. This decision has cast doubt on the power of the Commonwealth to continue to provide funds directly to local government. Achieving constitutional and financial recognition of local government will enable the Federal Government to directly fund local government in Australia.

The Sunshine Coast Regional Council strongly supports constitutional recognition as an essential step in ensuring that local communities receive the services and infrastructure they deserve, such as the Roads to Recovery program.

Council has continued to publicly declare its support for financial recognition of local government in the Australian Constitution. Council has also supported the inclusion of local government in any new Preamble to the Constitution if one is proposed, and has called on all political parties to support a referendum to change the Constitution to achieve this recognition. Bipartisan support will be essential for constitutional recognition and any referendum proposal to succeed.

Further, Council strongly supports an amendment to Section 96 of the Constitution so that it 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**".

Councils have been the closest level of government to local communities since the first council was established in Australia in 1840. This matter needs to be resolved once and for all. Constitutional recognition is long overdue.

On behalf of my Council, I urge the Joint Select Committee on the Constitutional Reform of Local Government to consider the recognition of local government in the Australian Constitution and recommend a referendum be held on this matter.

Yours sincerely

MAYOR MARK JAMIESON