

# Local Government Association NSW



FROM THE OFFICE OF THE PRESIDENT

Our ref: R02/0021.lga54.sm Out-6362

21 November 2002

The Secretary  
House of Representatives Standing Committee  
On Economics, Finance and Public Administration  
Parliament House  
CANBERRA ACT 2600

House of Representatives Standing Committee on Economics, Finance and Public Administration
Submission No: ..... 325 .....
Date Received: ..... 29/11/02 .....
Secretary: .....

Dear Ms Cardell

As would be expected, the Cost Shifting Inquiry was one of the major issues discussed at the 2002 Annual Conference of the Local Government Association of NSW. As a result the conference adopted the following resolution:

*That the Inquiry into Local Government and Cost Shifting by the House of Representatives Standing Committee on Economics, Finance and Public Administration consider the following issues in its recommendations:*

- (a) *The definition of cost shifting to include imposition of charges, revenue limitations on Local Government as well as resumption of profitable functions or assets such as electricity distributions.*
- (b) *The reinstatement of some form of Local Government capacity building program and consider options for an organisation along the lines of the UK Improvement and Development Agency.*
- (c) *The provision of increased support for original organisations of Council and their equivalents through its regional programs.*
- (d) *The initiation of some pilot projects to explore options for expanding the delivery of selected programs through local Government on a regional basis*
- (e) *The initiation of discussions through the Local Government Ministers Council and subsequently COAG in order to
  - formulate a broad agreement on the role of local government in the federal system
  - consider various models for cooperative planning and partnership agreements, also including Commonwealth agencies
  - review the impact of existing financial arrangements on the capacity of local government to play an enhanced role, and hence the capacity of the public sector as a whole to provide quality services to local communities
  - specifically consider action required to address shortfalls in infrastructure maintenance and renewal.*
- (f) *The potential contribution to be made by local government in its various regional programs, with a stronger focus on cooperative planning amongst the three spheres of government and subsequent delineation of roles and responsibilities for implementation.*
- (g) *Fixing the annual growth formula for FAGs with the Treasurer's discretion removed, but subject to regular reviews of the legislation by the Commonwealth Grants Commission.*
- (h) *Recognises that Local Government is a full member of COAG in its own right.*

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While some of these points were reflected in our original submission to the Inquiry, the resolution raises some additional aspects and we request that the resolution be accepted as a supplementary submission.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Sara Murray".

Dr Sara Murray  
President