



24 August 2007

The Committee Secretary
Finance and Public Administration Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT

Dear Sir

**Submission to Inquiry into the
Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007**

Please find attached the Australian Local Government Association's submission to the Committee's Inquiry into the Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007.

The Association would welcome the opportunity to appear before the Committee in its public hearings on the Bill. ALGA would be represented at the hearing by Cr John Rich, ALGA Board Member and Immediate Past President of the Local Government Association of South Australia, accompanied by Mr Adrian Beresford-Wylie, Chief Executive of ALGA. If at all possible ALGA would be grateful for the opportunity to appear before the Committee at its hearing scheduled to be held in Cairns on Monday, 3 September 2007.

Yours sincerely

Adrian Beresford-Wylie
Chief Executive

AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

SUBMISSION TO THE INQUIRY INTO THE COMMONWEALTH ELECTORAL AMENDMENT (DEMOCRATIC PLEBISCITES) BILL 2007

The Australian Local Government Association (ALGA) welcomes the opportunity to make a submission to the Senate Finance and Public Administration Committee Inquiry into the Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007. ALGA understands that the Local Government Association of Queensland will be making a separate submission dealing with specific issues relating to that State.

ALGA notes that the Bill is for an Act to amend the Commonwealth Electoral Act 1918, and for related purposes and seeks to allow the Australian Electoral Commission to undertake any plebiscite on the amalgamation of any local government body in any part of Australia.

ALGA also notes that the legislation is essentially technical in nature, proposing to insert after 7A (1B), new subsections 1C, 1D, 1E, 1F and 1G.

It is understood that the purposes of 7A (1C) and 7A (1D) are to clarify the use by the Australian Electoral Commission (AEC) of any information held by it, including information contained in an electoral roll, is authorizes use of that information for the purpose of conducting an activity, such as a plebiscite; and that 7A(1E) and 7A(1F) and 7A(1G) are to clarify Commonwealth and state government powers in respect of these matters.

ALGA supports the proposed Bill and welcomes its purpose in allowing the AEC to undertake a plebiscite on council amalgamation. This purpose is entirely consistent with the position advocated in the 2005 – 2006 National Agenda for the National General Assembly of Local Government that:

“Extensive public inquiry, consultation and debate must precede any proposal to restructure local government or the boundaries of local government areas. Any such proposal must be determined by referendum. Restructuring must be implemented in such a way as to avoid periods of time when communities are without duly elected councils.”

In 2006 ALGA commissioned PricewaterhouseCoopers (PwC) to undertake a national study into the Financial Sustainability of Local Government. This study built upon a number of state based studies initiated by State local government associations. The PwC Report found that between 10 per cent and 30 per cent of councils faced financial sustainability challenges and recommended a twin track approach to address this issue. The first track requires the continuation of internal reform, and the second track calls for reform to intergovernmental financial transfers.

ALGA strongly supports the need for local government to reform to achieve increased efficiency and effectiveness. This may include shared services, regional collaboration and, where appropriate, amalgamation. ALGA supports voluntary amalgamation and is opposed to forced amalgamations.

ALGA strongly advocates for the principle that local government is the expression of Australia's commitment to community democracy and that the rights of citizens to the democratic pursuit of community values through elected local government must be protected in the Australian Constitution.

Local government seeks to be formally recognised and included in the Australian Constitution and has over some time advocated for a national Constitutional Convention to specifically consider constitutional recognition of local government and to review the efficiency, effectiveness and responsibilities of the three spheres of government.

ALGA believes that constitutional recognition is necessary to protect local government bodies from unfair and capricious sackings by state and territory governments on unjust or ideological grounds.

Local government believes that constitutional recognition is achievable within the medium term. ALGA acknowledges, however, that this will require bipartisan support at the national level, support from the State and Territory governments and public support, achieved through an education campaign.

As an initial step in this process, ALGA is seeking a commitment from all political parties to the principle of constitutional recognition and an agreement to work with ALGA on a process that will achieve this goal. While ALGA has done considerable work on the issue it is not in a position at this time put forward a detailed piece of draft legislation for a proposed constitutional amendment.

ALGA has considered the words of the referenda in 1975 and 1988 but does not intend to pursue either of those previous proposals.

One proposal which has received some more advanced consideration is along the lines of a constitutional amendment which would seek to ensure that local government was protected and at the very least would require that "due inquiry be followed before a local government body is dissolved, dismissed or amalgamated". Such a proposal would not preclude the orderly (and voluntary) amalgamation of local government areas, if that is considered desirable.

ALGA
24 August 2007