



Senator the Hon Bridget McKenzie

Deputy Leader of The Nationals
Minister for Regional Services
Minister for Sport
Minister for Local Government and Decentralisation
Senator for Victoria

Ref: MC18-007230

Mayor David O'Loughlin
President
Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

14 DEC 2018

Dear Mayor

Thank you for your correspondence of 2 August 2018 to the then Minister for Regional Development, Territories and Local Government, the Hon Dr John McVeigh MP, seeking a response to the resolutions passed by the National General Assembly of Local Government. Your letter has been forwarded to me as the Minister for the matter you raised. My sincere apologies for the delay in responding.

The Liberal National Government continues to support local government and understands the important contribution local government makes in providing the essential services and infrastructure communities need to thrive.

Responses to the resolutions you referred, as well as Resolution 3 sent to the Treasurer, the Hon Josh Frydenberg MP, are enclosed. The Deputy Prime Minister, the Hon Michael McCormack MP, has responded to Resolutions 22, 60 and 89. The Attorney General, the Hon Christian Porter MP, has responded to Resolutions 47 and 70.

Thank you for bringing your concerns to my attention and I trust this is of assistance.

Yours sincerely

Bridget McKenzie

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ALGA MAIL
ITEM No:
DATE RECEIVED: 19/12/18
FILE No:

RESPONSES FROM AUSTRALIAN GOVERNMENT AGENCIES TO 2018 NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT RESOLUTIONS

Resolution Number: 3

That the National General Assembly, in line with previous NGA resolutions over successive years, continue raising with the Commonwealth through COAG and all other relevant forums:

- The need for re-alignment of federal funding arrangements so that the three levels of Government in Australia have a more efficient match between their public responsibilities and their finances
- The need for the Commonwealth to urgently address the rapidly growing infrastructure gap in the States, particularly in regards to rail transport in and between capital and regional cities – with significant funding being immediately provided to metropolitan public transport which will free up road space for cars and freight
- The need for equitable infrastructure funding to States to reduce major discrepancies between the Australian States, e.g. Victoria’s infrastructure funding has been reduced to 8-9% of federal infrastructure funding notwithstanding its population being 25% of the nation which produces 22% of the Australian GDP.

That the National General Assembly therefore seeks:

- A commitment to a “new agreement of principles” funding discussion across all three levels of Government so it is clear who does what based from which taxation stream
- Equitable Commonwealth infrastructure investment in rail and other infrastructure projects (in both metropolitan and regional cities)
- Better communication of the Commonwealth’s infrastructure funding distribution formula.

Response

The Australian Government is investing over \$75 billion in transport infrastructure over the coming decade across urban and regional Australia.

This funding is provided through a range of programs, with various objectives, such as safety (Black Spot program) or local road maintenance (Roads to Recovery). However, the bulk of the investment is directed to supporting nationally significant infrastructure projects; projects that shape our cities and provide access for our regions, and drive national productivity growth.

This includes the announcement of a \$24.5 billion commitment to a new Pipeline of major project and new initiatives in the 2018-19 Budget. The Pipeline includes programs and projects across all jurisdictions, and of varying scale and scope. These investments form a coherent plan for Australia’s transport infrastructure future.

As our population grows, efficient rail networks are crucial to shaping Australia’s future productivity and prosperity. This is why the Government is strategically investing over \$19.2 billion towards rail infrastructure from 2018-19 to build a modern transport system that will reduce congestion on our roads and connect our metropolitan and regional communities to jobs and services and affordable housing.

These investments are designed to improve productivity and make our cities and regions more efficient and livable by alleviating congestion, reducing travel times and improving service reliability and performance.

A key component of the Government's investment strategy is the \$5 billion commitment to the Melbourne Airport Rail Link, which is a transformational project that will provide a fast and reliable service to passengers and commuters travelling between Melbourne Airport and the Melbourne CBD.

A rail link to the airport is critical to the effective future functioning of Melbourne's transport system and its future development as an integrated international city. Airport rail links in Sydney and Brisbane demonstrate their importance to cities and economies.

The Government is also exploring the opportunities for faster passenger rail links between our major cities and our regions. In the 2017-18 Budget, the Government committed to faster passenger rail connections to such areas through a \$20 million Faster Rail Prospectus to support the development of business cases.

Faster rail connections can make rail a more attractive choice for commuters travelling into the city from surrounding regions. Faster rail connections also help link communities and build social cohesion.

On 9 March 2018, following a detailed competitive assessment process in line with criteria outlined in the Faster Rail Prospectus, the Government committed funding to the development of business cases for connections between Sydney and Newcastle in New South Wales, Melbourne and Greater Shepparton in Victoria, and Brisbane to the regions of Moreton Bay and the Sunshine Coast in Queensland.

Decisions on Commonwealth investment is prioritised based on the economic and social benefits that will be delivered and considers the independent advice provided by Infrastructure Australia through its development and maintenance of the Infrastructure Priority List. Government takes a mode neutral approach when assessing optimum transport solutions to address network deficiencies.

As such, there is no specific formula for distributing funding to specific modes of transport, or across jurisdictions or levels of government.

Resolution Number: 45

That the National General Assembly advocate to the Federal Government through the Minister for Regional Development, that a decentralisation policy will assist regional and rural areas in terms of population growth, investment and job creation.

Response

The Australian Government is committed to ensuring the benefits of national economic growth are not restricted to our major cities. Decentralisation of Government jobs outside of Canberra, central Sydney and Melbourne provides benefits to regional communities through the creation of local jobs, local economic diversification, and stimulation of regional economic growth. In the long term, it can also help improve government service delivery through closer proximity to citizens and stakeholders.

The Government is committed to a practical, planned decentralisation agenda. Since 2013, the Government has implemented a number of decentralisation initiatives. In May 2018, the Government announced the relocation of 98 positions from a range of agencies as part of the Decentralisation Agenda.

In November 2018 the Government announced up to 50 positions would be created through new or relocated positions at the Australian Maritime Safety Authority, which will include a regional headquarters of Coffs Harbour. AMSA jobs

In The Government will continue to identify options for further decentralisation throughout 2018-19.

Resolution Number: 45.1

That the National General Assembly calls upon the Federal Government to develop programs, that facilitate and encourage the relocation of both urban residents and newly arrived migrants to regional and rural areas, through constructive engagement with local authorities that creates investment outcomes that produce the increased potential for employment and economic prosperity in these communities.

Response

Well-targeted migration in regional areas, particularly those experiencing or at risk of population decline, can have a significant positive impact on these areas.

Regional development is a multi-faceted issue involving a range of stakeholders across government, industry and local communities. Migration can boost economic activity by alleviating regional skills shortages and by having more people purchasing local goods and services. Successful migration, however, requires local support and must complement other programs that are focused on supporting regional communities.

The Department of Home Affairs regularly engages with the Department of Infrastructure, Regional Development and Cities, as well as with state and territory governments, on how Australia's migration policies can best support regional Australia.

Resolution Number: 46

That this National General Assembly calls on the Commonwealth Government to demonstrate commitment to and to fully implement Recommendation 2 of the 2013 Inquiry by the Commonwealth Government House of Representatives Standing Committee on Regional Australia titled "Cancer of the bush or salvation for our cities? Fly-in, fly-out and drive-in, drive-out workforce practices in Regional Australia" as follows: "The Committee recommends that the Commonwealth Government, in consultation with state and territory governments, review allocation of funding for communities that receive fly-in, fly-out/drive-in, drive-out workforces so that funding is based on both resident and service populations."

Response

The Australian Government provides more than \$2.4 billion in untied funding to state and territory governments annually under the Financial Assistance Grant program. This helps 546 local governing bodies deliver infrastructure, health, recreation, environmental and employment projects. Distribution of funding to councils in each state and the Northern Territory is undertaken by the grants commissions in each jurisdiction. As this funding is untied, the council will have the ability to allocate based on their priorities and local needs.

The 2018-19 Budget included a number of announcements that will directly benefit local governments in regional Australia, including the Building Better Regions Fund, and the Stronger Communities Program to help improve economic and social infrastructure.

The Budget continues to fund programs that deliver for regional Australia, such as \$1 billion Community Development Grants Program, \$612.2 million National Stronger Regions Fund, \$272.3 million Regional Jobs and Investment Packages, and \$34.5 million Drought Communities Program.

Resolution Number: 50

That the National General Assembly seek funding from federal government to produce a report on the profile of Local Government similar to the existing "State of Public Service" report.

Response

The Australian Government respects the constitutional allocation of responsibilities under which state governments are responsible for the operation of local government. As such, each state has its own reporting requirements for, and on, local governments. A number of states already release reports on the profile and performance of their respective local government sectors. While the Government welcomes initiatives for standardised reporting on local governments across jurisdictions, it is up to the states to lead and fund such an initiative.

Section 44(1) of the *Public Service Act 1999* requires the Australian Public Service Commissioner to provide a report on the state of the Australian Public Service over the preceding year to Parliament. No such Commonwealth legislative requirement exists for reporting on local governments.

Resolution Number: 56

Southern Downs Regional Council is seeking to obtain equity in funding for regional local governments that experience high levels of seasonal workers that are not reflected in the ABS data, and as a result do not reflect the real pressures placed on community, economic and social infrastructure, Council request that consideration be given to the following:

1. The date of the Census, currently conducted in August every 5 years, in the future held in February to reflect the seasonal population; or
2. That a weighting be placed on regions that experience seasonal population changes that are not reflected in the Census data.
3. That any such weighting be reflected in the level of financial assistance grants provided to local government authorities.

Response

Conducting the Census in August is intended to provide the most reliable reflection of the population. The August date:

- a. avoids the wet season, and ensures that as much of the country as possible is accessible;
- b. is not close to holiday periods, when travel is increased and maximises the number of people at home on Census night; and
- c. enables an effective baseline to establish long-term data trends, as for the reasons listed above, Census night over the last thirty years has been held in August.

Moving the 2021 Census to any other date would have significant impacts on the overall coverage, quality and consistency of the Census.

Resolution Number: 58

That the National General Assembly call on the Federal Government to stop further bank closures in small rural towns, in particular those towns that only have one bank, and further Council calls on the Federal Government to establish a bank to fill in the gaps where banks have closed, especially in those small rural towns where bank customers have to travel great distances to another town to access banks.

Response

Over recent years there has been a steady decline in the number of bank branches in regional areas. It is acknowledged that this is a concerning trend, particularly for older people or those with disabilities.

Closing a branch is ultimately a commercial decision for a bank and the Government does not have any power to intervene in these decisions.

The banking industry has adopted measures to reduce the customer impact of branch closures. Signatories to the Australian Banking Association (ABA) Code of Banking Practice (the Code) have agreed to follow a specific protocol for branch closures. The Protocol, where applicable, provides a guideline for minimum standards of service delivery when closing a branch including customer notification, consultation, and account management. More information about the Code and Protocol can be found on the ABA website at: www.ausbanking.org.au.

In addition, while not a perfect substitute, banks have been working with Australia Post through Bank@Post to offer deposit, withdrawal and payment services for customers at over 3,500 Australia Post branches in order to minimise the disruption of branch closures.

Resolution Number: 60

That the National General Assembly advocate to the Federal Government, through the Minister for Transport and Infrastructure and also the Minister for Regional Development, for appropriate funding for the National Transport Network and that a review of significant transport corridors in all States and Territories be undertaken.

Response

The Australian Government remains committed to investing in key transport corridors across both regional and urban Australia.

The Government has committed over \$75 billion over the next 10 years towards transport infrastructure. This investment covers a range of priorities, including delivering nation-shaping transport projects, such as the Melbourne to Brisbane Inland Rail, as well as providing ongoing funding to state and local governments to maintain their road networks.

In the 2016-17 Budget, the Government committed an ongoing annual Commonwealth funding allocation of \$400 million for the Roads to Recovery Program and \$350 million for maintenance of the National Land Transport Network (NLTN).

As announced by the former Minister for Infrastructure and Transport, the Hon Darren Chester MP in late 2017, a review of the NLTN is currently underway with the Department of Infrastructure, Regional Development and Cities working with the state and territory agencies on potential updates or amendments to the NLTN. All proposals are being assessed against the requirements of the *National Land Transport Act 2014*, prior to consideration by the Deputy Prime Minister and Minister for Infrastructure and Transport later this year.