

ATTACHMENT A

**A 10-POINT PLAN FOR
LOCAL COMMUNITIES**

A 10-POINT PLAN
to Reinvigorate Local Communities



AUSTRALIAN LOCAL
GOVERNMENT ASSOCIATION



SEPTEMBER 2007



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→ A 10-POINT PLAN FOR LOCAL COMMUNITIES

The forthcoming federal election will be held against a backdrop of local communities struggling to maintain their vibrancy, reasonable standards of local infrastructure and local services. Such infrastructure and services are necessary to sustain communities and the social, economic and environmental fabric of Australia. As representatives of the community and the sphere of government which delivers local infrastructure and services, the Australian Local Government Association calls on all political parties to address this 10-Point Plan and to assist local government in its challenge to sustain local and regional communities.

We call on political parties to commit to:

→ Fair Funding

POINT 1—the principle of a fair share of total Commonwealth taxation revenue to local government in the form of untied financial transfers equal to a guaranteed percentage of total Commonwealth taxation revenue (net of GST) of at least 1 per cent.

POINT 2—invest at least \$250 million per year for four years (maintained in real terms) in a Community Infrastructure Renewal Program.

POINT 3—permanent funding of the Roads to Recovery program at announced levels in real terms¹, and greater flexibility in the application of these funds for transport purposes.

POINT 4—invest \$12.87 million over three years for the establishment of a program that would improve national local roads data and extend and implement roads asset management plans across all councils.

→ Fair Treatment

POINT 5—recognise local government as an equal partner in the delivery of important, mutually agreed outcomes for the Australian people and to commit to and continue to honour the IGA on cost-shifting.

→ Formal Recognition

POINT 6—continue to recognise local government's role in the Australian Federation, including its ongoing role in the Council of Australian Governments and associated Ministerial Councils and support constitutional recognition of local government.

→ Meeting Future Challenges

POINT 7—provide national assistance to local government in responding to the emerging impacts of climate change, engage local government as an integral partner in responding to climate change and ensure Australia shoulders its international responsibilities in meeting climate change challenges.

POINT 8—work with local government in protecting water resources, including ensuring that communities that are adversely affected by adjustment to changes in water entitlements, or major water trading resulting in reduced local and regional economic activity are compensated.

POINT 9—develop a sustainable urban regions program, drawing together the key urban issues of water, energy efficiency, affordable housing, sustainable urban transport, urban design and social cohesion.

POINT 10—develop an affordable high-speed broadband network for all communities across Australia, including commitment to capacity building in regional areas in the area of ICT skills development.

¹ Local government seeks all financial transfers from the Commonwealth to local government to be maintained in real terms—indexed using a local government cost index, to be developed based on real cost increases being experienced in the local government sector.

→ FOREWORD

Local government represents all Australians and delivers an increasingly broad range of services that make a difference to the lives of communities across our nation.

However, despite a range of successes over the past year, local government faces significant financial pressures and escalating costs in meeting the needs of the people it serves.

Over the past three years, the Australian Local Government Association has worked tirelessly to advance the cause of local government and the needs of our local communities. Our campaign has focused on three main goals—Fair Funding, Fair Treatment and Formal Recognition. This year we add a fourth goal—Meeting Future Challenges—to address some of our nation’s major challenges for the future.

This 10-Point Plan will meet our goals. It puts forward local government’s agenda and calls on decision-makers to implement proposals aimed at reinvigorating local communities.

The plan is not exhaustive. There are other areas such as skills attraction and retention, waste management, natural resource management and emergency management in which local government has previously formulated proposals.

The range of practical options in this Plan offer a way forward. Local government has achieved much in partnership with the Federal Government but more remains to be accomplished.

Local government welcomes the opportunity to work in partnership with federal counterparts to ensure better services and a better quality of life for all Australians.

Cr Paul Bell, AM

President

AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION



→ THE CHALLENGE OF FINANCIAL SUSTAINABILITY

Local government plays a critical and growing role in local communities. As the third sphere of government in the Australian federation, local government is responsible for delivering an increasingly diverse and important range of local level infrastructure and services to every Australian community through democratic and transparent processes.

Local government:

- maintains 84 per cent of the nation’s roads;
- provides, operates and maintains a vast range of community infrastructure;
- plans communities, keeps them clean, safe and healthy;
- cares for the environment through waste management, natural resource management, community education and local environmental programs;
- provides an array of regulatory services often on behalf of other levels of government, for example environmental health and food inspection services;
- promotes regional development, tourism and economic and social advancement;
- supports emergency services activities; and
- provides an increasing array of human services, from services for the young and the elderly to the promotion of public health and public safety.

However, as responsibilities grow, the role of local government continues to be taken for granted and the sector continues to be under-funded. Local government raises its own revenue through rates (property tax), fees and charges and while local government has sought to equitably maximize this revenue, many councils simply cannot impose greater charges upon local taxpayers. As a result the sector is reliant on external funding including grants. Continued under-funding of local government by state and federal governments severely limits the capacity of local communities to reach their full potential and ultimately Australia’s overall prosperity.

The impact of under-funding is that critical local government functions cannot be delivered at a standard the community deserves and expects.

TABLE 1

FUNCTION	COMMUNITY IMPACT
Transport infrastructure	Inadequate roads, poor social and economic linkages and less safe roads.
Community infrastructure	Degradation of swimming pools, libraries, halls, sports grounds, children’s centres, neighbourhood centres, maintenance of parks and gardens, stormwater drains, and street scapes etc.
Planning	Ad-hoc services, slower decision-making, delays in provision of infrastructure.
Environmental services	Non compliant waste disposal facilities, poor integration of natural resource management objectives, inability to conduct community education and information campaigns.
Regulatory services	Less enforcement of regulation and poor compliance.
Regional and economic development	Reduced capacity to facilitate and support local economic development.
Emergency services	Limited capacity to respond to emergencies and support community recovery after disasters.
Human Services	Reduced capacity to respond to community needs—including rationing of human services, fewer and older books in the library, fewer computers for community access, reduced information.

Funding models for local government are increasingly anachronistic, based primarily on rates and property taxes, supplemented by a range of fees and charges and grants established in the early 70s.

The most significant challenge facing local government in Australia today is that of financial sustainability.

The Australian Local Government Association, commissioned PricewaterhouseCoopers (PwC) in April 2006 to undertake a National Financial Review of Local Government Sustainability. The final report was released in December 2006.

PwC's conservative estimate is that between 10 and 30 per cent of councils have financial sustainability issues.

PwC identified a national total backlog in local government infrastructure renewal work of some \$14.5 billion, or an annual underspend on renewals of \$1.1 billion. This has resulted from the growing gap between councils' revenue base and the funding required to both deliver a broader range of services, as well as maintain and renew the infrastructure that supports these services.

PwC found that the underspend by local government is resulting in deterioration in the condition of local infrastructure, such as roads, libraries, community halls, galleries, museums, swimming pools, drainage, sea walls, and sports fields.

Much of this infrastructure was constructed in the 1950s, 60s and 70s as a result of capital grants from state and federal governments, and is now reaching the end of its useful life.

While roads are being addressed through the highly successful Roads to Recovery program, councils are faced with the real prospect having to retire community infrastructure that they cannot afford to renew—infrastructure that in many cases is vital to community wellbeing and cohesion.

The PwC report recommends a 'twin-track' approach to improving financial sustainability, through:

- the pursuit of further *internal efficiency reforms*—building on past efforts to improve financial performance and management, and
- reforms to *inter-government transfers*.

Local government is committed to actively pursue continued internal efficiency reforms to achieve efficiency through a process of self managed change and negotiated outcomes with state and federal governments. However, local government remains opposed to forced amalgamations.

In the lead-up to the 2007 federal election, local government seeks commitments from the major parties to address the core issues facing local communities and their local councils.

→ ALGA'S 10-POINT PLAN ELECTION PRIORITIES

ALGA's 10-Point Plan to Reinvigorate Local Communities spells out local government's priorities for the 2007 Federal Election. These priorities will meet ALGA's goals of Fair Funding, Fair Treatment, Formal Recognition and Meeting Future Challenges.

ALGA calls on all political parties to respond to this Plan in the lead-up to the election.

The Plan covers the issues of greatest importance to local government and, through them, the communities which they represent. The issues identified in the Plan fundamentally impact on the effectiveness with which councils are able to do their job—to provide a range of economic, social, cultural and environmental services to local communities.

Fair Funding

1



A Fair Share for Local Communities

ALGA calls on all political parties to commit to the principle of restoring a fair share of total Commonwealth taxation revenue to local government in the form of untied financial transfers equal to a guaranteed percentage of total Commonwealth taxation revenue (net of GST) of at least 1 per cent.

Chronic underfunding of local government lessens the capacity of local communities to reach their potential. It results in underperforming council infrastructure; poorly maintained roads, sports facilities, and other community infrastructure; as well as restrict the capacity of councils to undertake their regulatory functions that are often required by other levels of government and significant inefficiencies.

Over the past 30 years, local government has maintained its revenue-raising effort and has worked hard to expand own-source revenue. Local government has continued to increase municipal rates which have risen by 34% in the period 1998–99 to 2003–04. During the 1970s, fees and charges comprised 13 per cent of total revenue. They now represent in the order of 30 per cent despite the fact that councils provide a wide range of 'non-commercial' infrastructure and services (eg youth services, aged care, sporting facilities and other community programs).

The ability of local government to increase rates is also directly affected by state governments' increasing dependence on property taxes. As state governments derive more of their revenue from property owners, it becomes increasingly difficult for local government to increase rates in line with demand for local government services.

Compared with growth in Commonwealth taxation revenue, which grew by 48 per cent (in line with the growth in the economy) in the period 1998–99 to 2003–04, rates are a slow-growth tax being adjusted and justified to the community annually. In addition, factors such as state government restrictions and communities' ability to pay have limited local governments' ability to increase rates.

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A 10-POINT PLAN to Reinvigorate Local Communities

The Australian taxation system is highly centralised, with more than 80 per cent of all taxes collected by the Federal government. This centralised system of tax collection necessitates a system of intergovernmental financial transfers.

Given the centralised nature of the Australian taxation system, the Federal Government has the capacity to address the vertical fiscal imbalance (VFI). Similarly, under our Federal system, the Commonwealth has an obligation to achieve horizontal equalisation across states and across local government to ensure that the citizens who contribute to the overall pool of taxation revenue receive equitable levels of government services. Currently, Financial Assistance Grants (FAGs) paid to local government by the Commonwealth do not fully address either VFI or horizontal equalisation.

The Commonwealth currently adjusts the quantum of FAGs using an escalation factor based on inflation and population growth (although in 1997–98 FAGs were not escalated for population growth). While this delivers a small annual growth in grants to local government, it is insufficient to meet real cost growth and demand for infrastructure and services.

Current FAGs from the Commonwealth to local government are \$1.7 billion (2007–08), which is equivalent to 0.76 per cent of total Commonwealth taxation revenue. This has reduced from 1.01 per cent in 1996–07 and is expected to continue to fall to just 0.73 per cent by 2010–11.

While local government welcomes the bipartisan support for additional specific purpose payments in the form of Roads to Recovery, additional general funding is required.

Local government calls on the major parties to commit to increasing the quantum of untied Commonwealth transfers from the current level of 0.76 per cent, to at least 1 per cent of total Commonwealth taxation revenue (excluding GST).

This step would ensure that councils gain access to a revenue stream that grows in line with the growth of the economy and therefore can keep pace with demand for service delivery and infrastructure provision.

Such a reform would better address VFI and more adequately meet the Commonwealth's objectives as set out in the *Financial Assistance Grants Act 1995*, by:

- Improving the delivery of services to local communities;
- Maintaining and improving the quality of social and physical infrastructure across Australia;
- Helping to counter growing regional inequality;
- Assisting in the repair of environmental degradation across Australia; and
- Improving community cohesion.

A prompt move from the current FAGs system to a percentage share of Commonwealth taxation revenue would best serve the needs of the broader community. Nevertheless, local government acknowledges that this move may need to occur in stages, and therefore proposes the following steps in order to meet the long-term objective:

- 1 Amending the FAGs escalation factor from CPI and population to a methodology that better reflects cost pressures facing local government (e.g. a local government cost index, plus population growth).
- 2 Changing the appropriation of FAGs to ensure local government receives an amount equivalent to at least 1 per cent of Commonwealth taxation revenue.
- 3 Moving away from an annual grants program and link financial assistance to a fixed share of total Commonwealth taxation revenue.

2



Funding for Community Infrastructure

ALGA calls on all political parties to commit to invest at least \$250 million per year for four years (maintained in real terms) in a community infrastructure renewal program.

Local government owns and manages more than \$12 billion of community infrastructure. This includes community halls, swimming pools, ovals, playgrounds, theatres, libraries, footpaths, walking trails and boat ramps, among other assets. Community infrastructure provides the social backbone for every community, particularly in rural and regional Australia.

To address the backlog in community infrastructure, local government seeks commitment to the establishment of a community infrastructure renewal fund. This would be funded by the Federal Government with at least \$250 million per year for four years, and be targeted at the renewal and replacement of ageing community infrastructure. Local government has already identified around 1000 examples of projects that could be funded under such a program.

The program would deliver substantial benefits, including:

- Addressing the growing backlog in existing community infrastructure in order to support community activities and social interactions at the local level;
- Allowing communities to gain more value and use from existing infrastructure;
- Enabling local governments to improve the condition of their entire asset base by focusing on renewal rather than new infrastructure;
- Providing a significant boost to the long term sustainability of the local government sector;
- Enhancing social networks and community reliance;
- Enhance and assist local and regional economic development;
- Strengthening community pride and vibrancy; and
- Building on the success of the Roads to Recovery program.

3



Permanent Funding of Roads to Recovery

ALGA calls on all political parties to commit to the permanent funding of the Roads to Recovery program at announced current levels in real terms, and greater flexibility in the application of these funds for transport purposes.

Local government commends the bipartisan support to extend Roads to Recovery program to 2014, at \$350 million per annum. Local government also welcomes the commitment to \$550 million for AusLink Strategic Regional and the extension including increase funding to \$60 million per annum for the Blackspots Program.

This funding will continue to assist local government to address the backlog in local roads maintenance and renewal, especially in rural and regional Australia, resulting from the ageing of infrastructure and growing community expectations.

Local government is responsible for around 84 per cent of Australia's roads (by length) and provides and maintains road and related infrastructure worth some \$103 billion.

Local government currently spend in excess of \$3.5 billion (2003–04) per annum of own source revenue as well as R2R funding on roads.

The R2R program is a flagship partnership between local government and the Federal Government and it has proven invaluable in helping to address the substantial backlog in local road needs. Since the introduction of the Roads to Recovery program in March 2001 in excess of 15,000 projects have been completed.²

However, despite this substantial investment a permanent solution to the chronic under-funding of local roads is needed. The Department of Transport and Regional Services estimates a continuing national local road deficit of about \$400 million per annum.

As the transport task continues to grow, so too will the road maintenance and renewal task faced by local government. ALGA calls on major parties to commit to the permanent funding of the Roads to Recovery Program at announced levels in real terms.

ALGA also calls on all political parties to recognise the differing needs of rural and remote, regional and urban Australian communities by providing greater flexibility in the use of R2R funds for all transport purposes.

This position reflects the recommendations of the PwC Report and the National Local Roads and Transport Congress (July 2007) Communiqué (see copy on ALGA website: www.alga.asn.au).

² DOTARS 2006, *Roads to Recovery Programme Annual Report 2004–2005* page15.

4



Improving Asset Management

ALGA calls on all parties to commit to the provision of \$12.87 million over three years for the establishment of a program that would improve national local roads data and extend and implement roads asset management planning across all councils.

Local government fully supports the need to improve the quality of local roads data to aid decision making at all levels.

This data is best developed from the ground up, in particular through asset management systems. Accordingly ALGA is seeking a commitment from the federal government to help improved asset management and quality data provision to support better local roads funding decisions. This level of information would benefit local government, the community as a whole as well as the Australian Government.

Only around 20–30 per cent of councils have adequate road asset management systems.

An important by-product of an asset management system is that information about the assets can be aggregated to provide a picture of the extent and condition of roads at the regional, state and national levels.

Local government seeks funding totaling \$12.87 million over 3 years commencing in 2008-09 to extend and implement roads asset management systems across all councils, including \$1.0 million to develop and collect nationally consistent data. At the end of the three year funding program:

- All councils would have in place high standard roads asset management systems to aid their decision making in relation to asset replacement and renewal;
- The need for, and benefits of, asset management systems would be widely accepted by elected councilors and council staff; and
- The data from the road asset management systems would be collected into a national data collection system.

This program would allow councils to adopt different management technologies or programs provided the data was compatible with the national collection system. The proposed asset management systems would be restricted to roads infrastructure, but could provide the platform for wider asset management systems in the future.

Local government fully supports the need to improve the quality of local roads data, providing however, that in implementing any new national methodology for the distribution of road funding is accompanied by additional funding to ensure that no state suffers from reduced funding.

This position reflects the recommendations of the PwC Report and the National Local Roads and Transport Congress (July 2007) Communiqué.

Fair Treatment

→ **5**
Promoting partnerships and Putting a Stop to Cost Shifting

ALGA calls on all political parties to recognise local government as an equal partner in the delivery of important, mutually agreed outcomes for the Australian people and to commit to and continue to honour the IGA on cost-shifting.

PARTNERSHIPS

In recent years, the Federal Government and local government have worked in partnership to deliver services to local communities. Local government has often been a partner in the efficient and effective planning, funding and delivery of government programs—both through specific purpose payment funding direct to local government, and local government applying for specific program funding under programs such as the Natural Heritage Trust and Regional Partnerships.

One of the most successful partnerships between the Commonwealth and local councils has been the Roads to Recovery program. Since its inception in 2001, this program has delivered on national objectives directly through local government, benefiting local communities and enhancing economic capacity, particularly in rural and regional areas.

Direct partnerships between the Federal and local government spheres can:

- Be more directly responsive to community aspirations and needs;
- Be more cost effective by eliminating transaction costs and the 'middle man' of the states;
- Be more flexible; and
- Provide greater accountability for the Federal Government.

Direct partnerships between the Federal Government and local government are most appropriate to achieve a number of key outcomes:

- Renewal of local infrastructure, including local sporting facilities, cultural and community venues, and roads and transport infrastructure;
- Natural resource management through the delivery of national programs at the local level;
- Assessment of the impacts of climate change and the delivery of local mitigation and adaptation programs—achieving national objectives at the local level;
- Implementation of water initiatives at the local level—including infrastructure projects, water conservation programs, and community education;
- Delivery of regional economic development outcomes;

- Implementation of public and environmental health strategies; and
- Delivery of community cultural development programs and the arts.

Local government seeks to strengthen and deepen its partnership with the Federal Government in the delivery of mutually agreed national program and policy outcomes to local communities.

COST SHIFTING

Local communities only gain from these partnerships if their local councils are adequately funded to deliver the services. Where councils seek to deliver outcomes without the necessary funding support, cost squeezes ensue and the ultimate result is a downgrading of services and/or maintenance in order to balance the books.

ALGA has long maintained the position that specific services provided by local government on behalf of other spheres of government must be the subject of direct negotiation and be adequately funded.

This was supported by the *Fair Share* report on cost shifting and local government finances, tabled in Federal Parliament in November 2003 by the House of Representatives Standing Committee on Economics, Finances and Public Administration. This report found that cost shifting was placing significant pressure on councils—estimated to be between \$500 million and \$1.1 billion each year.

In April 2006 all members of the Local Government and Planning Ministers' Council signed an Intergovernmental Agreement to stop cost shifting. The *Intergovernmental Agreement Establishing Principles Guiding Intergovernmental Relations of Local Government Matters* ('the IGA') is designed to establish an ongoing framework to address cost shifting.

The IGA is an important step forward in addressing the issue of cost shifting. The cumulative effect of past cost shifting remains however and is a continuing demand upon existing council finances.

Future governments must remain vigilant in monitoring and reporting on the application of the IGA. Federal and state governments need to be conscious of providing funding where passing on additional responsibilities to local government. Similarly, local government needs to exercise discipline when responding to community demands and deciding to provide additional services.

Formal Recognition

6



Formally Recognising Local Government in the Constitution

ALGA calls on all political parties to commit to the continued recognition of local government's role in the Australian Federation, including its ongoing role in the Council of Australian Governments and associated Ministerial Councils and to achieving constitutional recognition of local government.

Local government fulfils a significant and increasingly important role within the Australian Federation, a fact acknowledged by the Commonwealth through local government's inclusion in the Council of Australian Government (COAG), and in other key Ministerial Councils.

Despite this, Australia is yet to follow the lead of many other nations and recognise the roles and functions of local government in our national constitution. The failure to recognise local government remains one of the significant omissions of the Australian Constitution.

This failure to recognise local government and its role as the primary institution of local democracy has been highlighted in recent times by unilateral state government action without appropriate consultation.

Local government's role in the Federation needs to be formally recognised and enshrined in the nation's defining document—the Australian Constitution—through a referendum.

In October 2006, a motion passed through both houses of Parliament recognising the role of local government in Australian federalism. The motion reads:

'That the House/Senate:

- recognises that local government is part of the governance of Australia, serving communities through locally elected councils.
- values the rich diversity of councils around Australia, reflecting the varied communities they serve.
- acknowledges the role of local government in governance, advocacy, the provision of infrastructure, service delivery, planning, community development and regulation.
- acknowledges the importance of cooperating with and consulting with local government on the priorities of their local communities.
- acknowledges the significant Australian Government funding that is provided to local government to spend on locally determined priorities, such as roads and other local government services.
- commends local government elected officials who give their time to serve their communities.'

Local government views the parliamentary resolution as an important stepping stone towards our longer-term goal of full constitutional recognition. Constitutional reform should be accompanied by a comprehensive community information campaign to maximize the opportunity for a successful 'yes' vote at a referendum.

ALGA calls on all political parties to commit to the continued recognition of local government's role in the Australian Federation, including its ongoing role in the Council of Australian Governments and associated Ministerial Councils and to achieving constitutional recognition of local government.

Meeting Future Challenges

7



Tackling Climate Change

ALGA calls on all political parties to commit to engage local government as an integral partner in responding to climate change to provide national assistance to local government in responding to the emerging impacts of climate change and to ensure Australia shoulders its international responsibilities in meeting climate change challenges.

ALGA welcomed the establishment of the Australian Centre for Climate Change Adaptation, and the commitment by the Federal Government to \$100 million in program funding for the Centre. Local government must be a key player in delivery of climate change initiatives, and seeks commitment from the major parties to work with local government in addressing the emerging impacts of climate change.

The National Adaptation Framework, endorsed by Council, of COAG at its 13 April 2007 meeting, identified a number of initiatives in which local government will need to play a key role, including the following action item:

- Establish a national program to support local government in adapting to climate change including a toolkit.

Local government activities that are likely to be directly impacted by climate change include planning future developments and road infrastructure, which would be affected by sea level and water table rises and storm surges. There will also be impacts on natural resources, health and building regulations and community infrastructure and services.

Councils have been leading the way in climate change mitigation projects. Areas where local government has been at the forefront include participation in the Cities for Climate Protection program, innovative landfill solutions, Greenhouse Alliances and community information, beach front stabilisation, habitat protection and education programs.

There is increasing recognition of the need for adaptation strategies to allow communities (through their local councils) to deal with the effects of climate change and reduce exposure to the possible impacts.

At the council level, measures can be implemented such as increasing the efficiency of lighting, alternative technology for heating, cooling and water treatment plants, vehicle downsizing and fuel conversions, promote climate friendly built and natural environments through strategic planning, development assessment and building control practices.

At the wider community level, councils can undertake environmental education and awareness raising, promote energy efficiency in residential, industrial and commercial settings, promote alternative methods of transport, and provide and promote alternative waste management services and policies such as recycling of household waste, composting and zero-waste policies.

Domestic activity can achieve a great deal, but Australia must shoulder its international responsibilities in meeting climate change challenges. Local government calls on all political parties to commit to active participation and leadership in international agreements on climate change including ratification of effective agreements to reduce greenhouse gas emissions and develop strategies to mitigate and adapt to climate change.

8



Securing Water Resources

ALGA calls on all political parties to commit to work with local government to secure and protect water resources, including ensuring that communities that are adversely affected by adjustment to changes in water entitlements, or major water trading resulting in reduced local and regional economic activity are compensated.

Ensuring a secure supply of good quality water to the community is critical and has far-reaching economic, environmental and social consequences.

Local government is the provider of reticulated water and wastewater services in Queensland, Tasmania, and much of NSW. In all states and the Northern Territory, local government has a direct interest in stormwater management. Local government also has an interest in water management in urban areas and influences community behaviour through water sensitive urban design, planning and building controls, promotion of recycling, community education, and direct support for water saving measures.

Local government is already undertaking water projects at the local level, but there needs to be more collaboration between all spheres of government to achieve integrated water outcomes.

Given the drought and heightened awareness of the need for better local water infrastructure and conservation at the community level, ALGA believes that it is timely to establish a discrete local government water supply and water quality program for local communities. This initiative would enable councils to augment and renew old leaky systems, treat water and take action to stop nutrient contamination of rivers and water supplies.

Specifically, local level projects that need support are:

- Upgrading and expanding old and/or inadequate water infrastructure, especially where this vital resource is leaking as a result of the deterioration of the infrastructure;
- Storm water harvesting and implementation programs;
- The development of water sensitive urban design principles—a national approach can reduce water use through specific initiatives;
- Encouraging the use of recycling technologies; and
- Water and sewerage services in remote Aboriginal communities.

Local government seeks commitment from the major parties to acknowledgment of the impacts on communities that will result from:

- major redistribution of and/or acquisition of water entitlements; and
- significant increases to the cost of water—both commercial and domestic

Structural adjustment packages are needed to assist these communities to adjust to these impacts. Local government will need to be a partner in the assessment of community impacts and the development of compensation packages.

9



Supporting Sustainable Urban Regions

ALGA calls on all political parties to support the development of a sustainable urban regions program, drawing together the key urban issues of water, energy efficiency, affordable housing, sustainable urban transport, urban design and social cohesion.

Local government calls for national leadership in the area of urban policy.

The majority of Australians live in urban centres, and cities and towns generate an estimated 80% of Australia's GDP. A national urban policy would have a major impact on the quality of life, economic prosperity and environmental health of all Australians. Recognition should be given to the role that the Commonwealth should play in working with other spheres of government, the private sector and the community towards achieving the greatest economic, social and environmental outcomes from Australia's major population centres.

ALGA seeks commitment from the major parties, including funding commitments, to the development and implementation of a national sustainable urban regions program. This program would seek to achieve a wide range of integrated outcomes, including in the following areas:

- Review the Fringe Benefits provisions that encourage the use of cars so as to also encourage the use of public transport;
- Sustainable urban transport including efficient freight, passenger and public transport;
- Water friendly developments, including water reuse, conservation and management;
- Integrated water and stormwater management systems;
- Bushland conservation;
- Sustainable housing and urban land use;
- Community inclusiveness;
- Climate change/energy efficiency;
- Community health/obesity; and
- Housing choice and affordability.

The urban transport position reflects the outcomes of the National Local Roads and Transport Congress (July 2007).

10



Providing Affordable Broadband for All

ALGA seeks the commitment of the major parties to the development of an affordable high-speed broadband network for all communities across Australia, including commitment to capacity building in regional areas in ICT skills development.

Local government has a critical interest in the development of information communications technology (ICT) across Australia and calls on the major parties to ensure that all Australians have access to affordable, high-speed broadband technology.

Local government's interest in broadband falls into two categories:

- 1 Development of electronic local government services, thereby increasing the range of services available, introducing innovative service delivery and improving the cost-effectiveness of providing traditional services; and
- 2 Ensuring that local communities have access to affordable high speed broadband, thereby stimulating economic and social development of local areas.

ALGA's *State of the Regions 2006–07 Report*, released in November 2006, predicted a greater role for local government in helping to provide broadband internet services to Australian communities. The report found that a trend in recent years for local government to become active in providing broadband backbone infrastructure is expected to grow.

The report points out that Australia is at the bottom of international rankings for broadband internet penetration in developed countries but that our take-up rate is growing rapidly.

The report outlines the many benefits of enhanced telecommunications. It points to how better telecommunications can enhance regional competitiveness by providing the infrastructure to attract knowledge-based businesses to the regions and create opportunities for new knowledge-based enterprises. It also refers to the ability of businesses to compete better in the marketplace when modern communications technology can give firms the ability to supply products on demand.

High-speed broadband would also allow councils to introduce innovation in the delivery of services, to achieve cost-effectiveness in service delivery and to ensure that local residents have improved access to information and services. Cross-jurisdictional collaboration would allow synergies to be achieved through the roll-out of e-government services, meaning that members of the community could benefit from 'one-stop-shop' service delivery.

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A **10-POINT PLAN** *to Reinvigorate Local Communities*



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ATTACHMENT A

A 10-POINT PLAN to Revitalize Local Communities



AUSTRALIAN LOCAL
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SEPTEMBER 2007