

CONSTITUTIONAL RECOGNITION OF LOCAL GOVERNMENT

ISSUE

- On 29 May the Australian Government introduced a bill in the Parliament to amend the Constitution for the financial recognition of local government.
- A referendum is planned for 14 September 2013 for the Australian people to consider the proposed constitutional amendment.
- \$55.6 million has been made available through the budget process to implement the proposed referendum.

KEY FACTS

- The exposure draft Constitution Alteration bill was released publicly on 15 May 2013 on the Department's website.
- The Department established a hotline and online comment form for the public and interested parties to provide feedback on the draft Constitution Alteration bill.
- States and territories have been consulted on the draft wording of the bill and explanatory memorandum.
- The Constitution Alteration bill was introduced in the Parliament on 29 May 2013.
- The *Referendum (Machinery Provisions) Amendment Bill 2013* was introduced to Parliament on 20 March 2013 and subsequently debated and passed by both houses of Parliament on 14 May 2013 and 15 May 2013 respectively.
 - This Act allows expenditure on public information activities in the lead up to the vote.
- The Financial Management and Accountability Amendment Regulation 2013 (No.3) was registered on the Federal Register of Legislative Instruments on 20 May 2013.
- The \$55.6 million provided in the Budget for constitutional recognition of local government includes:
 - \$1.578 million in departmental funding over two years for the Department to implement the referendum

- \$10 million in administered funding to run a national civic education campaign, and
 - \$44 million for the Australian Electoral Commission to administer the referendum.
- The Department has established a taskforce of 17 staff to support the implementation of the referendum. The taskforce will continue working closely with the Attorney-General's Department to manage the legal requirements of the referendum.
- The Government is committed to ensuring that Australians benefit from a public debate on the proposed referendum. One of the key deliverables of the taskforce will be a civics education campaign.
 - This campaign will provide the public with information about the Constitution, the constitution amendment process and facts about the referendum.
- *If asked about funding for partisan campaigns* – The Government is giving consideration to additional funding if necessary.
- *If asked how the referendum will be conducted* – The Department will refer this question to the Australian Electoral Commission as they are responsible for all referendum related voting queries.
- *If asked about legal aspects of the change or interpretation* – This question should be referred to the Attorney-General's Department.

BACKGROUND

The Expert Panel on Constitutional Recognition of Local Government, chaired by former Chief Justice James Spigelman AC QC, provided its report to the Government in December 2011. The Expert Panel found that financial recognition is a viable option in the 2013 timeframes, provided steps are taken to secure the support of the States and achieve broader public awareness and engagement.

At the National General Assembly for Local Government in June 2012, the Minister acknowledged the strong role that local governments need to play in raising levels of support for constitutional recognition at a community level. In addition the Government has funded the ALGA to consult and build support in the community for constitutional recognition of local government.

The Joint Select Committee on Constitutional Recognition of Local Government was established by Parliament on 1 November 2012, and was tasked to hold further inquiries into the majority finding of the Expert Panel, and assess the likelihood of success of a referendum including the level of support in government and the potential consequences of an amendment to the Constitution.

The Joint Select Committee gave its final report to the Parliament in March 2013. This report recommended that the referendum proceed at the forthcoming general election.

2013-14 Budget: Referendum on the financial recognition of local government in the Australian Constitution

Expense (\$m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Electoral Commission	3.0	40.8	-	-	-
Department of Regional Australia, Local Government, Arts and Sport	1.1	10.5	-	-	-
Total — Expense	4.1	51.3	-	-	-

Related capital (\$m)

Australian Electoral Commission	-	0.2	-	-	-
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Source: 2013-14 Budget Paper No. 2, Part 2: Expense Measures – Regional Australia, Local Government, Arts & Sport.

Portfolio impacts: Referendum on the financial recognition of local government in the Australian Constitution

\$ '000		
	2012-13	2013-14
Administered	500	9,500
Departmental	598	980
Total	1098	10,480

Source: 2013-14 Department of Regional Australia, Local Government, Arts and Sport, Portfolio Budget Statement, pp 31.

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