

**Submission
No 17**

**INQUIRY INTO PUBLIC FUNDING OF LOCAL GOVERNMENT
ELECTION CAMPAIGNS**

Organisation: Local Government Association of NSW

Name: Cr Genia McCaffery

Position: President

Date Received: 20/09/2010



7 September 2010

Our Ref: OUT-18779

Robert Furolo MP
Chair
Joint Standing Committee on Electoral Matters
Parliament of NSW
Macquarie Street
Sydney NSW 2000

Dear Mr Furolo

Inquiry into the public funding of local government election campaigns

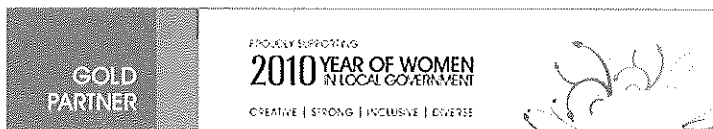
We thank you for your letter inviting the Associations to submit on the current Joint Standing Committee on Electoral Matters (the Committee) Inquiry into the public funding of local government election campaigns. The letter and Issues Paper was referred to the Associations' Local Government Operations and Reform (LGOR) Standing Committee for consideration.

The Local Government Operations and Reform (LGOR) Standing Committee comprises of five members of the Local Government Association of NSW and five members of the Shires Association of NSW. At its meeting of the 2 September, the LGOR Standing Committee considered the Committee's Issues Paper and recommended the following:

That the Associations do not support a model for public funding scheme for campaigning for local government elections in NSW.

The Associations believe that a public funding model for campaigning for Local Government in NSW is simply not affordable and would be inappropriate given the cost. It's acknowledged that a fair and equitable model would be difficult to ascertain due to the large number of candidates that nominate at any given election (4,620 candidates nominated for the 2008 Local Government elections - Source: "Report on the 2008 Local Government Elections" published by the NSW Electoral Commission). It is believed that any public funding model would be a burden on any government especially Local Government who already, as the Committee are aware - suffer the burden of significant costs in running Local Government elections.

While the Associations do not support a public funding model for Local Government election campaigns, they do however support and reiterate their



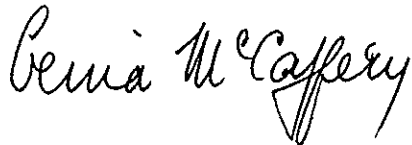
position on the costs of Local Government elections, in that the costs borne by Councils in the 2008 Local Government elections were of serious concern, and that any public funding should be applied to the running of future Local Government elections and the responsibility of funding be given to State Government.

In addition, the Associations reiterate their concerns with the Committees final report on the 2008 Local Government elections and refer the attached letter sent to the Premier for further consideration in regards to Local Government elections.

We urge the Committee to consider the Associations submission in line with the attached, and to provide fair outcomes for NSW Local Government and our communities.

Please contact Skye Smith, 02 9242 4052 or skye.smith@lgsa.org.au should you have any questions.

Yours sincerely



Cr Genia McCaffery
President
Local Government Association of NSW



Cr Bruce Miller
President
Shires Association of NSW

Our Ref: R06/0036 OUT-18610

15 July 2010

The Hon. Kristina Keneally
Premier of New South Wales
Level 40 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Ms Keneally,

We are writing to express our concern and disappointment with the recently released report of the Joint Committee on Electoral Matters *Inquiry into the Local Government elections 2008*.

While the Committee acknowledged the role of the Associations in initiating the Inquiry, it failed to address our key concerns.

It did not provide valid recommendations or acknowledge the NSW Electoral Commission's failure to provide adequate and transparent information relating to the exorbitant cost of the elections. This is contrary to advice given by the Associations to the then Premier, Nathan Rees and the Committee in its submissions.

In his letter to the Committee Chair, Mr Rees stated:

"I wish to refer all matters that relate to a) and b) above in respect of the 2008 September Local Government elections to the Committee for any inquiry the Committee may wish to make, including in relation to the costs of the 2008 Local Government elections..."

"I believe that the Committees oversight of the State elections is of substantial benefit in terms of transparency and accountability. I see no reason why the same degree of oversight should not be applied to Local Government elections in the same interests of transparency."

This level of transparency was not applied to the Inquiry. The Associations have – via a number of methods - requested a copy of the Review undertaken by PKF Chartered Accountants referenced in the report, and we're still yet to see this Review. It was not provided on the Committee's website, or within the Appendices of the paper.

Some recommendations contained within the report – specifically, recommendations 5, 8, and 15 - could have severe consequences for Local Government. These extra services will add yet another financial burden on councils who are already struggling from outdated practices such as rate pegging. Any additional services should be based on a fair and logical cost model, and only with adequate consultation with Local Government.

Recommendation 11 is also of extreme concern. We fear that councils will be bullied into a postal voting system, which will not only destroy the democratic process but also disengage voters.

References to public funding of the elections are vague and uncertain. In its *Inquiry into Local Government elections*, the Committee states:

“The Committee intends to consider issues of public funding for local government elections in greater detail as part of a follow-up inquiry. This will allow for further investigation of issues raised as part the current inquiry, including the registration of political parties.”

However, Recommendation 51 of the *Inquiry into Public Funding of election campaigns* states:

The Committee recommends that:

(a) public funding for local government elections be considered as a separate Committee inquiry process.

(b) the issue of public funding for local government be re-visited after the new public funding system has been introduced and tested at the state level.

It’s concerning that the *Inquiry into Public Funding of election campaigns* was referred after the *Inquiry into Local Government elections* but completed prior, and the Committee still failed to provide a clear answer within either of the reports.

We strongly believe the Committee report fails to address the abovementioned concerns, and those outlined in the letter from Mr Rees to the Committee Chair upon referring the matter for Inquiry. We ask that the recommendations contained within the report are given very careful consideration.

We also request:

- That the Joint Committee on Electoral Matters provide advice and clarification relating to the vague references within the *Inquiry into public funding of election campaigns report* and the *Inquiry into Local Government elections 2008 report*;
- That advice be given as to when the Parliamentary Inquiry relating to public funding of Local Government elections will be undertaken (in accordance with Recommendation 51); bearing in mind the Associations’ firm stance that Local Government elections should be publicly funded in line with State elections;
- That the NSW Government fully understand the Associations long standing policy opposing universal postal voting;
- That councils and relevant stakeholders are consulted on all matters concerning Local Government elections - past and future - in an open and transparent manner;
- That an IPART inquiry be undertaken to verify the cost of the 2008 Local Government elections; and

- That IPART make recommendations to the NSW Electoral Commission for an appropriate cost model for any future Local Government elections that councils are required to fund.

We urge you to consider our requests in line with the newly commenced *Government Information (Public Access) Act* and provide a fair, reasonable and honest outcome. Councils cannot continue to fund these elections on their own, without the necessary financial support.

Yours sincerely



Cr Genia McCaffery
President
Local Government Association of NSW



Cr Bruce Miller
President
Shires Association of NSW