

**Submission
No 23**

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

Organisation: Randwick City Council

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Position: General Manager

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21 September 2010

Joint Standing Committee on Electoral Matter
Parliament of New South Wales
Macquarie Street
Sydney NSW 2000

Submission – Joint Standing Committee on Electoral Matters (Public Funding of Local Government Election Campaigns)

This submission is made on behalf of Randwick City Council in relation to the 'Issues Paper' on Public Funding of Local Government Election Campaigns (dated August 2010).

Council's response on this matter endeavour to be apolitical and to address the potential impacts of public funding of election campaigns on the Council (and the industry) as a whole, it being noted that, at this point in time, there appears to be a lack of consensus from party and candidate stakeholders for public funding of local government election campaigns. Political parties and local independent Councillors may see the need to comment on these issues separately and Council supports this right.

Randwick City Council, like all NSW councils, continues its struggle to remain financially sustainable. This is hampered continually by State Government cost-shifting and continued support of rate pegging, both of which are creating economic barriers to councils servicing their communities.

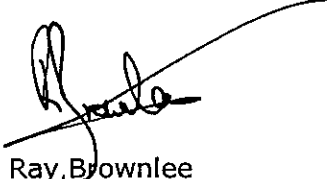
Public Funding

Questions:	Council response:
1. Is public funding for local government elections in NSW supported? Why?	<p>Yes, <i>if</i> the result:</p> <ul style="list-style-type: none"> - reduces the risk of corruption - improves the perception of local government (and local government Councillors) - improves the integrity of the political process; and - has positive reputational impacts for the industry. <p>Concern is expressed about the potential for an unfunded mandate if local government is made responsible for financing public funding for elections and, particularly, given (state government imposed) rate pegging and the potential for public</p>

Questions:	Council response:
	funding to result in an increase in campaign expenditure.
2. What factors, specific to local government elections, should be considered in developing an appropriate public funding model? How might they be accommodated?	Factors to be considered include the large number of election candidates, the large number of independent candidates, the large variation in local government areas in terms of population, area, financial capacity etc.
3. Aside from public funding in the form of reimbursement for electoral expenditure, are there other ways in which local government candidates and parties could be assisted?	No comment.
4. If public funding for local government elections were introduced, which level of government should be responsible for its financing – local councils or the state government?	State government. This is an initiative of the NSW Parliament and should not result in an unfunded mandate for NSW Councils, particularly, given (state government imposed) rate pegging and the potential for public funding to result in an increase in campaign expenditure and the lack of data available at this point in time. If NSW Councils are to fund local government election campaigns there may be significant service delivery impacts.
5. What level of expenditure, expressed as an amount per elector, is sufficient to conduct a reasonable local government election campaign?	Need to look at averages for last election. Comparisons will need to be made between candidates for urban and rural Councils and between candidates for major political parties and independents.
6. If public funding for local government elections were introduced, are the current disclosure requirements adequately transparent?	The disclosure requirements will need to reflect accountability requirements for the expenditure of public funds.
7. What factors impact on the costs of campaigning for local government elections?	Population size, Council area, remoteness, population density, the financial capacity of candidates/political parties and Councils.
8. If public funding were introduced for local government elections, would expenditure caps be required? If so, what would be an appropriate method for determining expenditure caps?	Yes – for the public funding component. Expenditure caps would need to be based on historical data and take into account diversification between Councils and candidates.
9. What are the typical sources of funding for local government election campaigns?	Donations, self funding.

While no comment is made on the veracity or comprehensiveness of the arguments put forward in the 'Issues Paper' for and against public funding of local government election campaigns, it is noted that the arguments against public funding appear to be as sound as the arguments for public funding.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ray Brownlee', with a long, sweeping horizontal line extending to the right from the end of the signature.

Ray Brownlee
General Manager