



AUSTRALIAN
LOCAL GOVERNMENT
ASSOCIATION

ALL POLITICS IS LOCAL



12 ways to deliver for Australian communities

ALGA Federal Election Initiatives

CONTENTS

President's message	2
Local government as a valued partner for the Commonwealth	3
What we're calling for	5
Initiative summary	6
INITIATIVE 1 Repair federal funding to local government	8
INITIATIVE 2 Realise the productive potential of Australia's freight routes	10
INITIATIVE 3 Boost safety on local roads	12
INITIATIVE 4 Promote equitable access to community services	14
INITIATIVE 5 Protect communities from the impacts of natural disasters	16
INITIATIVE 6 Support communities with their climate change response	18
INITIATIVE 7 Promote healthier communities	20
INITIATIVE 8 Foster Indigenous well-being and prosperity	22
INITIATIVE 9 Support communities on their digital transformation journeys	24
INITIATIVE 10 Strengthen Australia's circular economy	26
INITIATIVE 11 Support local government's current work in addressing affordable housing and homelessness issues	28
INITIATIVE 12 Address the South Australian road funding anomaly	30
Summary of Australia's local government	33

The Australian Local Government Association (ALGA) is the national voice of local government representing 537 councils across the country. In structure, ALGA is a federation of state and territory local government associations.



PRESIDENT'S MESSAGE



All Australians, regardless of where they live, deserve equal access to services and infrastructure that will preserve and enhance their quality of life. To date, the Commonwealth has endeavoured to strengthen local communities through delivering on national objectives such as regional equity.

However, despite this effort, many communities today are struggling due to the growing income inequality in Australian cities, towns and regions and more needs to be done to accomplish a more even spread of prosperity within and across our communities.

A stronger partnership between the Commonwealth and local government can go a long way towards decreasing the existing inequality across Australian regions and delivering positive outcomes for Australian communities.

As a partner, local government brings a lot to the table through its presence in almost every part of the country. It is responsible for around 76 per cent of Australia's road network by length; it provides governance and public administration at the local level; and it provides services, facilities and programs that meet the needs of local residents and visitors.

Local councils know the local people, the local and regional businesses, and the local workforce. It is these people and businesses that create the jobs and income that are the key to innovation, increased productivity and economic growth at a local level, and in aggregate at the national level.

Given the opportunity, local councils are keen to partner with their local federal members and senators to deliver to our shared constituents.

This document outlines a number of proactive policy initiatives that will optimise a Commonwealth-local government partnership and provide solutions to the challenges our communities are facing.

Each of the initiatives contained within this document is designed to benefit every community, including those in your electorate, by improving local services and infrastructure, promoting fairness and boosting local, regional and national productivity.

Modelling of our initiatives demonstrates that, combined, they will add more than \$8.97 billion to Australia's Gross Domestic Product and create more than 24,000 new jobs, with economic benefits distributed across the entire country.

Delays in adopting these policy initiatives will inflict significant costs on the national economy by limiting the growth potential of both country and metropolitan regions.

ALGA is calling for you to: support our election initiatives; take action that will boost national productivity; and invest in the future of local communities in the federal election.

A blue ink handwritten signature of Mayor David O'Loughlin, written in a cursive style.

Mayor David O'Loughlin
ALGA President



LOCAL GOVERNMENT AS A VALUED PARTNER FOR THE COMMONWEALTH

There are 537 councils in Australia – serving almost every community across the nation – that make up the third democratically-elected level of government in the Australian Federation. Councillors elected from within their local community are directly accountable for the planning, coordination, facilitation and delivery of council services and infrastructure to all residents within their municipality. As the level of government that is closest to communities, councils are in a unique position to help the Commonwealth deliver programs and projects in every federal electorate.

While the formal recognition of local government in the Constitution remains essential to the long-term relationship between the Commonwealth and local government, past federal governments have recognised the critical value of a partnership with local government to achieve fairness and equity in our communities. Councils can ensure all Australians benefit from the nation's growth story by facilitating an environment that: enables local industry and business to thrive; boosts local and regional economies; and helps households get equitable access to services and infrastructure.

The following examples clearly show the capacity of local government to support the Commonwealth to achieve its objectives.



ROADS TO RECOVERY (2000 – PRESENT)

The Commonwealth Government's Roads to Recovery program (R2R) is an outstanding example of a partnership between the Commonwealth and local government delivering safer and less-congested roads for local motorists.

Dating back to 2000, the much-needed \$7.33 billion (approx.) in funding has helped local government to address the backlog of local road maintenance, improve safety and transport efficiency, and stimulate economic development for the nation.

Councils across the country are rolling up their sleeves and getting on with the job of providing the basic transport infrastructure that our communities expect and deserve by undertaking repair and upgrade projects on more than 60,000 road sites.

A key success factor for the R2R program is the simple administrative system which allows maximum funding to go to roadworks, as determined by local councils which know local transport needs and priorities.



REGIONAL AND LOCAL COMMUNITY INFRASTRUCTURE PROGRAM (2009)

In 2009, as part of the Nation Building—Economic Stimulus Plan to counter the global financial crisis, more than \$1 billion of funding was provided directly to local government by the Commonwealth through the Regional and Local Community Infrastructure program. This program was used to stimulate the economy as well as promote economic development opportunities where they were needed, particularly in rural and regional communities.

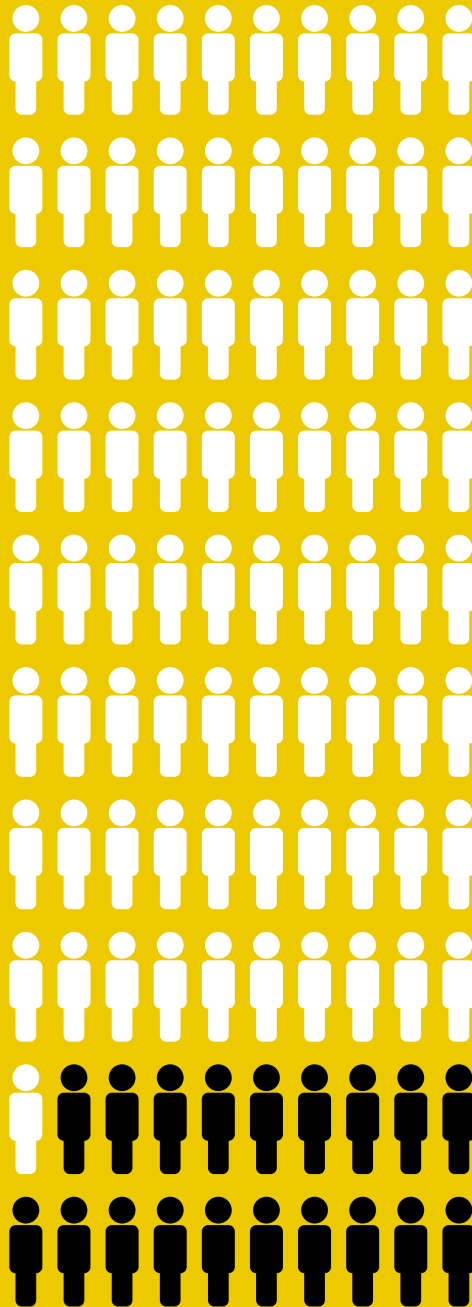
Under the package, councils delivered more than 6,000 large and small 'shovel-ready' community infrastructure projects in local and regional communities on time and within budget. This saw swimming pools, community centres, libraries, sporting grounds, parks and council-run Meals-on-Wheels kitchens renewed and kept people in work across Australia.

Funding local government to deliver on infrastructure and service outcomes is one of the most efficient and effective mechanisms to support vibrant communities and achieve the goal of increasing national competitiveness, equity and sustainability.



81% OF AUSTRALIANS AGREE

THAT 'POLITICAL CANDIDATES SHOULD FOCUS ON LOCAL ISSUES
AND LOCAL COMMUNITIES AT THE NEXT FEDERAL ELECTION'



YouGov Galaxy Omnibus Survey, 4 June 2018

WHAT WE'RE CALLING FOR

The commitment of
all political parties,
party leaders and
individual candidates
to deliver for
local communities,
through a
partnership with
local government,
by supporting **our**
initiatives in the
federal election

INITIATIVE SUMMARY

The policy initiatives outlined in this document will provide every council and federal member with the opportunity to deliver tangible outcomes to every community in Australia. In addition, they could add an estimated \$8.97 billion to national GDP and create an estimated 24,000 jobs over the first three years.



1. Repair federal funding to local government

Restore the quantum of **Financial Assistance Grants** to at least 1 per cent of Commonwealth taxation revenue



**BY 3RD YEAR
CUMULATIVE GDP BENEFIT**
\$1.42 billion
4,000 jobs



2. Realise the productive potential of Australia's freight routes

Fund a **Local Government – Higher Productivity Investment Plan** starting at \$200 million per annum over 5 years



**BY 3RD YEAR
CUMULATIVE GDP BENEFIT**
\$1.07 billion
2,300 jobs



3. Boost safety on local roads

Increase **R2R funding** to \$800 million per annum and make the **Bridges Renewal Program** permanent



**BY 3RD YEAR
CUMULATIVE GDP BENEFIT**
\$1.71 billion
4,000 jobs



7. Promote healthier communities

Invest in a **Local Government Place-Based Preventative Health and Activity Program** of \$100 million over four years



**BY 3RD YEAR
CUMULATIVE GDP BENEFIT**
\$292 million
1,600 jobs



8. Foster Indigenous well-being and prosperity

Continue to provide at least **\$5.5 billion over the next decade** to address the needs in Indigenous communities



**BY 3RD YEAR
CUMULATIVE GDP BENEFIT**
\$1.66 billion
5,300 jobs



9. Support communities on their digital transformation journeys

Provide a **Smart Communities Program** of \$100 million per annum and a **Digital Local Government and Rural / Regional Telecommunications Program** of \$100 million over four years



**BY 3RD YEAR
CUMULATIVE GDP BENEFIT**
\$340.4 million
1,000 jobs



4. Promote equitable access to community services

Invest in a **Local Government Community Infrastructure Program** of \$300 million per annum over four years



BY 3RD YEAR CUMULATIVE GDP BENEFIT
\$1.41 billion
3,600 jobs

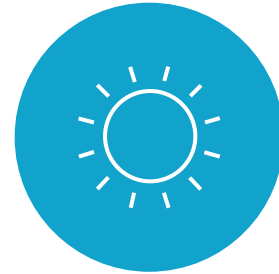


5. Protect communities from the impacts of natural disasters

Fund a **targeted disaster mitigation program** at a level of \$200 million per annum for four years



BY 3RD YEAR CUMULATIVE GDP BENEFIT
\$620 million
1,500 jobs



6. Support communities with their climate change response

Establish a **Local Government Climate Change Partnership Fund** of \$200 million over four years



BY 3RD YEAR CUMULATIVE GDP BENEFIT
\$451 million
1,100 jobs



10. Strengthen Australia's circular economy

Achieve more cost-effective and equitable funding approaches across all parties involved in a product's lifecycle



11. Support local government's current work in addressing affordable housing and homelessness issues

Reinstate a national governance model to address affordable housing and homelessness, that includes local government



12. Address the South Australian road funding anomaly

Adjust the Identified Roads Component of Financial Assistance Grants to make the additional funding to South Australia permanent

1

INITIATIVE

REPAIR FEDERAL FUNDING TO LOCAL GOVERNMENT

WHAT IS THE ISSUE?

The current funding arrangements for local government are no longer fit for purpose.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

The relative decline in core federal funding to local government has reduced the capacity of councils to develop and maintain services and infrastructure in their communities, which fuels the risk of reducing standards of living in those communities and across the nation.

WHAT DO WE KNOW?

- The Commonwealth collects around 80 per cent of taxation; however, responsibility for service and infrastructure delivery falls to states/territories and local governments.
- Nationally, local government spent \$34 billion in 2016. The Commonwealth provides around \$2.3 billion in Financial Assistance Grants (FAGs) to local government, or just under 7 per cent of annual expenditure.
- The Commonwealth Government's funding to local government through FAGs is critically important. Untied in the hands of councils, the FAGs enable councils to provide a mix of services and infrastructure appropriate to their local circumstances and maintain the well-being of their communities. They help equalise the level of services across local governments nationally – particularly in rural, regional and remote areas – and they help fund the growth in demand for local government services in line with population growth.
- FAGs were equal to around 1 per cent of Commonwealth taxation revenue in 1996. However, despite an annual growth rate in Australia's Gross Domestic Product of an average 3.47% from 1960 until 2017, FAGs have declined by around 43% in relative terms over the past 20 years, and now amount to approximately 0.55% (2018) of Commonwealth tax revenue.
- Additional investment through local government is essential to help maintain the living standards of all Australians by fostering the equitable provision of local government services and infrastructure and maintaining local economic growth.

LOCAL GOVERNMENT PROPOSES

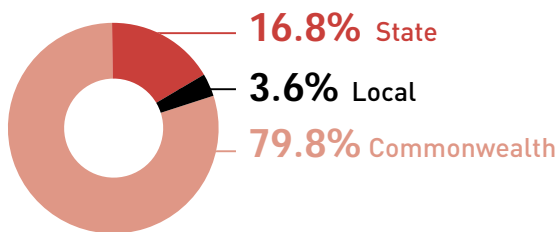
Repair funding assistance to local government by restoring the quantum of Financial Assistance Grants to at least 1 per cent of Commonwealth taxation revenue.



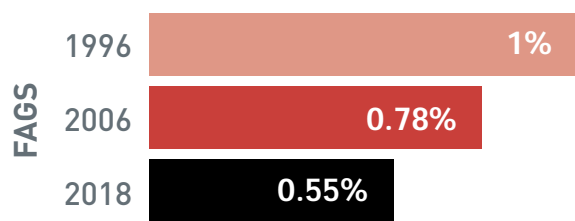
ECONOMIC BENEFIT

\$1.42 billion cumulative Gross Domestic Product benefit by year 3 and 4,000 new jobs.

LOCAL GOV COLLECTS THE LEAST TAX



LOCAL GOV GETS LESS FUNDS EACH YEAR



LOCAL GOV EXPENDITURE HAS BEEN INCREASING



≥ 1%



PARTNERSHIP PROGRAMS



WILL RESTORE FAIRNESS TO LOCAL GOVERNMENT FUNDING

2

INITIATIVE

REALISE THE PRODUCTIVE POTENTIAL OF AUSTRALIA'S FREIGHT ROUTES

WHAT IS THE ISSUE?

Bottlenecks and pinchpoints on local road networks are increasing the time it takes for freight to travel from sender to receiver.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

More efficient transport routes connecting local businesses to national and global markets can help create more success and economic prosperity for regional communities.

WHAT DO WE KNOW?

- The efficient movement of freight is essential in a national economy.
- Local government roads and bridges in general were designed and built decades ago and are no longer fit for purpose. As a result, vehicle access to parts of the local road network is more limited as road providers try to balance access with protection of the road assets from vehicle damage.
- The first/last mile problem typically refers to a local road network that is not of the same standard as the major arterial network. This can result in bottlenecks and pinch points that increase the time it takes for freight to travel from sender to receiver.
- Limited access frequently requires high productivity vehicles to 'break down' to smaller configurations at the start or end of the journey. This requires drivers to depart production facilities with only one trailer attached and drive to a suitable assembly point adjacent to an approved high productivity road before returning to collect subsequent trailers, and then assembling it all in a double or triple configuration. This process negates some of the benefits of higher mass limit reforms.
- The Commonwealth is currently developing a comprehensive national freight strategy that takes an "end-to-end" approach to supporting business supply chains. However, work on the known challenge of first and last mile issues should commence immediately given the extent of the problems that currently restrict freight.
- Many councils have demonstrated their willingness, capacity and competence to undertake regional planning on behalf of their region. These regional plans could be developed in all regions and can provide the basic building blocks for project identification, prioritisation and investment, to drive productivity improvements across council boundaries and in some cases jurisdictional boundaries.

LOCAL GOVERNMENT PROPOSES

Realise the productive potential of Australia's freight routes by funding a Local Government Higher Productivity Investment Plan starting at \$200 million per annum over five years.



ECONOMIC BENEFIT

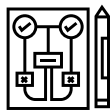
\$1.66 billion cumulative Gross Domestic Product benefit by year 3 and 2,300 new jobs.



System Gaps

Currently, the system for managing Australia's total road network is not appropriately linked, and access consent is difficult to coordinate.

A key enabler of timely access to local roads is a fully interoperable system between the National Heavy Vehicle Regulator (NHVR), jurisdictions and industry.



Planning Gaps

The current system of planning, including freight route identification to meet industry needs, is ad hoc.

Local government is committed to regional transport planning, including route identification and prioritisation in consultation with jurisdictions and industry to improve the alignment of needs and priorities – subject to resources.

ALGA proposes that the Commonwealth incentivise councils to undertake regional transport plans, including demand forecasting on key freight routes.



Knowledge Gaps

Currently, the system for consenting to access on local roads requires councils to make decisions on the capacity of roads and other key assets such as bridges in order to undertake the task.

These decisions take into consideration engineering conditions, asset management plans and financial management plans. Where councils have limited, inadequate, or no current data on the engineering conditions of such assets, formal assessments may be required.

However, councils need adequate funds to undertake appropriate engineering assessments of key strategic assets on key freight routes.



Funding Gaps

The current system of funding of local roads is designed primarily to meet property access needs in line with local community expectations and councils' long-term financial management plans.

External funding for road reconstruction and maintenance has not increased to keep pace with industry and community needs.

Councils are struggling to maintain the status quo and generally have very limited capability to self-fund demand for improvements flowing from advanced safety technologies or higher productivity freight configuration.

3

INITIATIVE

BOOST SAFETY ON LOCAL ROADS

WHAT IS THE ISSUE?

Inadequately-maintained roads and bridges can have serious road safety outcomes.

WHY IS THIS IMPORTANT FOR

COMMUNITIES?

Continued construction, repair and upgrade of local roads and bridges plays a key role in improving the safety on local roads, benefitting all families and communities.

WHAT DO WE KNOW?

- Local government owns and manages around 76% of the national road network (by length).
- The cost of road crashes in Australia is estimated at \$27 billion annually.
- 50% of road crashes are on local roads, and deaths on rural and regional roads far outnumber deaths on metropolitan roads.
- Maintaining the local road system is one of local government's major tasks. In most councils, it is the single largest item of expenditure. Total annual expenditure on local roads by councils is estimated to be in excess of \$7 billion.
- Successive studies commissioned by ALGA consistently show an infrastructure backlog and an underspend within the local government sector of at least \$1.2 billion per annum.
- The 2015 State of the Assets report, commissioned by ALGA, estimates that around 11% of local government transport assets, with a replacement value of around \$20 billion, are in poor or very poor condition and in need of urgent maintenance and/or renewal.
- The 2015 State of the Assets report shows councils own timber bridges with a replacement value of \$3.9 billion. Of these bridges, 22% are in poor or very poor condition, with many owned by councils that have little capacity to make the necessary improvements.

LOCAL GOVERNMENT PROPOSES

Boost safety on local roads by:

- increasing the Roads to Recovery Program funding (R2R) to \$800 million per annum to more sustainably manage local government's component of the national road network, and
- making the Bridges Renewal Program permanent to more sustainably manage council bridges.



ECONOMIC BENEFIT

\$1.71 billion cumulative Gross Domestic Product benefit by year 3 and 4,000 new jobs.

ROADS TO RECOVERY



PROGRAM BENEFITS

MORE THAN
60,000
road sites **upgraded and repaired**
2000/01 to 2017/18

COMMONWEALTH PROVIDED COUNCILS

\$7.33 billion
2000/01 to 2017/18

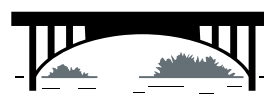
GAPS

MORE THAN
\$7 billion
local government national road **expenditure**
2016/17

BUDGET ALLOCATION

\$350 million
2016/17

BRIDGES RENEWAL



PROGRAM BENEFITS

205
local council bridges have been **fixed, upgraded, completely replaced** or new bridges **built** – 2015/16 to 2016/17

COMMONWEALTH PROVIDED COUNCILS

\$119.6 million
under Round 1 and 2 – 2015/16 to 2016/17

GAPS

\$0.3 billion
(4%)
concrete bridges
poor to very poor
condition

\$1.7 billion
(23%)
concrete bridges
fair condition

\$0.3 billion
(22%)
timber bridges
poor to very poor
condition

\$0.5 billion
(42%)
timber bridges
fair condition

According to data from 2015 State of the Assets report

4

INITIATIVE

PROMOTE EQUITABLE ACCESS TO COMMUNITY SERVICES

WHAT IS THE ISSUE?

A significant proportion of Australia's local community infrastructure is at risk of disrepair with an estimated \$28.6 billion of community facilities in need of significant renewal.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

The day-to-day experiences and well-being of communities are shaped by the infrastructure provided by councils such as public pools, libraries and children's playgrounds to name a few. While some of these facilities are relatively new, many were built decades ago and require significant maintenance and upgrades to ensure they continue to meet the needs of the community.

WHAT DO WE KNOW?

- Well-located, well-designed and properly-maintained community infrastructure is critical for strengthening the well-being of local communities.
- Local government is responsible for local and regional community infrastructure. The 2015 State of the Assets report estimates that local government non-road assets have an approximate replacement value in the order of \$260 billion.
- The 2015 State of the Assets report shows that \$27 billion of this infrastructure is in poor or very poor condition, despite the sector's intensive focus in recent years on strategic asset management.
- There is a need for resources to ensure that local community infrastructure across a range of activities can be appropriately maintained and brought up to a standard which allows equitable access for all, including people with disability, women, and older people (a growing issue as our population ages).
- Councils have identified more than 900 community infrastructure projects with a value of more than \$1.5 billion.
- New investment in the maintenance of community infrastructure will create jobs, support the lifestyles and living standards of hundreds of communities, and enable towns to attract and retain population, particularly in regional and rural communities.

LOCAL GOVERNMENT PROPOSES

Promote equitable access to community services and stimulate local economies by investing in a Local Government Community Infrastructure Program of \$300 million per annum over four years.

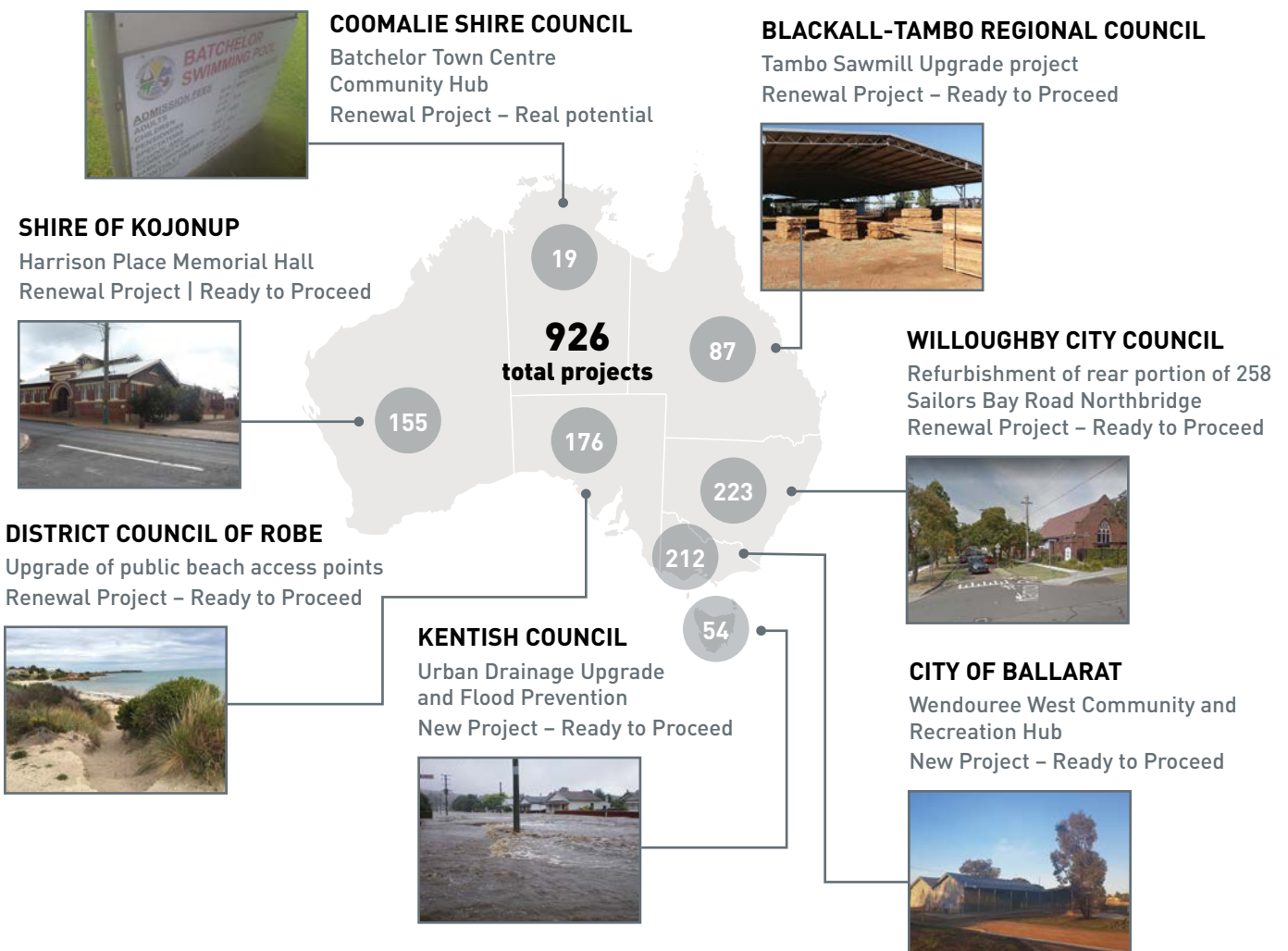


ECONOMIC BENEFIT

ALGA's analysis indicates that this investment would have a cumulative Gross Domestic Product benefit \$1.41 billion by the third year and create up to 3,600 new jobs.

ALGA has developed a register of 926 community infrastructure projects from councils around Australia. These facilities are in need of replacement, maintenance or upgrades, or new facilities are required and the projects are ready to commence when additional funding support becomes available.

The projects include community recreational facilities such as ovals, swimming pools and walking paths, and community facilities such as halls, libraries and senior citizens centres.



5

INITIATIVE

PROTECT COMMUNITIES FROM THE IMPACTS OF NATURAL DISASTERS

WHAT IS THE ISSUE?

Australia is profoundly impacted by natural disasters and communities need appropriate and adequate relief and support to recover from these events.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

Many communities are exposed to natural disasters on a recurring basis and experience repeated disruptions from flood, cyclone and fire events. Natural disasters around the country have claimed lives and impacted hundreds of thousands of people.

WHAT DO WE KNOW?

- The Natural Disaster Relief and Recovery Arrangements (NDRRA) are vital in assisting councils and communities to recover from major natural disasters. It is critical that the costs of restoring government infrastructure are shared across all levels of government, and that the Commonwealth remains committed to meeting up to 75% of those costs.
- The capacity of communities to identify, mitigate and respond to natural disasters is critical. In the face of an increase in extreme weather events, rebuilding infrastructure to its original specifications and condition is not sufficient. Betterment funding, or a small additional investment, will save millions of dollars in years to come by ensuring that infrastructure is rebuilt to withstand new climate-change realities.
- In its 2014 inquiry into natural disaster funding, the Productivity Commission noted the value of disaster mitigation expenditure and raised the idea of a \$200 million per annum mitigation program.
- The value of investment in mitigation was also highlighted by the Australian Business Roundtable for Disaster Resilience and Safer Communities in its 2013 White Paper.

LOCAL GOVERNMENT PROPOSES

Protect communities from the impacts of natural disasters by:

- ensuring that local government is not worse off under current reforms of the Natural Disaster Relief and Recovery Arrangements.
- investing in a targeted disaster mitigation program at a level of \$200 million per annum for four years.



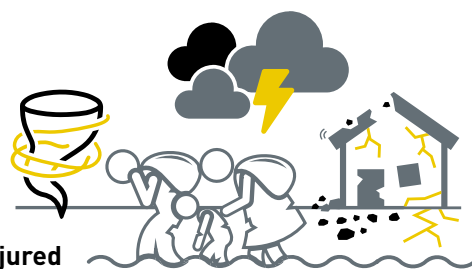
ECONOMIC BENEFIT

ALGA's analysis indicates that this investment would have a cumulative Gross Domestic Product benefit of \$620 million by the third year and create up to 1,500 new jobs.

Note however, the performance outcome of this initiative also depends on the cost of disaster avoided to expenditure ratio.

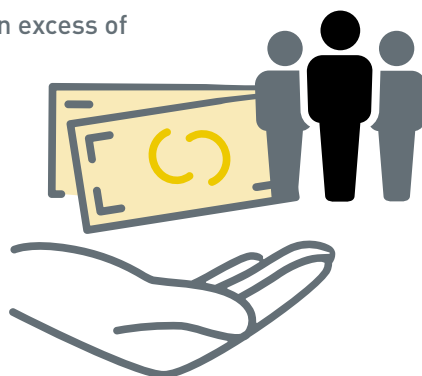
50 people
lose their lives

as a direct result of
natural disasters
each year



1,500 are injured
250,000 are affected in some way

The economic cost to communities
is estimated by Deloitte Access
Economics to be in excess of
\$6 billion
per annum



6

INITIATIVE

SUPPORT COMMUNITIES WITH THEIR CLIMATE CHANGE RESPONSE

WHAT IS THE ISSUE?

Australia's efforts to address and respond to climate change is not taking full advantage of the opportunity for partnership and collaboration with local government.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

All communities are grappling with the consequences of climate change – such as extreme weather, heatwaves, drought, bushfires etc – and are struggling to understand the full impacts of global warming and how they can respond.

WHAT DO WE KNOW?

- Managing the effects of global warming requires effort by every level of Australian Government.
- The Commonwealth has committed, through the Conference of Parties 21 (COP 21) held in Paris in December 2015, to hold the increase in the global average temperature to well below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.
- COP21 has acknowledged the importance of sub-national governments, including local governments, in addressing and responding to climate change.
- As one of the most urbanised countries in the world – with more than 80% of Australia's population living in cities, including large regional centres – the role of our cities and the role of councils within these cities in addressing climate change is hard to overstate.
- Many councils have responded to the climate change challenge by adopting proactive strategies to reduce emissions and to adapt to unavoidable climate change impacts through climate change risk assessments and adaptation plans. Having identified potential solutions to the range of challenges, many councils need additional help to implement local projects and innovative solutions.

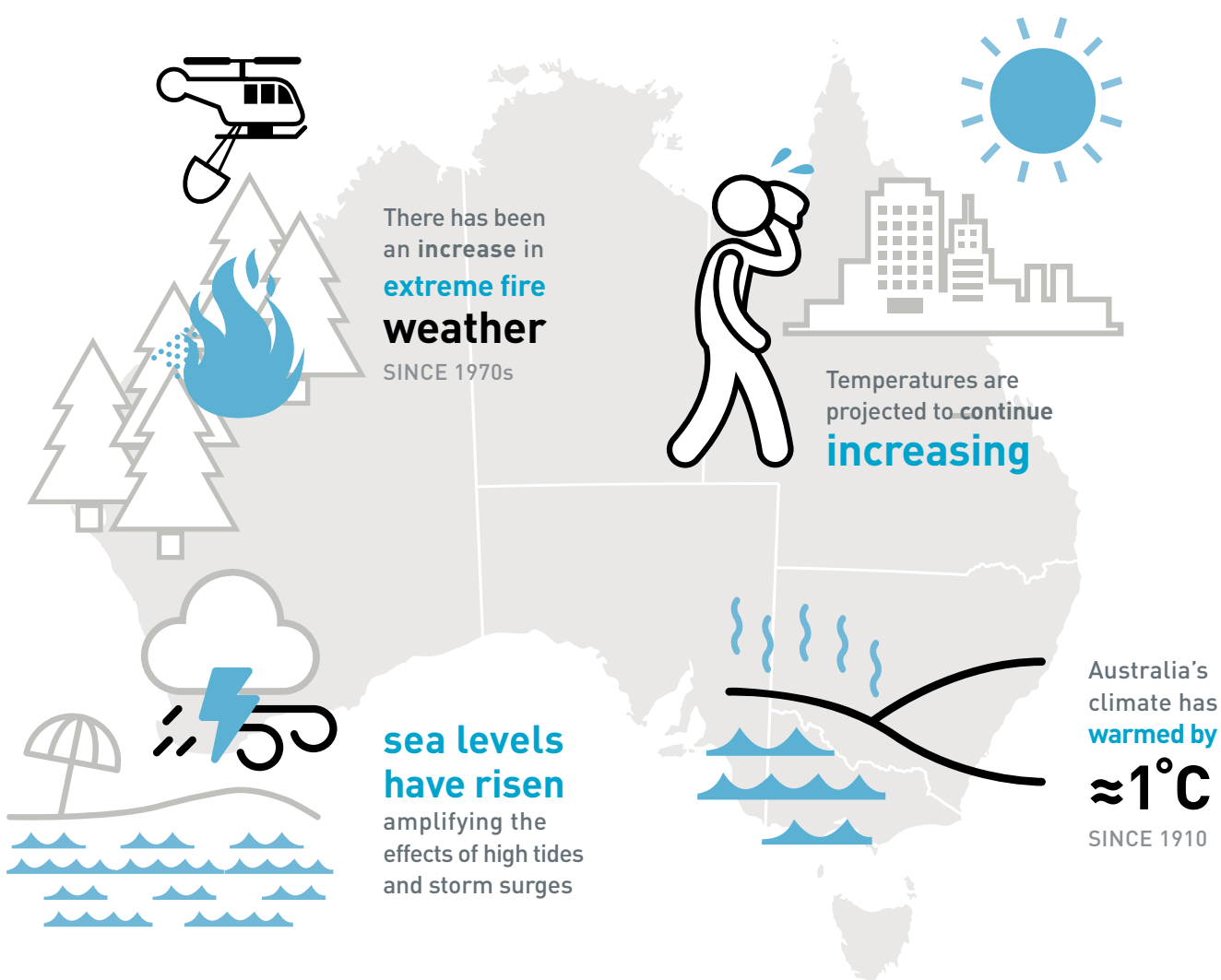
LOCAL GOVERNMENT PROPOSES

Support communities in climate change response by investing in a Local Government Climate Change Partnership Fund of \$200 million over four years.



ECONOMIC BENEFIT

ALGA's analysis indicates that this investment would have a cumulative Gross Domestic Product benefit of \$451 million by the third year and create up to 1,100 new jobs.



7

INITIATIVE

PROMOTE HEALTHIER COMMUNITIES

WHAT IS THE ISSUE?

The cost of health care is increasing; greater priority needs to be given to preventative health to keep people well and to reduce the burden on the hospital and primary care system.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

Residents of communities experiencing health and wellbeing inequalities risk poorer quality of life.

WHAT DO WE KNOW?

- It is estimated that around 10% of Gross Domestic Product is spent on health care.
- Nationally, local government has been a partner in preventative health measures as they relate to planning, environment and infrastructure, and in delivering Commonwealth preventative health initiatives such as Healthy Communities.
- In the past, councils have undertaken a range of preventative health programs and activities, including National Heart Foundation Walking Groups, community gardens, creating a network of paths and tracks for cycling and walking, outdoor gyms, sports carnivals, walking school bus, and a myriad of other initiatives to reduce obesity, diabetes and heart disease.

LOCAL GOVERNMENT PROPOSES

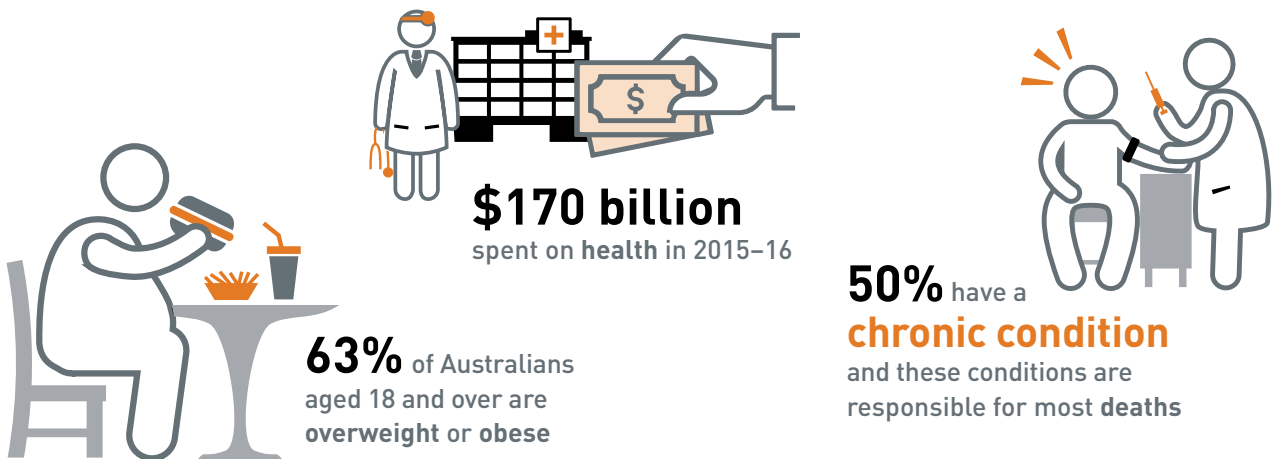
Promote healthier communities by investing in a Local Government Place-Based Preventative Health and Activity Program of \$100 million over four years.

The program could utilise local government's capacity and existing resources. It could be aimed at improving health outcomes through healthier eating and increased physical activity via programs delivered in or with men's sheds, sport and recreation facilities, and community groups.



ECONOMIC BENEFIT

ALGA's analysis indicates that this investment would have a cumulative Gross Domestic Product benefit of \$292 million by the third year and create up to 1,600 new jobs.

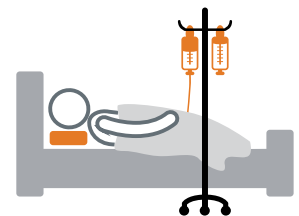


ON AN AVERAGE DAY

21,400 presentations are made to public hospital emergency departments



6,000 elective surgeries are performed



170 heart attacks
100 strokes

8

INITIATIVE

FOSTER INDIGENOUS WELL-BEING AND PROSPERITY

WHAT IS THE ISSUE?

There is an urgent need to redress the social and economic disadvantage of Indigenous peoples.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

Every Australian wants a fair society and our communities are concerned about the welfare of our First Australians.

WHAT DO WE KNOW?

- Initiatives aimed at closing the gap between Indigenous and non-Indigenous Australians in the areas of housing, health, early childhood development, education, economic participation and remote service delivery are vital if our nation is to overcome the economic and social costs of entrenched disadvantage in our Indigenous communities.
- Water and sewerage infrastructure provision has not kept pace with population growth in remote Indigenous communities. As a result, in some jurisdictions, new housing and other new buildings cannot be connected to services due to a lack of capacity. There are seven towns in the Northern Territory that are at capacity now and others that are closely following.
- Family well-being is supported by local government in Indigenous communities and is a major focus of municipal service and infrastructure delivery. To achieve the best outcomes for communities, appropriate resources must be provided for these service-delivery functions.

LOCAL GOVERNMENT PROPOSES

Foster Indigenous well-being and prosperity by:

- continuing to provide at least \$5.5 billion over the next decade to address the needs in Indigenous communities particularly in the areas of overcrowding, homelessness, poor housing conditions, and a severe shortage of housing in remote Aboriginal and Torres Strait Islander communities across Australia.
- renewing the National Partnership Agreement on Remote Indigenous Housing and acknowledging the need for increased local engagement and use of local services and resources.
- taking urgent action to develop new arrangements for funding in Indigenous communities to ensure that services are meeting the needs to communities, including in cities and towns, and that there has not been a shifting of responsibilities and costs on to local government.
- committing to consult and work with elected local government Indigenous councils on policies and programs aimed at meeting the needs of local communities including, where necessary, the removal of barriers on land tenure for councils so they are better placed to provide services and maintain facilities and infrastructure in Indigenous communities.



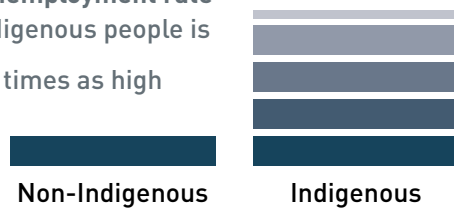
ECONOMIC BENEFIT

ALGA's analysis indicates that this investment would have a cumulative Gross Domestic Product benefit of \$1.66 billion by the third year and create up to 5,300 new jobs.

39% of the gap between Indigenous and non-Indigenous Australians health outcomes can be explained by **social determinants**

The unemployment rate for Indigenous people is

4.2 times as high



35% Indigenous households reported living in a dwelling with 1 or more major **structural problems**



15% reported living in a dwelling that was **lacking working facilities** in 2012–13

9

INITIATIVE

SUPPORT COMMUNITIES ON THEIR DIGITAL TRANSFORMATION JOURNEYS

WHAT IS THE ISSUE?

Without additional funding and a broadening of the Commonwealth's Smart Cities and Suburbs initiative, there is a risk the benefit of investments in smart technologies will not be fully realised. Many communities will be left behind and the full benefits of the digital economy will not be realised across Australia.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

All communities, whether they be in the major capitals or in regional towns, need to be future-ready. Linked-up, smart communities will foster decentralisation and ensure equitable access to the benefits of the knowledge economy.

WHAT DO WE KNOW?

- Many councils and their communities need support on their digital transformation journeys.
- Whole-of-Government business transformation strategies that result in an interconnected government and collaborative citizen-centred approaches will underpin tomorrow's smart cities.
- Rural and regional Australia and its telecommunications connectivity capabilities will also underpin business transformation and interconnectedness.
- Uptake of electric and autonomous vehicles in Australia will be limited by patchy telecommunications services in rural, regional and remote areas.

LOCAL GOVERNMENT PROPOSES

Support communities on their digital transformation journeys by:

- building on the Smart Cities and Suburbs Program approach by providing a Smart Communities Program of \$100 million per annum
- establishing a Digital Local Government and Rural / Regional Telecommunications Program of \$100 million over four years to increase the community benefits of improved technology, connectedness and innovation.

ECONOMIC BENEFIT



The Smart Communities Program would have a cumulative Gross Domestic Product benefit of \$242.3 million by the third year and create up to 700 new jobs.

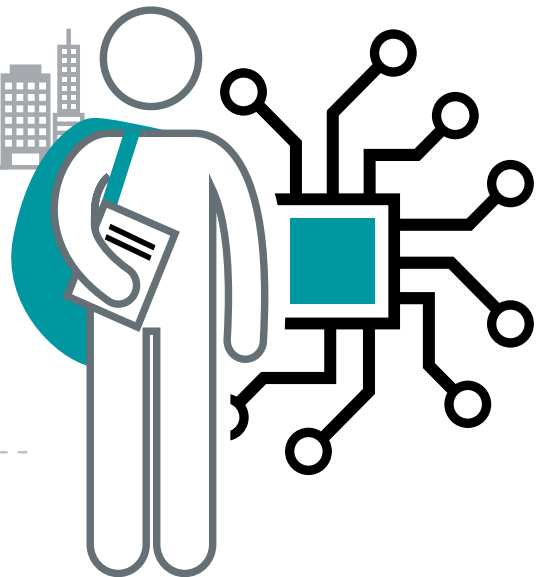
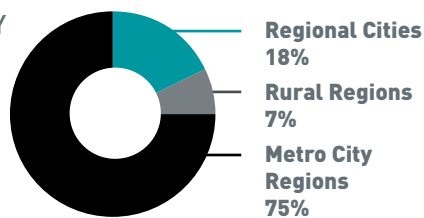
The Digital Local Government and Rural / Regional Telecommunications Program would have a cumulative Gross Domestic Product benefit of \$98.1 million by the third year and create up to 300 new jobs.

A region's capacity to **attract** high technology industries, to **deliver** the required infrastructure and skills are the **drivers for future success** in developing high technology employment and the wealth generation which accompanies it

improved data access

and use can enable new products and services that **transform everyday life, drive efficiency and safety, create productivity gains and allow better decision making**

HIGH TECHNOLOGY
EMPLOYMENT
JOBS



10

INITIATIVE

STRENGTHEN AUSTRALIA'S CIRCULAR ECONOMY

WHAT IS THE ISSUE?

Australia is producing more waste and its current market solutions, materials pathways and collection services are no longer viable or sustainable.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

A rise in costs for kerb-side recycling collection services will impact council budgets, and the resultant increase in rates and levies will put further strain on families' hip pocket costs.

WHAT DO WE KNOW?

- The reduction of Australian exports of recycled materials to China, coupled with the decline in global prices for recyclates, is an immediate threat to the sustainability of Australia's waste and recycling systems.
- Australians are keen recyclers and local government has a long history in numerous successful education campaigns that have facilitated this positive attitude. Maintaining and improving household-based waste management practices needs to be continued as the industry re-shapes itself.
- Revenue is already being raised through state waste levies with the objectives of reducing the amount of waste being landfilled and promoting recycling and resource recovery.
- Products are being produced from many different materials, with different recycling properties. Infrastructure capabilities and capacities to separate, process, store or landfill waste and recycling materials can vary across the nation and falling prices inhibit investment by both the public and private sectors. Dense urban centres struggle with issues of space and growing quantities of materials, while remote and regional centres may struggle with transport distances and costs and economies of scale.
- The Commonwealth has a critical role in promoting and strengthening a circular economy for a sustainable future including through investment incentives. Failure to do so risks mounting stockpiles of waste manufactured here and overseas, along with the associated safety concerns and ever-increasing amounts of potentially useful materials going to landfill. A coordinated, Australia-wide approach should be adopted to avoid the development of inefficient local (i.e. state-based) circular economies.

LOCAL GOVERNMENT PROPOSES

- The Commonwealth Government take a stronger role in strengthening Australia's circular economy. This can be achieved by leading, developing and implementing – in collaboration with key stakeholders – a national waste and resource recovery strategy underpinned by circular economy principles, the waste hierarchy, product stewardship and extended producer responsibility.
- The Commonwealth Government coordinate implementation of a national accreditation system for products with recycled-content that can be used by State and Local Governments, industry/business and consumers as a credible method of making responsible purchasing decisions.



91% support
a national action plan
on recycling



88% support
new requirements for packaging
to be recyclable, and for national
education to reduce contamination
in kerbside recycling

88% of recyclates still being
processed domestically



89% want recycled
content included in
government procurement

11

INITIATIVE

SUPPORT LOCAL GOVERNMENT'S CURRENT WORK IN ADDRESSING AFFORDABLE HOUSING AND HOMELESSNESS ISSUES

WHAT IS THE ISSUE?

The lack of affordable rental properties and affordable home ownership is causing significant social and economic impacts in Australia's cities and regions.

WHY IS THIS IMPORTANT FOR COMMUNITIES?

Homelessness and housing stress can profoundly affect the mental and physical health of individuals and families, as well as impact on their education and employment opportunities and their ability to participate fully in the community.

WHAT DO WE KNOW?

- Housing stress is impacting low and increasingly middle-income households.
- The ABS 2016 Census data shows that the rate of homelessness in Australia has increased 4.6 per cent over the last five years. The latest estimates reveal more than 116,000 people were experiencing homelessness in Australia on Census night.
- Despite increases in homelessness and lack of affordable housing, there is no national housing strategy or a national dialogue between the three levels of government on housing. National Housing and Homelessness Agreements are now determined between the Commonwealth and individual state/territory governments without direct engagement of local government.
- Local governments continue do some "heavy lifting" on affordable housing with their communities in a financially-constrained environment which is exacerbated by cost-shifting, rate-capping and rate concessions for community housing.
- Local governments play an important role in delivering affordable housing with their communities and operate within state-based planning legislation requirements and financial constraints. This includes the burden and timing of investment in infrastructure. However, they are often unfairly blamed for housing affordability problems especially land and housing supply.
- Communities experience homelessness and affordable housing issues in varying degrees and councils' respond to these issues where they can depending on their resources and priorities and using their local knowledge. For example, some councils respond by highlighting issues around overcrowding of dwellings, identifying the implications of Airbnb on housing stock, and facilitating housing for key workers, safe refuge accommodation and low income housing.
- Some councils choose to extend their involvement in housing beyond the traditional planning requirements for example by using excess council land or buildings for housing, engaging with the NGO housing and social services sector, hosting local housing forums or undertaking housing surveys.

LOCAL GOVERNMENT PROPOSES

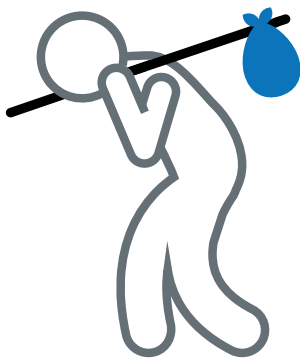
Support local government's current work in addressing affordable housing and homelessness issues by:

- Reinstating a national governance model to address affordable housing and homelessness, that includes local government.
- Acknowledging local government's role in housing with appropriate funding including for innovative partnership models on housing

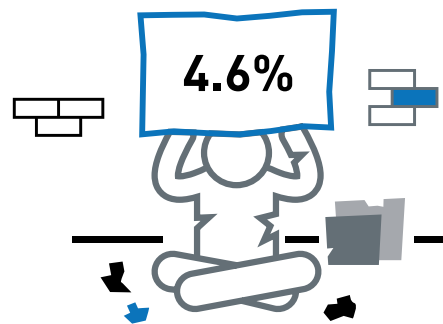
Homelessness is not a choice

Homelessness is one of the most potent examples of disadvantage in the community, and one of the most important markers of

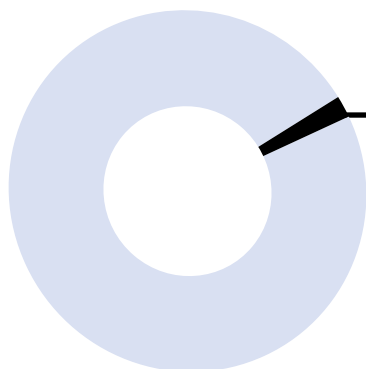
social exclusion



homelessness has increased



over the past **five years**



50 homeless persons for every **10,000**

More than **116,000** people were experiencing homelessness in Australia IN 2016

12

INITIATIVE

ADDRESS THE SOUTH AUSTRALIAN ROAD FUNDING ANOMALY

WHAT IS THE ISSUE?

For many years, there has been a shortfall in the level of funding to South Australian councils under the Identified Roads Component of their Financial Assistance Grants (FAGs).

WHY IS THIS IMPORTANT FOR COMMUNITIES?

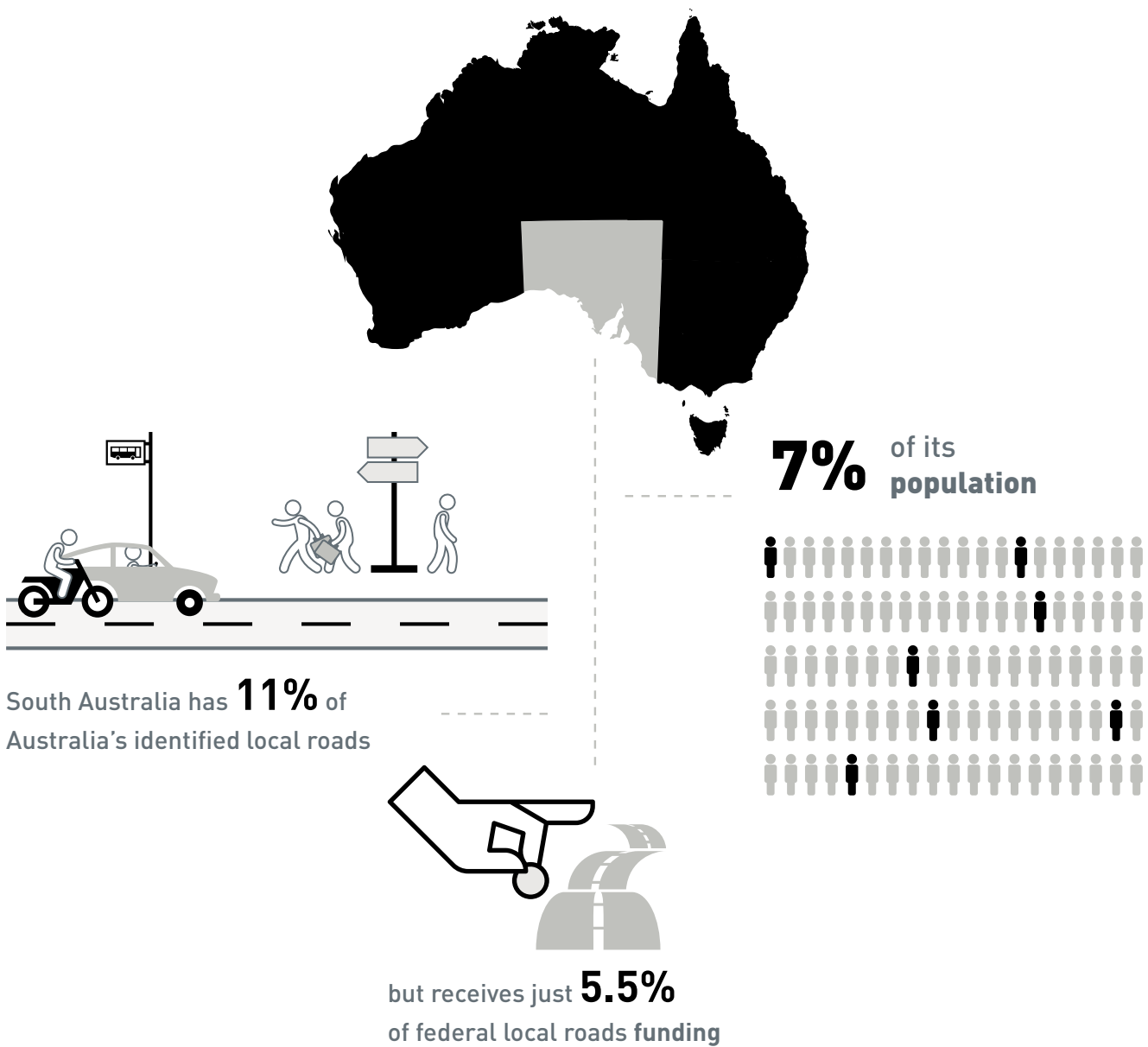
This funding is immensely important to helping South Australian councils keep their roads safe for motorists by upgrading and maintaining their local road networks.

WHAT DO WE KNOW?

- While FAGs are untied in the hands of councils, they are comprised of two components: a General Purpose Component and an Identified Roads Component.
- There has been a long-standing shortfall in the Identified Roads Component for South Australian councils, which places South Australian local roads at a disadvantage
- Since 2003, successive Governments have applied bandaid funding to this unfair funding formula. This supplementary funding stopped in the 2014–15 Federal Budget.
- In 2017, the Commonwealth made a decision to reinstate supplementary road funding for South Australia at the rate of \$20 million per annum for two years (2017–18 and 2018–19).
- Although this decision was welcomed by ALGA and South Australian councils, it is a temporary fix to a demonstrated problem.

LOCAL GOVERNMENT PROPOSES

Address the South Australian road funding anomaly by adjusting the Identified Roads Component of FAGs to make the additional funding to South Australia permanent.



WHAT WE'RE CALLING FOR







The commitment of
all political parties,
party leaders and
individual candidates
to deliver for
local communities,
through a
partnership with
local government,
by supporting **our**
initiatives in the
federal election

SUMMARY OF AUSTRALIA'S LOCAL GOVERNMENT

FACTS

LOCAL GOVERNMENT nationally employs around **189,500 AUSTRALIANS**, owns and manages nonfinancial assets with an estimated written down value of **\$428 BILLION (2016–17)**, raises around **3.6 PERCENT OF AUSTRALIA'S TOTAL TAXATION REVENUE** per annum, and has an annual **OPERATIONAL EXPENDITURE OF AROUND \$36 BILLION (2016–17)**

ASSETS

	Roads	41%
	Buildings	17%
	Parks	4%
	Stormwater	19%
	Waste Water	19%
	Airports	0.8%



STATISTICS



189,500
workforce



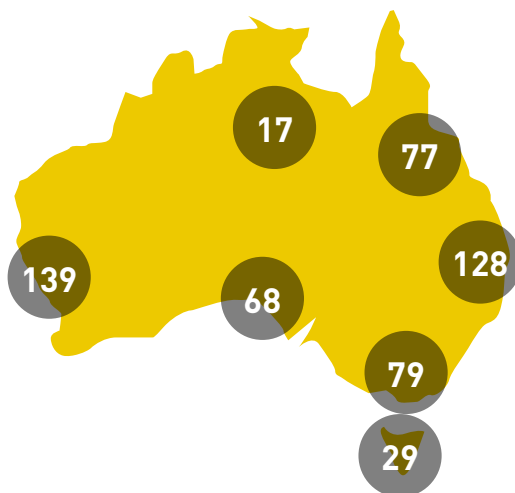
6,600
councillors



662,216km
roads



\$428 billion
infrastructure



537 LOCAL COUNCILS

128	New South Wales
17	Northern Territory
77	Queensland
68	South Australia
29	Tasmania
79	Victoria
139	Western Australia



Australian Local Government Association

8 Geils Court, Deakin ACT 2600

Phone: (02) 6122 9400 | Fax: (02) 6122 9401 | Email: alga@alga.asn.au

Cover graphic designed by Freepik.