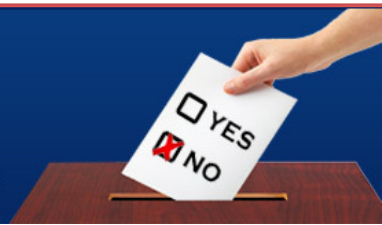


# VOTE NO TO CANBERRA'S POWER GRAB

AT THE LOCAL GOVERNMENT REFERENDUM ON 14 SEP, 2013



## Frequently asked questions

### Q1. What are the consequences, should the referendum be passed?

The unintended consequences of passing this referendum are considerable. If passed, this referendum will:

#### **Harm local services**

Strings will be attached to funding provided to local government based on the priorities of Canberra politicians and bureaucrats. That means services will be based on Canberra's convenience and political agendas, not on local community need. If your local council wants to build a new community swimming pool, but Canberra says they have to build a new school hall, a new school hall will be built.

#### **Harm local government**

Councils want this referendum to pass because they think it will boost their importance and increase their funding. It won't. Funding will be tied based on the priorities of Canberra politicians and bureaucrats. Cash-strapped local mayors will be steam rolled by the Prime Minister who will hold all the cards in the funding deck. There is no reason to think Councils will be better off. More Canberra funding may also mean less State funding.

#### **Allow a power grab by Canberra politicians and bureaucrats**

Currently Canberra ties strings to funding it gives to the States based on the priorities of Canberra politicians and bureaucrats, without any consideration of how they'll be delivered for local communities. That's how we got homes burned down because of the Rudd government's disastrous pink batts scheme, and schools being forced to build new halls when they needed other essential buildings. The same strings will be attached to funding to local government and lead to money being allocated based on what's best for Canberra politicians and bureaucrats, and not your community.

#### **Increase political buck-passing**

Australians want the political buck-passing to stop. The current buck-passing between Canberra and the States is based on tied funding

agreements. This referendum will ensure buck-passing will increase between all three levels of government. Each Council and Shire will blame the Federal government and their State for not having enough money to fund local services. The State and Federal governments will blame each other for the shortfall. Meanwhile local communities will miss out.

#### **Increase rates and cut accountability**

Every funding agreement will require Councils and Shires to meet extra regulations imposed by Canberra. Every extra regulation adds layers of extra costs and bureaucracy onto local government that can only be paid for through local service cuts, or rate increases.

For the first time local government will be acknowledged in the Constitution allowing it to be separately recognized from State governments. As soon as cash-strapped Councils and Shires are able to legally sit separately, the State governments will be in a weaker position to stop massive rate hikes through rate caps, or be able to sack corrupt or dodgy politicians. Councils will also become accountable to Canberra politicians and bureaucrats because they'll be the ones who pay.

#### **Harm Australian democracy**

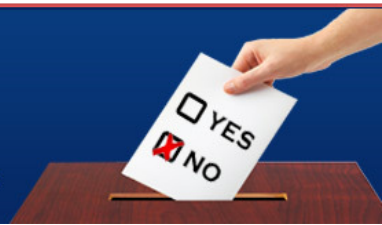
Our system of government isn't perfect, but it has helped us build the best country on earth. We shouldn't be removing checks and balances that hold Canberra politicians and bureaucrats to account unless there is an exceptional need. This referendum isn't necessary, and will have dangerous unintended consequences on local communities and services.

#### **More to this than meets the eye**

The proposed change is for any "local government body" to be directly funded. Interpreted legally a local government body can include any service established by State governments. That means distant Canberra politicians and bureaucrats could capture control of schools, hospitals, community, child care, sporting and arts services and facilities and require them to deliver what Canberra wants, not what your community needs.

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## Q2. What is this referendum about?

This referendum proposes to change the Constitution so the Federal government can directly fund “local government body formed by a law of a State”. That means Canberra will be able to give money to local government with strings attached based on Canberra priorities, not local need.

## Q3. Is the referendum necessary?

No. There is nothing stopping the Federal government continuing to fund local government through the States. It is just that sending money through the States will increase oversight and accountability of how that money is spend. Canberra politicians and bureaucrats wants to avoid scrutiny and accountability.

## Q4. Has this referendum been proposed before?

Yes. Similar referendums were put by the Whitlam government in 1974 and the Hawke government in 1988. The 1974 referendum lost by 53.15 per cent of the total vote and was only successful in New South Wales. The 1988 referendum lost with 66.39 per cent of the total vote and lost in all States. At both referenda the Australian people rejected Canberra’s power grab.

## Q5. Isn't the proposed Constitution minor and administrative?

No. Advocates for the referendum have argued it is “small” and “practical”. It is not. It proposes a major overhaul of our democracy. Currently the Canberra cannot push around local government. Should this referendum pass Canberra politicians and bureaucrats will be able to directly tell every Council and Shire how to spend their money on local services and infrastructure. The unintended consequences were outlined in question 1.

## Q6. What is a “local government body”

It isn't clear. Australians are being told it is a local government Council or Shire. But legally it could include any local service “formed by a law of a State” including schools, hospitals, community, child care, sporting and arts services and facilities. That means these services and facilities will be run based on Canberra’s priorities and not local need.

## Q7. Are any State governments opposing the referendum?

Yes. Victoria, New South Wales and Western Australia have all announced some opposition to the referendum. Other States have not announced clear and definitive positions on the referendum.

## Q8. If this referendum is bad, why is the Federal government supporting it?

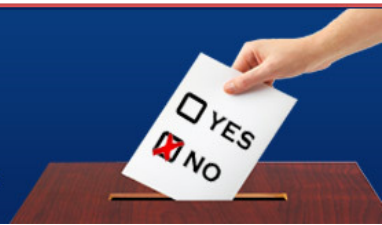
The Federal government is keen to bypass the States and directly fund local government based on Canberra priorities. That means how local services are provided, and what infrastructure is built, will be based on Canberra priorities and not local need.

## Q9. If this referendum is bad, why are the Labor, Liberal, National and Greens Parties supporting it?

Not all parties are supporting the referendum. The Federal Council of the Liberal Party passed a resolution in 2012 opposing Constitutional recognition of local government. The Victorian and West Australian divisions of the Liberal Party have directly rebuked Canberra’s power grab and will be encouraging voters to vote “no” through their how to vote cards. Other States may also follow.

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Sadly, once elected, all politicians want to increase their power. There is strong support amongst Canberra politicians and bureaucrats for the referendum because they want more power for themselves, and less for local communities.

## Q10. If this referendum is bad for local government, why are so many supporting it?

Not all Councils support this referendum. Local government lobbyists support the referendum because it will increase their power as a negotiating intermediary between the Federal government and all of Australia's local governments. It means they'll get to have tea and scones at the Lodge with the Prime Minister.

Many local Councils and Shires, elected Mayors and Presidents, Councillors and Alderman, oppose the referendum because they know it will lead to them being pushed around by Canberra based on Canberra priorities, and not local needs.

Some local Councils and Shires have become bedazzled by the Federal pot of gold at the end of the referendum rainbow. They haven't considered the impact it will have on their independence. Every grant from Canberra will come with strings attached based on Canberra priorities, not local need.

## Q11. What is a referendum?

A referendum is a vote by all Australians to amend the Constitution.

## Q12. When will the referendum be held?

The referendum will be held on Saturday, 14 September 2013. You will vote on it when you cast your vote at the Federal election.

## Q13. What is the Constitution?

The Constitution is the founding document for Australia. The Constitution outlines the powers of different levels of government, our basic freedoms and limits the power politicians have over our lives.

## Q14. What is required to pass an amendment to the Constitution

To amend the Constitution a Bill has to pass the House of Representatives and the Senate proposing an amendment to the Constitution. That question then has to be put to the Australian people. A majority of voters (50.1 per cent) in a majority of States (4 of 6 States) then need to approve the proposed change.

## Q15. What are the proposed changes to the Constitution?

You will be asked to change Section 96 of the Constitution. Currently the relevant component of Section 96 reads:

### **Financial assistance to States**

"Parliament may grant financial assistance to any State, on such terms and conditions as the Parliament thinks fit".

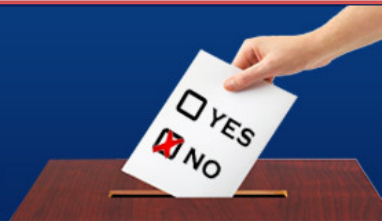
The referendum proposes to change (additional text is bolded, italicised and underlined) Section 96 to read:

### **Financial assistance to States and Local Government bodies**

"Parliament may grant financial assistance to any State, ***or any local government body formed by a law of a State***, on such terms and conditions as the Parliament thinks fit".

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## Q16. Why has the need for the referendum arisen?

Since the 1970s the Federal government has provided funding to local government. In 2009 and 2012 the High Court ruled on *Pape v Commissioner of Taxation and Williams v Commonwealth of Australia*, respectively. In both cases the High Court bought into question the legality of the Federal government directly funding local government.

In response the Federal Parliament passed the Financial Framework Legislation Amendment Act that gives the Federal government extensive powers to fund any program it sees fit, including local government and the services it provides and the infrastructure it builds, without approval by the Parliament. The legality of this Act remains in question.

In response the Prime Minister established an expert panel to report on the Constitutional recognition of local government to address the legal uncertainty. The expert panel handed down their report in December 2011, and recommended that the following be included in Section 96 of the Constitution:

*“the Parliament may grant financial assistance to any State or to any local government body formed by State or Territory legislation on such terms and conditions as the Parliament sees fit”.*

A subsequent Joint Select Committee on the Constitutional recognition of local government was formed, and recommended:

*“Taking the major finding into consideration, the Committee recommends that a referendum on the financial recognition of local government be put to Australian voters at the 2013 federal election”.*

On 9 May 2013 the Prime Minister, Julia Gillard, announced that there will be a referendum to coincide with the Federal election on 14 September 2013. The referendum will ask Australians whether they wish to include local government under Section 96 of the Constitution. The Bill has not yet been presented to the Parliament.

## Q17. Why has this referendum been put now?

As part of the deal made between the Greens Party, Tony Windsor and Rob Oakeshott to support the Gillard Labor government, they all asked for a referendum on Constitutional recognition of local government.

## Q18. Who are the organisers of the citizen's 'no' campaign?

The citizen's 'no' campaign is being organized by volunteers who are concerned about the impact of this referendum on Australia, including:

- National Convener and former local government councilor, Julian Leiser
- Former Labor government Minister, Dr Gary Johns
- Former Howard government Minister, the Hon Peter Reith
- Former Howard government Minister, the Hon Nick Minchin
- The Institute of Public Affairs' Tim Wilson

## Q19. How can I contact the citizen's 'no' campaign?

The campaign can be contacted by email or phone at [contact@nopowergrab.com.au](mailto:contact@nopowergrab.com.au), and 0458 548 150.