

MAYORAL MINUTE

In June, I will be attending the National General Assembly, an important opportunity to advocate not only for our community but for the entire Local Government sector. Local Governments face a wide range of challenges, and the Assembly's purpose is to debate motions that address these issues and drive meaningful change.

While lobbying for specific causes is important, the core issue ultimately comes down to funding. As we debate and compete over the mechanics of grants and specific outcomes, we risk ignoring the elephant in the room—the steady erosion of total funding allocated to Local Government nationally year on year. This underlying issue demands our focus.

I believe the priority must be to restore an appropriate level of funding to Local Government. Once this foundation is secured, we can then focus on how best to allocate those resources to meet our community's needs.

I intend to present the following motion at the Assembly:

This National General Assembly call on the Australian Government to:

- A. Gradually and sustainably move towards the allocation of 1% of total Federal tax revenue to Local Government by implementing an annual 12.25% compound increase in Financial Assistance Grants funding until the 1% level is achieved.*
- B. Once the 1% allocation is restored, enshrine this baseline funding level in perpetuity to ensure long-term financial stability for Local Government.*

In 2014, the indexation of Federal Assistant Grant was frozen, halving the Local Government sector's share of total tax revenue from its historic level of approximately 1% to the current 0.5%. Over the years, the sector has consistently advocated for the restoration of this allocation, but no substantial action has been taken.

Rather than calling for an immediate and significant increase, I propose a realistic, phased approach to restore the 1% allocation in a manner that is both measured and sustainable.

By securing this 1% allocation and maintaining it as a guaranteed baseline in perpetuity, Local Governments will gain the financial stability needed to plan and deliver essential services and infrastructure for communities across Australia.

RECOMMENDATION:

That Council endorse the following Motion for submission to the 2025 National General Assembly:

That this National General Assembly call on the Australian Government to:

- 1. Gradually and sustainably move towards the allocation of 1% of total Federal tax revenue to Local Government by implementing an annual 12.25% compound increase in Financial Assistance Grants funding until the 1% level is achieved.*
- 2. Once the 1% allocation is restored, enshrine this baseline funding level in perpetuity to ensure long-term financial stability for Local Government.*