



The Hon Catherine King MP

Minister for Infrastructure, Transport, Regional Development and Local Government
Member for Ballarat

Ref: MC24-018037

Cr Matt Burnett
President
Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

via: president@alga.asn.au

Dear Mayor *Mathy*

I am writing in response to the letter from the Australian Local Government Association (ALGA) of 12 September 2024, seeking my response to resolutions from ALGA's 2024 National General Assembly (NGA).

It was a pleasure once again to address this year's NGA. In keeping with the Australian Government's commitment to work closely with local government, the NGA remains an essential forum for fostering meaningful engagement between the Commonwealth and local government.

The discussions this year provided important insights into the current priorities of the local government sector, including housing affordability, local infrastructure and regional development. As always, these discussions, and the resolutions passed at the NGA, make a key contribution to the Government's understanding of the sector. I am pleased to have had the opportunity to hear first-hand the perspectives of those councils that sent representatives. Accordingly, please find enclosed my response to the resolutions referred to me. Where resolutions have been referred to more than one minister, I have confined my responses to matters in my portfolio responsibilities.

Thank you for taking the time to inform me of the resolutions from the 2024 ALGA NGA.

Yours sincerely

Catherine King MP

4 / 12 / 2024

Encl

cc: The Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories

House of Representatives Standing Committee on Regional Development, Infrastructure and Transport inquiry into local government sustainability

Resolutions: 1, 8, 19, 30, 32, 35, 51, 52 and 53

The Australian Government remains committed to supporting a strong and capable local government sector and we recognise the complexity and volatility of the challenges councils face. To ensure objective and up to date evidence informs the Government's approach to that commitment, I referred the matter of local government sustainability to the House of Representatives Standing Committee on Regional Development, Infrastructure and Transport for inquiry. The Inquiry is an opportunity for all stakeholders to present their perspectives on the issues affecting local government. Informed by more than 280 written submissions and 16 public hearings as at the time of writing, the committee is undertaking a robust, evidence-based examination of the contemporary factors affecting local government financial sustainability, with a view to identifying how the Commonwealth can help to strengthen councils' capacity to deliver better outcomes in our communities.

The Government will consider its policies and programs that support local government sustainability in the context of findings and recommendations from the Inquiry.

Funding maintenance and safety of locally managed roads

Resolutions: 7, 11, 39, 40, 44, 45, 50 and 56

The Government acknowledges funding for the maintenance of local roads is a matter of concern for many local councils, particularly those in regional and remote areas, which often manage large road networks with comparatively smaller rate bases. The Government is delivering a number of funding programs to support councils in maintaining local roads.

Through the 2023–24 Mid-Year Economic Fiscal Outlook, the Government is providing additional funding for local roads through: a progressive increase to Roads to Recovery funding, which will double to \$1 billion annually from 2027–2028; increasing Black Spot funding to \$150 million per year; and consolidating the Bridges Renewal and the Heavy Vehicle Safety and Productivity Programs into a new Safer Local Roads and Infrastructure Program, with a wider scope of eligible projects. We have also simplified the governance arrangements for these programs to reduce the administrative burden on councils.

Increasing dedicated road funding and decoupling it from community infrastructure project funding will deliver funding predictability and transparency that will allow councils to make long-term road maintenance plans. Further, as building road safety capability in local governments is one of the objectives of the National Road Safety Action Plan 2023–25, the work underway on a framework to assist local governments with safety assessments of their road networks will directly contribute to lowering their costs to develop network safety plans, as well as help them to achieve better value for money from the safety works they undertake.

Housing supply

Resolutions: 9, 79, 82, 83.1, 84 and 106

Responding to the current housing crisis is a key priority for the Government. Through the 2024–25 Budget, we invested a further \$6.2 billion in specific housing initiatives, taking our total new investment since 2022 to \$32 billion. Of particular interest to the local government sector would be the \$1.5 billion Housing Support Program (HSP), which is one of a range of measures designed to help achieve the National Housing Accord target to build 1.2 million well-located homes over 5 years.

The HSP directly addresses housing supply issues through the provision of \$500 million over two years (to 2024–25) to support state, territory and local government projects that deliver enabling infrastructure, and amenities required for new housing development; and improve building planning capability. The \$450 million HSP community enabling infrastructure stream closed on 16 August 2024, and I expect to announce successful projects in the near future.

Coherent Commonwealth, state and territory approaches to infrastructure investment

Resolutions: 5, 37, 38, 54, 55, 61 and 126

To maximise value for public investment in infrastructure, all three levels of government must collaborate to align our goals and priorities. The Commonwealth has consulted extensively with local, state and territory governments to develop and agree three key policies that govern this strategic alignment; and to ensure ongoing dialogue and cooperation between every level of government, we convene the Infrastructure and Transport Ministers' Meetings as a forum for intergovernmental collaboration, decision-making and progression of priorities of national importance.

The Infrastructure Policy Statement (IPS), released on 14 November 2023, affirms the Government's commitment to supporting regional productivity and liveability by improving connectivity through co-investment in nationally significant regional projects. The Regional Investment Framework (RIF) and the National Urban Policy (NUP), which is still in development, complement the IPS and each other to contribute to the sustainable growth of our cities and regions, ensuring equitable access to services and amenities for all communities regardless of their location. It is with reference to these policies that we ensure that the projects we fund are well planned, support broader economic and community development objectives, and deliver value for money.

The Government is implementing the IPS via a \$120 billion investment over a rolling 10-year period (including the \$96.5 billion Infrastructure Investment Program), which is delivering sustainable land transport infrastructure projects that build better connections between local government infrastructure and the broader national transport network. Additionally, Infrastructure Australia is working on a National Planning and Assessment Framework to promote national consistency, efficiency and coordination of infrastructure project evaluations.

The goals of the RIF and the NUP are to stimulate transformative investment based on the principles of unifying places, growing economies and serving communities. The Government has established four signature grant programs to realise these goals and give every local council in Australia the chance to apply for funding of projects that meet the individual needs of their local communities. For regional councils, the \$400 million regional Precincts and Partnerships Program and the \$600 million Growing Regions Program will, between them, fund activities such as master planning, consultation, design, business cases, partnership establishment, and capital works projects, to enhance liveability, bolster social cohesion and support local amenity throughout Australia's regions. For metropolitan councils, the \$150 million urban Precincts and Partnerships Program and the \$350 million Thriving Suburbs Program will help transform our cities and suburbs by investing in community and economic infrastructure that enhances liveability and prosperity in our nation's urban, suburban and peri-urban communities.

Commonwealth investment in rail infrastructure

Resolutions: 36, 43

As the management of rail infrastructure and transport service delivery is the exclusive responsibility of the states and territories, their agreement is required in order for the relevant railway operator to action general requests to upgrade or replace rolling stock, or adjust the timetabling of services. However, the Commonwealth is committed to investing in the transformation of passenger rail journeys by establishing high speed rail services, with the business case for Sydney to Newcastle now in development. High speed rail will better connect regions to cities, and integrate reliable services into existing transport networks.

Consistent with the findings of the independent review of Inland Rail, the Australian Rail Track Corporation's wholly owned subsidiary, Inland Rail Pty Ltd, is progressing the staged construction of the Inland Rail project on behalf of the Australian Government. Construction activities from Beveridge in Victoria to Parkes in New South Wales are underway and scheduled for completion by the end of 2027. For construction to the north of Parkes, work is underway to secure the required environmental planning and approvals and acquisition of land needed to proceed, which in turn will provide more certainty about final project costs and timing. Based on the current timelines, Inland Rail Pty Ltd expects to secure the approvals required for Narrabri to North Star by mid-2025.

Equity of access to transport options

Resolutions: 107, 111 and 112

Access to safe and accessible active transport options, like walking and cycling, help boost social connection, promote healthy choices and make our cities and regions more vibrant places to live. That's why the Government is investing in the infrastructure that helps people get to school, work and local services safely without needing to jump in the car. As announced in the 2024–25 Budget, the Government has committed \$100 million to ensure our cities and regional centres across the country are more liveable, active and connected via a new national Active Transport Fund that will upgrade existing, and deliver new, bicycle and walking paths. This will support zero emissions travel, provide a safer environment for cyclists and pedestrians, and promote active and liveable outer metropolitan and regional centres. Originally scheduled to commence from 1 July 2025, the Government has brought

this forward to 31 October 2024 to allow projects to commence before the end of the financial year. Information on the grant guidelines and application process for the Active Transport fund is available online at: investment.infrastructure.gov.au/about/local-initiatives/active-transport-fund.

The Government also acknowledges the importance of safe and accessible public transport to enable people with disability to fully participate in the community. The Commonwealth is responsible for administering the Disability Standards for Accessible Public Transport 2002 (Transport Standards), made under the *Disability Discrimination Act 1992*. The Transport Standards set out the requirements for public transport operators and providers to make their services accessible and remove discrimination against people with disability.

My department is working with disability representative organisations, industry and governments to review and consider ways to improve the accessibility of point-to-point transport, including community transport that offers services for people with disability. Earlier this year, I also announced the Government is reforming the Transport Standards, including introducing provisions to improve the accessibility of bus services for people with disability. However, as state and territory governments, and their respective transport operators have operational responsibility for public transport services in their jurisdictions, they will need to adopt the revised standards for people with disability to benefit from these reforms.

Aviation

Resolutions: 46, 47, 48 and 49

As set out in the Aviation White Paper, the Government's vision for Australian aviation towards 2050 affirms that a safe, efficient, sustainable and competitive aviation sector is vital for our economic well-being and quality of life.

Through the White Paper, the Government has committed to fund measures that will assist local councils that run airports. The Regional Airports Program (RAP) received a further \$40 million to support works that improve safety and accessibility and assist the transition of air services to net zero at regional airports; and the Remote Airstrip Upgrade (RAU) Program continues with an additional \$50 million over three years to fund general safety and accessibility works as well as measures that improve accessibility for people with disability.

The White Paper also includes policy initiatives and actions to support a balanced approach to airport planning and noise. More information is available at: www.infrastructure.gov.au/sites/default/files/documents/awp-factsheet-a-balanced-approach-to-airport-planning-and-noise.pdf.