



**ASSISTANT MINISTER TO THE PRIME MINISTER
ASSISTANT MINISTER FOR THE PUBLIC SERVICE
ASSISTANT MINISTER FOR EMPLOYMENT AND WORKPLACE RELATIONS
MEMBER FOR PERTH**

The Hon Patrick Gorman MP

Reference: MC25-111680

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

Dear Councillor

A handwritten signature in blue ink that reads "Matt".

Thank you for your letter of 13 August 2025 to the Hon Anthony Albanese MP, Prime Minister, regarding resolutions of the 2025 National General Assembly of Local Government. The Prime Minister has asked me to reply on his behalf. I apologise for the delay in providing you a return, the matter was under active consideration.

The Australian Government recognises the need for a strong and sustainable local government sector. The Government has committed \$3.4 billion to local councils in 2025-26 through the Financial Assistance Grant program, with \$1.7 billion brought forward for payment in June 2025 to support delivery of essential local services. When the final report of the House of Representatives Standing Committee on Regional Development, Infrastructure and Transport inquiry into local government sustainability is published, we will carefully consider any changes to our support for local government in the context of those findings.

National Cabinet has committed to inviting the Australian Local Government Association (ALGA) to attend an annual meeting where appropriate. Future National Cabinet meeting dates and agendas are yet to be determined, and the Department of the Prime Minister and Cabinet will provide advice on ALGA's attendance as soon as it is in a position to do so.

The Intergovernmental Agreement (IGA) on Federal Financial Relations (IGA FFR) originally came into effect in January 2009 and has been periodically re-signed by First Ministers, most recently in 2022. The IGA FFR recognises that states and territories have primary responsibility for many areas of service delivery, but that coordinated action is necessary to address Australia's economic and social challenges. The IGA FFR aims to improve the quality and effectiveness of government services by providing the states with increased flexibility in the way they deliver services to the Australian people.

IGAs between the Commonwealth and states express the commitment of governments to work together on certain objectives or goals, and are not legally binding. The Government is committed to working with all levels of government and will continue to promote effective intergovernmental collaboration through IGAs and other agreements.

The Government understands the importance of working with all levels of government to address housing supply and affordability challenges felt across Australia. Delivering more housing supply is a vital part of National Cabinet's plan to ensure Australian communities thrive as they grow. This is why First Ministers agreed an ambitious target of delivering 1.2 million well-located homes over five years.

To support this target, the Australian Government is investing over \$40 billion through its Homes for Australia Plan, which includes increased investment in social and affordable housing, measures to boost productivity in the construction sector and scale up modern methods of construction and funding for states and local government to improve planning capability and fund enabling infrastructure. The Government welcomes ongoing collaboration with all levels of government and industry to support the delivery of this agenda.

Thank you again for bringing these resolutions to the Prime Minister's attention. I have copied this letter to the Prime Minister, the Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon Clare O'Neil MP, Minister for Housing, and the Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories.

Yours sincerely



PATRICK GORMAN

12 / 12 / 2025