

Support for the Local Government Sector

No funding for IR transition

It is disappointing to note that there is no funding in the 2021-22 State Budget to assist Local Governments with the cost of transitioning to the State Industrial Relations System, without imposing an additional financial burden on ratepayers.

The State Government is seeking to have all Local Governments operate in the State Industrial Relations System based on recommendations made in the 2019 Ministerial Review of the State Industrial Relations System. If legislation to mandate the transition is reintroduced into Parliament, it will be critical for Local Governments to secure State Government funding, resourcing and assistance to ensure the transition is smooth and positive for Local Government employees, and to minimise the financial impact on ratepayers.

The transition of Local Government employees from the Federal to State Industrial Relations system will affect approximately 23,000 employees and will require Local Government employers and employees to navigate complex transitional legislation and arrangements. There are 121 of 139 Local Governments and seven Regional Councils operating in the federal industrial relations (IR) system. This equates to 87% of the sector that will be required to transition to the State system.

There are significant costs associated with the transition from the Federal to the State IR system that will fall on affected Local Governments and cannot be absorbed within existing budgets. WALGA has surveyed Local Governments on the estimated cost impost and it totalled \$15 million over a two year period.

No additional funding for the Department of Local Government, Sport and Cultural Industries

It is disappointing to note that there is no additional funding for the operation of the Department of Local Government, Sport and Cultural Industries. The Department is responsible for assisting and regulating Local Governments in WA. A series of reports over the last 12 months has highlighted the need for better resourced department.

The Select Committee into Local Government and the Auditor General both made reference to the need to have a better resourced department to provide a strong source of advice and support to the Local Government sector.