

INTERGOVERNMENTAL AGREEMENT

- An Intergovernmental Agreement (IGA) designed to enable all three spheres of government to work together for the benefit of the community was signed by the Commonwealth and all State/Territory Governments on 12 April 2006.
- The Commonwealth pursued the development of an IGA as recommended in the House of Representatives Standing Committee on Economics, Finance and Public Administration's Report; *Rates and Taxes: A Fair Share for Responsible Local Government* (Hawker Report) – October 2003.
- The Agreement sets out the guiding principles for arrangements between the Commonwealth and States/Territories with Local Government and provides a framework from which further agreements covering specific services and functions should be developed.
- A key feature of the IGA is agreement by the parties in principle that where Local Government is asked or required by the Commonwealth Government or a State/Territory Government to provide a service or function to the people of Australia, any consequential financial impact is to be considered within the context of the capacity of Local Government.
- The IGA complements the existing State-Local Government Relations Agreement, which was signed by Premier Rann and former LGA President John Legoe in 2004.