



**THE HON MICHAEL KEENAN MP**  
**Minister for Justice**  
**Minister Assisting the Prime Minister for Counter-Terrorism**

MC16-138488

Mayor Troy Pickard  
President  
Australian Local Government Association  
8 Geils Court  
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<b>ALGA MAIL</b>
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Dear Mayor Pickard Troy

Thank you for your letter of 29 August 2016 regarding the disaster recovery related resolutions from the 21<sup>st</sup> National General Assembly of Local Government.

The Australian Government understands the impacts that natural disasters can have on communities, including local governments, and is committed to ensuring that funding is available to support disaster recovery and enhance resilience.

As you are aware, the Australian Government is currently working with the states and territories (the states) on new disaster recovery funding arrangements, which will include funding for the reconstruction of essential public assets, based on an upfront assessment of damages and estimated costs. The proposed new arrangements will provide a greater level of flexibility for state and local governments to spend recovery funding in a manner most suitable to local needs. This will also include funding day labour and plant and equipment costs of local government as required, and providing greater flexibility for damaged assets to be rebuilt to a more resilient standard.

The Australian Government will work with the states to test certain elements of the new funding model over the coming 2016-17 summer season. I encourage local governments to provide feedback on the model to their respective state government as part of this process.

In the meantime, the Australian Government has offered a temporary exemption to specific clauses under the Natural Disaster Relief and Recovery Arrangements (NDRRA). The exemption enables local councils to seek assistance to fund the use of their own workforce (day labour) to undertake disaster reconstruction works on local government owned assets, where there is assurance that the use of council labour will be better value than engaging external contractors. Queensland is the only state to seek and receive Government approval to administer the exemption.

With regard to the closing dates for the submission of claims relating to 'Emergency Works', this is a matter for state governments. While I understand that some state arrangements place limitations on the timeframes for local governments to claim certain recovery cost, under the NDRRA, state governments have 24 months after the end of the financial year in which the relevant disaster occurred to incur costs on eligible assistance measures.

Exemption from the State Waste Levies is also a matter for state governments. However, I note that under the NDRRA, a range of assistance is available to help communities clean-up and remove debris following a disaster. Such assistance includes funding for the removal of disaster related debris from residential properties and essential public assets. This assistance covers debris transportation and disposal costs, operations to remove hazardous waste (such as asbestos) and the establishment of temporary dump sites to accommodate extraordinary debris removal activities. Furthermore, if a state (or a local government) provides this assistance via non-monetary or in-kind practices, such as by waiving revenue at dump sites or through the provision of services, the associated costs can be claimed under the NDRRA.

Since 2009, the Australian Government has invested over \$450 million on mitigation and resilience initiatives, to improve Australia's ability to withstand natural disasters. This includes \$26.1 million per annum through the *National Partnership Agreement on Natural Disaster Resilience*, which is matched by the jurisdictions in funding or in-kind resources, to invest in local initiatives. The Australian Government is continuing to consult with the states on approaches to support greater national investment in disaster resilience and mitigation.

Thank you again for writing on this matter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Michael Keenan', with a long horizontal stroke extending to the right.

**Michael Keenan**