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**Submission to the Royal Commission  
on Auckland Governance**

**22 April 2008**

## 1. Introduction

The Southern Local Government Officers Union Inc represents 2150 employees employed within Local Government and associated organisations throughout Canterbury and Otago. 75% of the Union's membership is employed within the Christchurch City Council and Dunedin City Council.

The Southern Local Government Officers Union works with other unions representing local government employees through the NZCTU. We support the submissions of the CTU and other Unions, especially those of the PSA.

The Southern Local Government Officers Union is not opposed to change in local government, provided that change is made for sound reasons, and further provided that it will deliver high quality, high value-for money services to ratepayers and citizens, and provides high quality jobs within high quality workplaces.

While the Union does not have a direct interest in governance arrangements for the Auckland area, we do have an interest in the implications of those arrangements for Local Government generally, and for the public benefit.

On that basis, while the Union does not intend to make submissions on the specific form of rearrangement of local governance in Auckland, our submissions that follow are in regard to the general principles of Local Governance, safeguarding democratic processes and access to Local Government Services, maintaining/improving terms and conditions of employment for union members employed in Local Government, and maintaining public ownership and democratic control of public assets and services.

## 2. General Principles Behind Local Governance

The Southern Local Government Officers Union believes the heart of Local Government is people – the citizens and employees.

For the Unions and employees involved it is about having fulfilling work to perform in a decent workplace, delivering quality and valued public services to meet the needs of the citizens of their area.

For the citizens of the district it is about having democratic ownership and control of the public assets and services to ensure that they are provided with

quality services that are delivered both efficiently and economically, and that meet their needs.

***We submit that the above criteria should be adopted by the Royal Commission as being prerequisites to be met for any proposed rearrangement of Local Government in and around Auckland.***

### 3. Safeguarding Democratic Processes and Access to Local Government Services

The Southern Local Government Officers Union believes that local governance structures should be design to ensure that citizens are able to be involved in the democratic processes in regards to matters which affect them, their Region/City/District, their community within the Region/City/District, their neighbourhood within the community, and interest groups they are involved with within their Region/City/District or Community.

Citizens should be able to participate in the democratic processes within the local community/neighbourhood, not just through some distant City Centre.

So too should Citizens be able to access Local Government services in their local community/neighbourhood.

The Union's experience through the 1989 Local Government Reorganisation was that whilst some of the Transition Committees set up to establish the newly merged City or District Councils had indicated that Community Boards would be a key part of their democratic processes, many of the new Councils that took office retained almost all of the decision making at the Council level. Some Community Boards became mere communication conduits rather than having any real part in the democratic processes.

And although some of the Transition Committees placated the citizens of disestablished Boroughs and Districts by assuring them Local Government services would continue to be provided in their area through Service Centres, as soon as was conveniently practicable many services in the communities were scaled down and drawn back to the centre, and many Service Centres then closed (or at the very least severely reduced the services that could be accessed through them) against the wishes of the majority of the citizens they had originally been set up to serve.

***We submit that if there is to be any mergers of the existing units of Local Government, the Royal Commission should recommend constitutional***

*arrangements for the new unit/s of Local Government that ensure that the new Council/s establish and maintain Community Boards that have some real part to play in the democratic processes. And further we seek that such arrangements ensure that the new Council/s continue to deliver services in all of the communities and neighbourhoods in which services are currently delivered (and even possibly in additional areas) until and unless the citizens of those communities and neighbourhoods democratically agree otherwise.*

#### 4 Maintaining/Improving Terms and Conditions of Employment for Union Members Employed in Local Government.

The experience of the Southern Local Government Officers Union through the Local Government reorganisation in 1989 was that the key to establishing a new unit of Local Government was not the elected officials (either from the old organisations or the new organisation), but rather the employees.

Local Government employees are public spirited and professional about the way they go about their work. Most work in Local Government because they take pride in working for the good of their local communities – the public they serve. It is their continued wellbeing, enthusiasm and cooperation that will be the key to realising efficiency and effectiveness gains that any restructuring of Local Government will be aimed at producing.

Change in the workplace is unsettling enough, even when there are no imminent threats to terms and conditions of employment. Where such a threat exists, it can lead to alienation and resistance.

Efficiency gains will not be achieved if the employees are alienated. Lasting efficiency gains may best be made through employee efforts to improve service delivery arrangements.

We note that some of those who promote a “one city” concept for Auckland have said that they would expect to see significant salary savings. They have not (as far as we are aware) provided any basis for this contention.

It is our experience that any savings in the salaries area within local government are almost inevitably matched (indeed exceeded) by increased expenditure on external consultants.

We would caution the Commission against assuming that there is wastage within the current arrangements that could be freed up by any merger of authorities. Our experience is that generally government employees are now

ever extended in terms of workload, to the point that increasingly the Union is dealing with employee stress arising from this situation.

***We submit that if there is to be any mergers of the existing units of Local Government, the Royal Commission should recommend arrangements for the new unit/s of Local Government that ensure that the new Councils recognise the relationship with their employees' Union, and ensure that the union members' terms and conditions of employment are maintained /improved, and that adequate staffing resources are maintained.***

#### 5. Maintaining Public Ownership and Democratic Control of Public Assets and Services.

The Southern Local Government Officers Union believes that public assets and services are more efficient, affective and accountable when retained in the ownership and democratic control of the public.

As opposed to the private sector which exists to maximise profits and provide a return to shareholders funds, Local Government exists to provide service to meet the needs of the citizens at a fair and reasonable cost.

Many of the services delivered by Local Government (e.g. water, sewerage, roads, etc) are essential public utilities that cannot be efficiently duplicated in order to create "competition". We believe all such services should properly remain under democratic public ownership and control.

Most regulatory services (e.g. building control) are services that require a stable on-going regulator rather than a limited liability company. If the going gets tough, limited liability private sector operators can and do go into voluntary liquidation, and leave the citizens stranded!

Most other Local Government services are, if not actually essential services, are recognised as being necessary for the public good. (e.g. housing, parking, libraries, etc.)

There is no empiric evidence to show that Local Government does not deliver such services at least as efficiently and effectively as the private sector. Indeed, quite the opposite. In the long term the private sector will only provide a service if it can make a profit on providing the service. The evidence is that Local Government provides such services at a lower cost.

***We submit that any revised governance arrangements for Auckland should provide for the continuing public and democratic ownership and control of public assets and services.***

**6. Conclusion**

The Southern Local Government Officers Union welcomes the opportunity to make this submission.

We do not wish to appear before the Royal Commission.