

LOCAL GOVERNMENT BUSINESS FORUM

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LOCAL GOVERNMENT IN NEED OF FRESH IDEAS

Local Government Business Forum has called the New Zealand Initiative's latest report a breath of "fresh ideas" in the often stale debate about what is the right size for local authorities.

[The Local Benchmark: When Smaller is Better](#) highlights how out of step New Zealand is with the Netherlands, Switzerland, and the United Kingdom. There central government has embraced the diversity of local government to boost the pace of economic growth.

The report also analysed Montreal's municipal amalgamation, and found that not only did the merger of 28 municipalities fail to achieve the efficiencies, the process increased the annual cost of running the city by C\$400 million.

"When it comes questions about local government efficiency, all too often the only response we hear from central government is the need to consolidate councils in fewer entities and to centralise decision-making," said Forum Chairman Michael Barnett.

"This report shows that bigger isn't necessarily better. There are other ways of structuring local government that lead to better outcomes. And we need fresh ideas if we are to tackle some of the long-standing problems that drag on our economy, like high house prices, local bureaucracy, and poor democratic accountability."

"Ultimately, both central and local government have a shared interest in getting New Zealand's governance arrangements right. Let's use that as the basis for a partnership instead of getting hung up on structure," Barnett said.

The report is being launched today at Local Government New Zealand's annual conference, where Initiative Research Fellow and author Jason Krupp will deliver a keynote address.

For more information:

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ABOUT THE FORUM

The Local Government Business Forum comprises organisations that have a vital interest in the activities of local government. Its members include BusinessNZ, the Electricity Networks Association, Federated Farmers of NZ, The New Zealand Initiative, NZ Chambers of Commerce, and NZ Retailers' Association. The Forum was established in 1994 to promote greater efficiency in local government and to contribute to the debate on policy issues affecting it.

For more information on the Forum, see www.localgovtforum.org.nz