



**COONAMBLE**

**SHIRE  
COUNCIL**

80 CASTLEREAGH STREET  
COONAMBLE NSW 2829

Our Ref: F724 CWS JM

Your Ref:

25 June 2002

The Secretary  
House of Representatives  
Standing Committee on Economics  
Finance & Public Administration  
Parliament House  
CANBERRA ACT 2600

House of representatives Standing Committee on  
Economics, Finance and Public Administration

Submission No: ..... 5 .....

Date Received: ..... 2/07/02 .....

Secretary: ..... *Badell* .....

Dear Sir/Madam

### INQUIRY INTO LOCAL GOVERNMENT & COST SHIFTING

I refer to a letter received from Hon Wilson Tuckey, MP to Mayor Peter Burnheim, your media release and advertisement in the Sydney Morning Herald in respect to the subject matter.

Council applauds your initiative in establishing an Inquiry into Cost Shifting by State Governments which has in the past and continues to cause considerable economic hardship to Local Government generally and to smaller rural shires in particular.

As I have just returned from leave and have a considerable backlog of work I am unable to provide you with anecdotal evidence in respect to unfunded mandates foisted onto Local Government. However, this unfortunate tactic by State Government has become standard operational procedure rather than a one off phenomenon.

It is difficult to remain objective about this matter as there appears to be a considerable level of cynicism by "clever" bureaucrats who devise the wide range of programs deemed by State Government to be of value in Local Government areas.

Councils are virtually "conned" into innovative programs of all types and descriptions with an offer of money to administer them which, invariably proves to be totally inadequate. If the program has significant social value and is well received by ratepayers considerable pressure arises to continue the programs at great cost to the community. State Government then delivers the knockout blow with "rate pegging" which, in the year 2002/2003, is 3%.

It used to be the case that State Government Departments used discretion and tact in selling Councils their programs, however these days their approach can be rude and often aggressive, e.g. if you don't take the money, we will give it to someone else! It therefore requires a brave Council to refuse a State Government offer to commence a social program as they are loathed to deny their community any obvious benefit. However, Councils will certainly need to think twice about many State Government programs due to enormous financial pressures that continue to arise.

It is my personal view that the continued imposition of State Government programs upon Local Government persists, then many smaller rural councils will experience severe financial hardship which will affect their viability.

Finally, it is high time that Local Governments throughout Australia devoted their time and resources to traditional core functions rather than the administration of "half baked" and unfunded State Government initiatives. Certainly ratepayers throughout Australia would be happy if Councils attended to their own responsibilities without having to find increasingly higher rates to meet shortfalls.

Council wishes you well in your endeavours and looks forward to perusing your final report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'C.W. Simpson', written in a cursive style.

C W SIMPSON  
General Manager