

SHIRE OF WONGAN-BALLIDU



SUBMISSION

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON
ECONOMICS, FINANCE AND PUBLIC
ADMINISTRATION

INQUIRY INTO COST SHIFTING ONTO
LOCAL GOVERNMENT

Council Name: Shire of Wongan-Ballidu

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Population Size: 1,513 (2001 Census)

Geographic Size: 3,350 square kilometres

Current Budget: \$4.3 Million (2002/2003)

Overview:

The Shire of Wongan-Ballidu is located 184 kilometres north east of Perth, Western Australia, in the central wheatbelt.

The population of the Shire has decreased by 2.1% since 1996 and 10% since 1991, however the population of the main townsite, Wongan Hills, has remained relatively stable since the 1970's. The decrease in population is mainly as a direct result of modern agriculture practices.

Although located relatively close to the Perth metropolitan area and being in a reliable agricultural zone, the Shire experiences the same difficulties in relation to health, policing, education and other professional services as the more remote communities.

The following are examples of services and facilities being provided by the Shire in addition to those traditionally supplied by local government.

Issues:

1. Contract Works – Department of Transport

Council has a contract to act as an online agency for Department of Transport Licensing. This includes vehicle registrations, motor vehicle drivers and other licenses and motor vehicle drivers license theory testing. Although Council receives a commission for this service it is estimated that the net cost to Council is approximately \$12,000 per year however Council continues to provide this service for the benefit to local residents.

2. Health

Council provides a residence and surgery at a nominal rent (\$1.00 each per month) for the local Doctor and this includes all building maintenance and some gardening assistance.

In 1999/2000 Council purchased the Practice to ensure continuity of this service following the departure of the Doctor. Council now supplies the computer equipment and also made a contribution towards the cost of upgrading the relevant software.

Council also has a 50% share of the local Dentist surgery and residence to ensure that this service also remains in the Shire.

Council also provides the premises for the Infant Health Clinic, makes a contribution towards the Rural Councillor Service, provides a building for aged accommodation and provides a Patient Transfer Vehicle to cater for people in wheelchairs.

Council has also been approached to assist in securing a replacement Pharmacist, as the current Pharmacist intends to return to Perth for personal reasons and has not been successful in selling the business to another Pharmacist.

The net cost of providing these facilities and services was approximately \$15,000 in 2001/2002.

3. Education

Council provides funding for the School Chaplain and also provides a subsidy for the Ballidu and Cadoux schools to transport students to the Wongan Hills Swimming Pool for swimming lessons.

The net cost of providing these facilities and services was approximately \$6,500 in 2001/2002.

In addition to these costs Council also provides a building to the Education Department for use as a Pre Primary School. While the Education Department leases and maintains this building Council is under considerable pressure to provide a community day care centre and this building would be suitable for this purpose. If the Education Department was to construct its own building the community could utilise this asset, therefore there is an opportunity cost to Council, which could become an actual expense in the future.

4. Community Housing

Council provides 23 units of community housing including joint Homeswest and Government Employee Housing Authority housing.

Council has assisted a local community group to establish a housing development project with additional funding from Homeswest and the Country Housing Authority. Council's contribution was \$116,000. This project was as a result of the demand for quality rental accommodation, which was not being met by Homeswest or the private sector. Under this project 5 houses were constructed with additional houses to be constructed following the sale of

these properties. The interest payable on the Country Housing Authority loan is approximately \$22,000 per annum.

Council has been approached by the Department of Police with a request for Council to provide housing and currently supplies Telstra with a residence for the local Manager.

The net cost of providing these facilities and services was approximately \$8,000 in 2001/2002.

5. Land Development

Council undertook a rural residential land subdivision, as the Department of Land Administration did not intend to release any additional land in the near future.

The development cost was approximately \$473,500 with an additional \$179,000 in interest expected over the term of the loans used to finance the development.

6. Communication

Council has recently contributed \$10,000 for the establishment of a CDMA Mobile Telephone tower in the eastern part of the Shire. The Shire and community also contributed to the establishment of the original CDMA tower in the hills to the west of Wongan Hills.

7. Other

Council provides a community bus, as there is no local public transport.

Council provides the building used for the local Telecentre, which provides an agency for a range of government services at a cost of \$10,000 in 2001/2002.

Council provides a contribution of \$2,000 to the local Business Enterprise Centre. In the past Council has contributed up to \$6,000 per annum and provided a vehicle, residence and office for this service.

Summary:

Although the additional costs involved the providing the above facilities and services may not appear to be significant, a 1% increase in Council's rate income represents only about \$12,500.

Council expends between 40% and 50% of its annual budget on road infrastructure and this is still insufficient to maintain the road network and therefore any additional costs further erode Council's ability to meet the current demands of our community.

Should you require any additional information please contact Council's Chief Executive Officer, Mr Allan Moles.