

# SHIRE OF YALGOO

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Our reference:  
Your reference:

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

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No:	329
Date Received:	9/12/02
Secretary:	Bardell

Dear Sir or Madam

## Inquiry into Cost Shifting onto Local Government

Further to my letter dated 25 July 2002

Having further considered some other matters pertinent to the Committee's inquiry, the Council has asked me to make a further submission to the Committee covering some matters that were not covered in detail in our earlier submission.

We are particularly concerned with our role in improving the provision of services to indigenous communities, and our frustration that the basic needs such as housing and sewerage are not recognised by the WA Local Government Grants Commission's methodology in allocating financial assistance.

The enclosed submission was endorsed by the Council at its meeting held last Thursday.

I apologise for the lateness of this submission. However, I understand that the WA Local Government Association's submission is also only being finalised this month so hopefully it is not too late for this supplementary submission to be taken into account.

Yours faithfully

Warren Olsen  
Chief Executive Officer



**House Committee on Economics, Finance and Public Administration  
Enquiry into Local Government Finance and Cost Shifting**

**Supplementary Submission**

Having further considered the report of the Commonwealth Grants Commission into the operation of the Local Government (Financial Assistance) Act, service provision within the district of Yalgoo, and the "disability factors" used by the WA Local Government Grants Commission, the Shire of Yalgoo wishes to make the following supplementary submission:

As the township of Yalgoo is essentially an aboriginal community, we are particularly interested in the purpose of the Act which relates to improving the provision of services to indigenous communities and the extent to which the provision of services to indigenous communities such as Yalgoo is frustrated by vertical fiscal imbalance and the current funding arrangements.

- ◆ About 14% of the population of our district (and over 60% of the population of Yalgoo townsite) are Aboriginal.<sup>1</sup>
- ◆ As in other regions, indigenous people experience entrenched levels of disadvantage that are manifested in poor health, shorter life expectancy, under-achievement in education, low incomes, higher rates of incarceration, etc.
- ◆ The disadvantages experienced by Aboriginal communities are exacerbated by our lack of financial capacity to provide the services they need.

The 2000-01 National Report on Local Government summarises the situation as follows:

"Health and wellbeing are influenced by many factors including access to clean water, sewerage, waste disposal, roads and transport. It can also be influenced by having a sense of self worth, a sense of hope or of hopelessness; with these linked to education, employment, recognition and participation in processes of governance and in service delivery.

Governments in Australia, including local government, have a critical role to play in improving the health and wellbeing of Indigenous people. In many locations, this means far greater effort and collaboration to improve Indigenous access to mainstream services and, in some instances, aligning the appropriateness of such services with indigenous requirements".<sup>2</sup>

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<sup>1</sup> ABS 2001 Census

<sup>2</sup> National Office of Local Government, 2000-01 Report on the operation of the Local Government (Financial Assistance) Act 1995, Department of Transport and Regional Services, Canberra - p.92.

We have identified that the most pressing needs of indigenous people within the Yalgoo community are as follows:

1. Access to adequate housing
2. Access to clean, safe water
3. Access to safe, effective sewage treatment
4. Access to reasonable education
5. Access to meaningful employment
6. Access to intervention to ameliorate various social ills such as alcoholism, drug abuse, child abuse and domestic violence.

We should think that, if the purpose of improving the provision of services to indigenous people is to be fulfilled, Local Government financial assistance needs to be recognise relative disadvantages in these key areas.

### **Housing**

Housing is the single greatest need for many aboriginal people; poor housing leads to health problems, lack of educational achievement, strained inter-and-intra-family relationships, domestic violence etc.

Lack of housing also exacerbates other problems such as the ability to recruit to remote communities such as Yalgoo professional staff and trades people to provide the other needed services.

The Shire of Yalgoo has undertaken a programme of borrowing for housing provisions and is constructing housing as a joint venture with the estate Ministry for Housing. However, it is beyond the financial capacity of the Shire to provide sufficient housing to meet the real needs of the community.

It is regrettable that the WA Local Government Grants Commission does not have a "disability factor" that recognises the need to provide housing in remote communities, or the cost of providing such housing.

### **Water Supply**

The WA Local Government Grants Commission does have a disability factor that recognises the needs and costs of communities in respect of water supply. However, in Western Australia the water supply to most communities is undertaken by the Water Corporation of WA, so it is rarely a Local Government responsibility. It is good that the WA Local Government Grants Commission does have a disability factor in order to recognise the needs of those communities where the Water Corporation of WA does not provide water.

The water in the Yalgoo town site is of a standard that does not meet the Australian guidelines for drinking water due to excessive nitrate and arsenic content in particular. We understand that Yalgoo's particular water quality problems will be addressed by the Water Corporation of WA in the very near future.

## **Sewerage**

Although the Water Corporation provides sewerage to some communities, it does not provide it to others. Obviously, this is a very significant disability to those Local Governments where the Water Corporation does not provide sewerage, viz a vis those Local Government where sewerage is not provided.

It is difficult to understand why there is not presently a disability factor to recognise this disadvantage.

Regrettably, many people in our community are unable to maintain effective on site sewerage treatment systems. Where septic systems fail, the law requires Local Governments to place orders on residences deeming them unfit for human habitation and ultimately lead to their demolition.

There is at least one house in Yalgoo at present which is subject to a demolition order, merely for the lack of an operational septic system. In a community with a severe housing shortage, this is obviously counter productive.

Yalgoo was nominated some years ago for the State Government's Small Town Sewerage Programme; however, we are unable to confirm that any works are programmed either in the medium or long term (we have confirmed that no works are programmed in the short term).

We are unable to find any Aboriginal communities where the Water Corporation provides sewerage; Local Governments are ideally placed to provide sewerage but they need the financial capacity to do so.

## **Access to Reasonable Education**

It should be self-evident to everybody that access to good education is essential for long term capacity building in aboriginal communities and is the single intervention that could make an improvement in the lives of indigenous people. Regrettably, state-wide education systems and policies often don't fit very well in small, remote indigenous communities and as the allocation of resources by State Education Departments is often a numbers game, small communities are fairly near the bottom of the food chain so far as educational resources are concerned.

In the years up to 1997 the Yalgoo Primary School typically opened without any teaching staff. During the first week of the school year, teachers who were unable to find other employment were sent by the education department to staff the school for one year only. This led to a situation where teaching staff often lacked the commitment necessary to strive for positive educational outcomes, and there was usually a one hundred per cent turn over of teaching staff each year (leading to a lack of continuity).

In 1997, Council met with the District Director of Education to try to implement strategies to overcome these problems. We are pleased to report that this has contributed to greater stability in the staff of the school over the past five years. However, the school has still been under-resourced in terms of the number of teachers

and also the number of buildings. The Education Department has not even provided a building for the school library (the building was donated by a local aboriginal corporation).

More recently, the Education Department of WA has agreed to provide the school with a further building.

There is still a difficulty in recruiting staff due to poor incentives for staff to locate to the district. The Shire would be reluctant to take over the operation of schools, but it has to be recognised that the educational needs of people in remote communities in this state need special resourcing, and special policy interventions. They will never be adequately met by trying to apply state-wide-policies and delivery systems.

It is regrettable that, despite being reasonably hard to staff, Yalgoo Primary School has not been recognised by the Education Department of WA as being "remote" for the purposes of paying remote area allowances to teaching staff. One possibility would be for Local Government to subsidise teacher salaries in order to recruit staff of sufficient skill and experience. However, many would regard that type of blatant cost shifting as perverse.

### **Access to Employment**

Meaningful employment has the potential to contribute considerably to people's sense of purpose and well being.

The Shire of Yalgoo believes there is a role for Local Governments in promoting the immediate development of the local economy in order to provide more job opportunities. For this purpose, the Council has recently adopted a local economic development plan and established an employment development committee.

Nevertheless, we view regional development as being a "whole of government" responsibility. There are sometimes difficulties in getting state government programmes to focus on development on a regional rather than departmental basis.

Also, we observe a tendency for development effort and resources to be concentrated on regional cities rather than on development of the depressed hinterland areas. The problem for rural and remote areas is exacerbated if the particular region does not have a close identity with the regional city. This is the case with the Murchison region of Western Australia which is officially regarded as part of the "Mid West". The Midwest region centres economically on the regional city of Geraldton whereas most of the Murchison does not have strong economic links with Geraldton and there is no regional city in the Murchison region.

The institutional arrangements really need to reflect true economic communities of interest. Although the Local Governments of the Murchison region are keen to cooperate in fostering economic development, we are not adequately resourced for this task.

### **Specific Intervention Related to a Variety of Social Ills**

Small local governments such as the Shire of Yalgoo are not adequately financed to employ staff to provide the type of social services that might make a difference in our communities. Despite having our share of these social ills, we are unable to afford to employ youth workers, community workers, social workers etc.

Provision of services by state government departments with responsibilities in these areas are almost non-existent. Annual or semi-annual visits are totally inadequate; we really need services to be based in our communities.

In its grant distribution methodology, the WA Local Governments Grants Commission does not appear to have any "disability factor" that recognises the lack of state government provision of social services in these areas.