

52-8-13-5
DCS:AB

26 July 2002

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

Via facsimile: 02 6277 4774

Dear Sir

Inquiry into cost shifting onto Local Government

I enclose for consideration by the Standing Committee, Council's submission on cost shifting.

The submission identifies that cost shifting affects Council's:

- Operating Budget by \$7,877,308
- Capital Budget by \$6,928,000

The Municipal Association of Victoria (MAV) is making a submission to the Inquiry covering 'global' cost shifting issues on behalf of local government in Victoria. Council supports the MAV's submission.

In February 2001, the MAV produced a report on cost shifting by the State Government.

The report focussed on a number of services including Home and Community Care, Public Libraries, Maternal and Child Health, School Crossing Supervision and Beach Cleaning and concluded that '*Victorian Local Government is \$31 million worse off because of State Government cost shifts.*'.

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A copy of this report is attached to support Council's submission.

Please contact Mr Geoff Cockram, Director Corporate Services on (03) 9705 5335 if you require further information.

Yours faithfully

Mike Tyler

Chief Executive Officer