

Our ref: mu:cjw:: 41/04/022 fn 02/08705
Enquiries: Michael Ulbrick 52610602

25 July 2002

David Hawker MP
Chairman
House of Representatives
Economic, Finance & Public
Administration Committee
Parliament House
CANBERRA ACT 2601

Dear Mr Hawker

Registration of Interest – Federal Government “Cost Shifting” Inquiry

I write to you to confirm the Surf Coast Shire’s interest in registering its name as a local government body concerned with the issue of “cost shifting” within local government. I further advise that Surf Coast Shire will make a submission to the inquiry on the cost impacts of the transfer of Commonwealth and State responsibilities to local government without a commensurate level of flow – on funding.

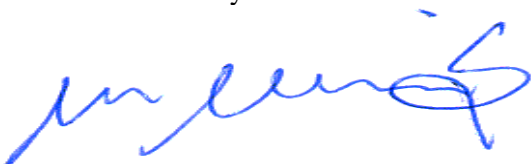
The Shire is aware of more detailed investigations and economic modelling that is being undertaken by a number of local government municipalities and auspicing bodies on this issue. The Shire is particularly concerned about insufficient or, short-term funding only, for new and enhanced responsibilities imposed upon local government. Additionally, a plethora of compliance issues have to be continually addressed. These result from new and amended Commonwealth or State legislative requirements placed upon local government, with little or no consideration of the funding costs and resources that must be applied to respond to these government determinations.

Surf Coast Shire is no different to other local government jurisdictions in these regards. We see a continuing under funding in the roadings/traffic management and human services areas; significant compliance costs and flow-on costs in the areas of building services and building surveying; additional costs in the delivery of public health services and statutory planning; indirect costs in continually adjusting information systems to cope with enhanced responsibilities; and significant compliance costs in the finance and civic reporting areas because of changing legislative requirements.

It is a deep concern of this Council, along with many other Local Government authorities, about how existing infrastructure can be maintained let alone improved to the levels desired by local communities. It is interesting to note that an independent review by the Auditor General in Victoria has now estimated a shortfall of up to \$2.5b of funding in this area alone.

Surf Coast Shire believes that this is a most important initiative and supports the directions laid down in the Terms of Reference drafted for the inquiry.

Yours faithfully



Michael Ulbrick
Acting Chief Executive Officer