

Local Government and Cost Shifting

QUESTIONNAIRE

Please let us know who you are:

Name:

Position:

From:

Please return this questionnaire:

- by faxing to (02) 6277 4774
- posting to The Secretary, House Economics Committee, Parliament House, Canberra ACT 2600

Please read these instructions carefully:

If you have the full version of Adobe Acrobat® you can fill in this survey electronically and submit it by email.

- Fill out the questionnaire electronically. You must have the full version of Adobe Acrobat®, **not just Acrobat Reader®**, to use this facility.
- Click on the check boxes and type in your responses where prompted.
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**Complete this questionnaire
on the next six pages to let us know
what you think about the
Options in Chapter 4 and the
questions in Chapter 3 in the discussion paper**

Finance and Cost Shifting

Option 1a

Negotiate an umbrella intergovernment agreement on FAGs incorporating some or all of the following elements:

- a clear statement of the Commonwealth's policy intent
- adjustment of the escalation factor to match increases in GST revenue or GDP
- changes to the interstate distribution to redress apparent anomalies
- reduction of the minimum grant to direct additional funds to needy councils
- making grants conditional on an adequate revenue effort, the continued viability of recipient councils, and effective arrangements to secure efficiencies through regional cooperation and resource sharing (including merging councils where appropriate)
- removal of unwarranted State restrictions on local government revenue and substantial reductions in cost shifting
- reporting on expenditure

Do you support this option?

Yes

No

Option 1b

Treat FAGs simply as a tax transfer with a simplified distribution system and formula, administered nationally.

Do you support this option?

Yes

No

Option 1c

Deliver FAGs through a model of broad-banded program grants to facilitate local government's role in key national initiatives such as regional development, transport, environment etc.

Do you support this option?

Yes

No

Option 1d

FAGs to be delivered as tied grants.

Do you support this option?

Yes

No

Option 1e

Consider other horizontal equalisation formulas for local government funding such as the SES formula used by DEST for funding the non-government school sector.

Do you support this option?

Yes

No

Option 1f

Deliver FAGs through the Roads to Recovery model.

Do you support this option?

Yes

No

Comments (see questions 1-12)

Type your comments here:

Option 2

Include local government in negotiations for the next Commonwealth-State financial agreement and specifically consider:

- the ongoing financial viability of local government in relation to its roles and responsibilities, and the need and scope for increased Federal and State support
- the need to reduce cost shifting and revenue restrictions imposed on local government (unless already addressed under Option 1).

Do you support this option?

Yes

No

Comments (see questions 4 - 6, 9 - 12)

Type your comments here:

Option 3

Through the Local Government and Planning Ministers Council:

- investigate the principal factors that impinge on the adequacy and effective utilisation of local government's own revenue base
- disseminate best practice in council revenue-raising, and recognise the efforts of those councils demonstrating a responsible and innovative approach to maximising revenue consistent with expenditure needs and community capacity-to-pay
- examine the ongoing viability of smaller rural councils and possible need for alternative models of local government in some areas.

Do you support this option?

Yes

No

Comments (see questions 2 - 5, 7 - 8, 10 - 12)

Type your comments here:

Infrastructure funding

Option 4

Conduct a national study into local infrastructure needs and funding in order to:

- fill the gaps in current knowledge and reach a national consensus on the magnitude of the problem
- consider a wide range of funding options including local infrastructure levies and increased but cautious use of borrowing.

Do you support this option?

Yes

No

Comments (see questions 13 –15)

Type your comments here:

Option 5

Subject to identification of an acceptable funding source, maintain Roads to Recovery into the longer term, either in its current form or as a component of AusLink.

Do you support this option?

Yes

No

Comments (see questions 14 –15)

Type your comments here:

Regional Cooperation

Option 6

As a general rule, ensure that Commonwealth-funded programs involving local government and a regional planning or delivery mechanism make use of established regional organisations of councils (or equivalent) rather than establish parallel bodies, provided the ROCs have demonstrated capacity.

Do you support this option?

Yes

No

Comments (see questions 16 –17)

Type your comments here:

Rationalisation

Option 7

Through the Local Government and Planning Ministers Council:

- negotiate an intergovernment agreement on principles and procedures for the future transfer of functions and financial obligations from the Commonwealth and/or States to local government, as well as the imposition of new functions
- regularly review and disseminate best practice in State-local government relations, particularly in relation to cooperative planning and service delivery.

Do you support this option?

Yes

No

Comments (see questions 1, 18 –19)

Type your comments here:

Option 8

Ensure that local government is a party to negotiations and a signatory to all SPP agreements covering functional areas in which it has significant responsibilities, using the AusLink approach as a model.

Do you support this option?

Yes

No

Comments (see questions 20)

Type your comments here:

Capacity building

Option 9

Use a 'top slice' of FAGs (perhaps 0.5%) to fund a national capacity building agency along the lines of UK Improvement and Development Agency (IDeA).

- Give the capacity building agency responsibility for accrediting councils and regional organisations of councils wishing to become agents for the delivery of Commonwealth programs.

Do you support this option?

Yes

No

Comments (see questions 21–23)

Type your comments here:

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