



24 April 2003

TIME FOR NSW COUNCILS TO HAVE THEIR SAY ON FUNDING

The national inquiry into local government funding options moves to New South Wales next week.

Local councils from Sydney, Newcastle and along the north and south coasts will get their chance to discuss a provocative discussion paper on financing released by the House of Representatives Economics, Finance and Public Administration Committee.

Roundtable discussions between the committee and local government representatives will be held in Sydney on Monday (April 28), Barraba and Newcastle on Tuesday (29 April) and Moruya on Wednesday (April 30). Details of times and venues follow.

The influential economics committee is looking at the financial position of local government, in particular the impact of cost-shifting.

Committee chairman and Federal Member for Wannon – David Hawker – said today cost-shifting was the result of state government's expecting local government to do more without providing additional financial assistance.

"To rectify this, my committee is assessing local government's current roles and responsibilities, current and alternative funding arrangements and the scope for rationalising the roles and responsibilities of each level of government," Mr Hawker said.

So far the inquiry has received more than 370 written submissions from councils Australia-wide and from other interested parties.

The 35-page discussion paper, titled 'At the Crossroads', identifies key issues presented to the inquiry so far and outlines a range of options which the committee says could help address what the councils say is a funding 'crisis'.

Evidence received by the committee to date clearly shows the growth in local government's functions has outstripped its financial capacity to carry out those functions adequately.

The discussion paper shows also that this is especially true in rural and remote regions where councils are small and have a very limited revenue base.

It warns that local government services could be significantly curtailed, especially again in rural and remote areas, unless local government finances are improved.

Mr. Hawker said that among the options to be looked at were council amalgamations, as a way of strengthening and formalising regional cooperation.

He said that in relation to future funding, the paper says the financial viability of local government – especially small rural councils – required further consideration by the Commonwealth and states.

"One suggestion is to include local government in negotiations for the next Commonwealth-State financial agreement." Mr. Hawker said.

"This would let local government make its own case for an increase in financial assistance grants or a share of the GST revenue.

"The paper also raises the scope for local government to increase its revenue from existing resources.

“For example, a substantial number of councils in several states have already introduced special levies for environmental management or infrastructure provision.”

Mr. Hawker said that in many cases this was done with community support.

The committee is encouraging feedback via an **online questionnaire**, or by the normal submission process.

**For media comment: House of Economics Committee Chair, Mr. David Hawker –
Ph (03) 5572 1100 or 0417 328900**

For further information: Susan Cardell, Inquiry Secretary on telephone: (02) 6277 2022, mobile: 0411 440 490, or visit the inquiry website at www.aph.gov.au/house/committee/efpa/localgovt.htm

The full programme for each day follows.

LOCAL GOVERNMENT ROUNDTABLE - Monday 28 April 2003 – SYDNEY (Hunter’s Hill)

WHERE: Hunter’s Hill Town Hall, 22 Alexandra Street, Hunter’s Hill

WHEN: 9am – 1pm

Roundtable participants:

- Hunter’s Hill Shire Council
- LGov NSW
- Local Government Managers Australia (NSW)
- North Sydney, Western Sydney and South Sydney ROCs
- City or Shire Councils of: Bathurst, Canterbury, Kogarah, Cabonne, Tweed Shire, Lane Cove, North Sydney, Penrith, and Ryde

From 2.30pm to 4pm the Committee will hear from Assoc. Professor Stephen Farish (University of Melbourne)

LOCAL GOVERNMENT ROUNDTABLE - Tuesday 29 April 2003 – BARRABA

WHERE: Barraba Council Chambers, 27 Alice Street, Barraba

WHEN: 9.30am – 12noon

Roundtable participants:

- Shire or City Councils of: Barraba, Parry Shire, Guyra Shire, Armidale Dumaresq, Tamworth, Walcha, Manilla and Moree Plains
- New England North West Area Consultative Committee

LOCAL GOVERNMENT ROUNDTABLE - Tuesday 29 April 2003 – NEWCASTLE

WHERE: Newcastle Council Chambers

WHEN: 3pm – 5.15pm

Roundtable participants:

- Shire or City Councils of: Newcastle, Lake Macquarie, Pristine Waters, Dungog, Gosford and Murrurundi
- Hunter Region Organisation of Councils

LOCAL GOVERNMENT ROUNDTABLE - Wednesday 30 April 2003 – MORUYA

WHERE: Moruya Council, cnr Vulcan and Campbell Streets, Moruya

WHEN: 9am – 11.30am

Roundtable participants:

- Shire or City Councils of: Eurobodalla, Yarrowlumla, Shoalhaven, Bombala, Bega Valley, Tumut and Mulwaree