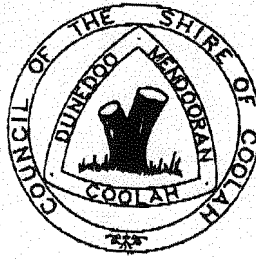


COOLAH SHIRE COUNCIL



All communications to
be addressed to:
General Manager
P.O. Box 120, Coolah 2843

Telephone: (02) 6377 1209
Fax: (02) 6377 1486
Email: coolah@coolahddg.com.au

INCORPORATED 1906

0045, cn:h/standing committee economics.doc
Paul Muldoon

PM:CN

2nd August, 2002

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

Dear Sir

Cost Shifting to Local Government

I am writing in response to your advertisement to notify Council's concern as a small rural authority at the cost burdens placed on local government over recent years. These are many and seriously hamper Council's capacity to provide the services desired or required by its communities.

The many instances would undoubtedly be covered in many other submissions. Those of particular concern to this Council are:

- Direct State Legislation
- Rural Fires
- Companion Animals
- Protection of Environment Operations
- Rural Fires and Environmental Assessment
- Local Government - Social Plan
- Local Government - Stormwater Management Plan
- Local Government - Sewerage management Systems
- Waste Minimisation
- Contaminated Lands

There are also many other State services falling on local communities, especially in rural areas, by default. Examples of these are medical (rural doctors), policing, catchment management and salinity. These essential community requirements are the responsibility of the wider community under Australia's democratic system. However, Council is continually being pressured by its local community to act because the service levels delivered by the State are considered inadequate.

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No:.....	123
Date Received:.....	5/8/02
Secretary:.....	<i>Bev Dell</i>

*House of Representatives
Standing Committee on Economics
Finance and Public Administration*

Coolah Shire Council

page 2

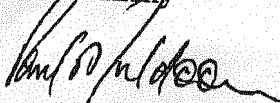
Specifically Council has expended \$350,000 on provision of a medical centre and almost \$400,000 on suitable residential accommodation for a doctor, because the State Health Service is not meeting these needs and economic rationalism has produced a scenario where doctors are seeking significant economic inducements. Even amortised this is a substantial impost on a small (3800 population) rural Council with a total expenditure of \$8 million and a general rate level of \$1.7 million per annum. At current interest rates of 6.4%, in simplistic terms, this impost alone represents almost 3% of our annual rate levy.

Another example is the Fire Service Levy. Council's contribution for this State operated service for 2002/2003 has increased by 14.4% compared with 2001/2002. However, under Rate Pegging legislation, Council can only increase its rates, from which the levy is funded, by 3.3%. Council believes this is totally inequitable and has resolved to restrict its payment to a 3.3% increase. However, the Fire Brigades Act 1989 (Section 48(2)(b)) Council is required to contribute required by the Commissioner.

Whilst not yet required to contribute financially directly to policing requirements, Council has been committed to substantial costs in lobbying for the community on the inadequacy of current services. These costs have not been specifically quantified but could be if required.

Council asks that your inquiry develop mechanisms that will assist local authorities, especially those of small rural communities, meet their appropriate responsibilities.

Yours faithfully



Paul Muldoon
General Manager