



## ***District Council of Streaky Bay***

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

Dear Sir/Madam,

### **RE: INQUIRY INTO LOCAL GOVERNMENT AND COST SHIFTING**

I am writing on behalf of the District Council of Streaky Bay to thank the Standing Committee on Economics, Finance and Public Administration for the opportunity to provide some input into the Inquiry into Local Government and Cost Shifting.

The District Council of Streaky Bay is disappointed that the Terms of Reference focus on the cost shift from the State to Local Government and ignore the cost shifts from the Commonwealth to Local Government. Can we assume that the Commonwealth has identified their amounts shifted onto Local Government, and in the interest of a fair, just and equitable report will also “lay that information on the table in order to look at the full picture”?

There is no doubt Councils are doing many things today that were once undertaken by other spheres of Government. In many cases we are better placed to perform these roles. The problem is that our revenue base has not increased to match these increased responsibilities.

The simple fact is that there have been reductions in funding from both the Commonwealth and State over recent years. As a result Councils have typically tended to reduce their level of expenditure on infrastructure renewal and maintenance relative to long-term need to offset these additional responsibilities.

At the “end of the day” Local Government is most likely to resist undertaking additional responsibilities without additional funding. Clearly there is currently an unbalance between the roles expected of Local Government and available revenue.

The District Council of Streaky Bay understands that evidence to support these facts is contained in the Local Government Association of South Australia Submission prepared in conjunction with the Australian Local Government Association. These submissions which will contain supporting references to the Commonwealth Government publications, “Local

Government National Report 2000-2001; Commonwealth Grants Commission draft report of the Review of the Operation of Local Government (Financial Assistance) Act 1995.

In respect of South Australia the Local Government Association of South Australia's commissioned reports by the South Australian Centre for Economic Studies provide creditable evidence of Council's taking on additional responsibilities over the past two decades in the form of new roles and responsibilities imposed by other levels of government or as a direct result of responding to community demands.

This Inquiry can play a valuable role in helping improve understanding of the issues by our three spheres of Government and most importantly, our community.

We wish you well in your deliberations and look forward with considerable expectation for a very positive outcome for everyone.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Lane', with a stylized flourish at the end.

DAVID LANE  
**CHIEF EXECUTIVE OFFICER**

DL:JC