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BOONAH SHIRE COUNCIL

26 September 2002

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

Our Reference:
IF:LJ 420/07 G6.2.1.2-07/02

House of representatives Standing Committee on
Economics, Finance and Public Administration

Submission No: **288**

Date Received: **27/9/02**

Secretary: *Swadell*

Dear Sir/Madam

INQUIRY INTO LOCAL GOVERNMENT AND COST SHIFTING

In response to your invitation to make a submission to this Inquiry referred to the Committee by the Minister for Regional Services, Territories and Local Government, the Hon. Wilson Tuckey MP, I advise of this Council's endorsement of the submission made by the Local Government Association of Queensland.

In doing so, I submit the following points raised by Council for the consideration of the Inquiry:-

- Expansion of the role of local government by additional responsibilities being transferred to local government and the reduction in funding in real terms being provided to local government is exerting pressure on local governments to increase their own source revenue such that the rate base of local governments is being stretched beyond reasonable capacity and the capacity of local governments to provide services required by the community is being impacted upon.
- Opportunity to rationalise roles and responsibilities between Commonwealth, State and Local Governments is welcomed but for local government to take on additional responsibilities, there must be security of permanent assignment of such responsibilities and permanent source of funding for such responsibilities. Constitutional recognition of local government and its roles and responsibilities is required and allocation to local government of a fixed percentage share of taxation revenue with provision to increase to keep abreast of inflation is needed.
- Services such as issue of drivers licences and construction and maintenance of road networks would be more efficiently and effectively managed by local government, and emergency services functions such as State Emergency Service and Rural Fire Service would be more efficiently and effectively managed by State Government.
- Regional cooperation and collaboration between local governments has been successful particularly in South-East Queensland and an expanded role for Regional Organisations of Councils is supported in the interests of combining the resources of the local governments and enhancing wider delivery of service programs and diminishing the threat of amalgamation of those local governments.



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- Representation on advisory committees and community reference groups dealing with local delivery of services by government agencies or local application of government funded programs is to be offered to local government whose members are elected to be representative of the community in preference to self-appointed representatives of single issue or specific interest community groups. The catchment management community consultation process currently being experienced is a case in point where meetings of catchment groups are being dominated by the issues of special interests such that decisions of funding and works priorities for the benefit of the wider community are being jeopardised.
- The transfer of additional responsibilities to local government without any extra funding is a significant financial burden and strain on existing resources. This has come about not only through devolution but also by abrogation of responsibility and withdrawn of services by State Government, in particular such that local government has been forced by community pressure to step in and fill the breach. Local government is able and willing to take on additional responsibilities and has a proven track record of performance in delivering services and programs but must have security of permanent assignment of such responsibilities and permanent source of funding for such responsibilities. There must be constitutional recognition of local government as a legitimate tier of government in its own right with a fixed share of taxation revenue being allocated to it.
- Local government should as of right be able to have a say in all matters impacting on its community and therefore should have permanent representation on local and regional committees of government agencies serving the area. Local government elected representatives are legitimate voices for their community and should carry more weight than other community representatives who have not been elected and have been invited as members of specific interest groups.
- Regional cooperation and collaboration between local governments has been successful particularly in South-East Queensland and an increased role for regional organisations of Councils is supported provided it enhances the sharing of expertise and resources for the increased benefit of the communities in the region. There is a role for both the larger urban and the smaller rural Councils and fostering their working together with a regional focus makes the combined resources go further and enhance the wider deliver of service programs and diminishes the constant threat of amalgamation.
- As a rural Council with a small annual growth rate, we find it necessary to consistently raise rates and charges above the rate of inflation due to the combined effects of:-
 - Requirements to satisfy new and more demanding standards
 - Community expectations for improved quality services
 - Increased insurance premiums as Councils are perceived as soft targets for litigation
 - Demands on small Councils to participate in regional planning initiatives despite limited direct benefit to local community
 - Increases in Government grants and subsidies are not keeping pace with inflation



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- It is inappropriate for Councils to continue to be expected to fund their expanding roles by property based taxes. This is particularly so when additional responsibilities are being devolved from other tiers of government and financial assistance from State and Federal Government is declining in real terms. We are already experiencing landholder resistance to this emerging trend. Unless the trend is reversed, Councils are facing cutbacks in the level of services they can afford to provide.

Yours faithfully

A handwritten signature in black ink, appearing to be 'IAN FLINT', written in a cursive style.

IAN FLINT
Chief Executive Officer