



SHIRE OF LAVERTON

Start of the Outback Highway
Through the Northern Territory to Queensland

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Our Ref: G/16/1

10 July 2002

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

Dear Sir or Madam:

Re: Inquiry into Local Government and Cost Shifting

For your information and attention, I enclose a submission prepared by the Laverton Shire Council on the Inquiry into Local Government and Cost Shifting.

It is noted that the inquiry is to be conducted on the basis that the outcomes will be budget neutral for the Commonwealth.

Should you require any further information or clarification on any issue, please contact me personally.

Yours sincerely

MN Brown
Chief Executive Officer

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No:.....	59
Date Received:	26/7/02
Secretary:	Bardell

INQUIRY INTO LOCAL GOVERNMENT
AND COST SHIFTING

Submission



From: Laverton Shire Council
PO Box 42
LAVERTON WA 6440

House of representatives Standing Committee on Economics, Finance and Public Administration
Submission No:
Date Received:
Secretary:

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1. Comment on Terms of Reference
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TERMS OF REFERENCE

1. Local government's current roles & responsibilities

Local Government in Western Australia operates under the Local Government Act 1995. Under this new Local Government Act, local government in Western Australia has wide ranging powers and responsibilities with regard to the provision of local services and facilities.

Basically, local governments in Western Australia can carry out any role or function that it feels is in the best interest of its citizens and which can be defined as good government.

Sections 3.1 & 3.2 of the Local Government Act provide the general provisions relating to local government. Members of the Inquiry will no doubt be aware that the funding for Local Government from Federal Government, other than project specific, is from the Local Government Grants Commission.

2. Current funding arrangements for local government, including allocation of funding from other levels of government and utilisation of alternative funding sources by local government.

Council receives from the Federal Government an annual allocation of an untied grant and also separately identified road grant funding to enable it to carry out its various functions.

Untied federal funding to local government via the Local Government Grants Commission is the only financial assistance that local governments receive that is untied and does not have strings and conditions relating thereto.

Most local governments receive some form of funding through the State Government. In the Shire of Laverton's case, Council receives funding from the Main Roads Department for some specific road projects. In most cases, road funding received from the State requires Council to match that funding by providing funding from its own resources to ensure the projects are carried out.

Local governments in Western Australia also have access to funding from other federal and state organisations such as the Department of Sport and Recreation, and various other State Government bodies and instrumentalities. However, in all cases, local government is required to provide matching funding.

3. The capacity of local government to meet existing obligations and to take on an enhanced role in developing opportunities at a regional level including opportunities for councils to work with other councils and pool funding to achieve regional outcomes.

Having an extensive road network throughout the Shire, results in council having difficulty in carrying out maintenance and upgrading of its road network. In addition to Federal and State road funding, Council spends considerable amounts of its own resources to endeavour to maintain its road network. With the ever increasing costs of road maintenance and road construction, particularly in isolated parts of Australia such as ours, the road maintenance and upgrading tasks become more difficult.

Council finds that it is increasingly difficult to maintain and meet its existing obligations with regard to the provision of various services and facilities. This is mainly due to its increasing roles within those existing obligations and also due to increase in costs of many of the items it requires that are increasing at a rate far greater than the Consumer Price Index. For example, Council's insurance costs have been increasing most years and this year a further large increase is anticipated. During the financial year 2002/2003 Council's cost of insurance will equate to between 12 & 15% of its total rate income for the year.

Council has taken a number of roles in developing opportunities at regional level.

Council has been a keen supporter of the Outback Highway Development Council. This organisation was formed some years ago to work with the local governments in Boulia and Winton in Queensland, and the Alice Springs Town Council in the Northern Territory, together with the Shire of Ngaanyatjarraku to develop the road link between Laverton in Western Australia and Winton in Queensland known as the Outback Highway. In addition to seeking the upgrading of this road to an all weather road status, the Councils are jointly working together on various other projects related thereto i.e. tourist promotion and RAP funding for an economic and social impact study of the route.

Council also does get involved in regional activities involving both the Goldfields and the North Eastern Goldfields Region. These involve such projects as the development of the heritage trail, joint tourist promotions and other opportunities for regional cooperation that arise from time to time.

4. **Local government expenditure and the impact on local government's financial capacity as a result of changes in the powers, functions and responsibilities between state and local governments.**

This Council has taken on considerable financial responsibility as a result of the changes in the powers, functions, and responsibilities of local government. For example, Council in recent years has expended rare resources on the following projects that could be easily classified as a state responsibility – **community security**.

- a) All night street lighting
- b) Additional street lights
- c) Financially supported the Wongatha patrol

With the above projects, these are necessary as the community focuses more on a safe secure environment and the above initiatives lead to a reduction in anti-social behaviour.

In addition to community security Council is also involved more in the welfare/social issues in the community. Two projects that Council is heavily involved in are: -

- a) The development of a safe house facility for the residents of this area
- b) The provision of a full time Youth Services Coordinator

Both of these projects are partly in place to help combat the effects of drug and alcohol abuse.

Another area in which Council has become heavily involved in over recent years is the provision of medical and health services in this Shire. In order to attract and retain a doctor to work in conjunction with the Laverton hospital, Council provides incentives totalling \$170,000 per year in order to retain a resident doctor. This cost has to be met in order to ensure that the community receives a full time a resident medical service. This would not be necessary in local authorities in the metropolitan area or in many popular favourite country seaside locations.

In addition to providing considerable resources to attract and retain a doctor in this community, Council has also had to develop a special "Laverton Package" in order for the Health Department to attract and retain nurses at the Laverton hospital. In this regard, Council provides cash incentives to nurses who complete periods of six months service. This will involve Council in an expenditure of approximately \$48,000 during the 2002/2003 financial year.

This was made necessary and was recommended to Council at a public meeting, at which approximately 200 residents attended to discuss the effects of the temporary downgrading of the Laverton hospital, which was the result of not enough nurses being available to work at that facility.

5. The scope for achieving a rationalisation of roles and responsibilities between the levels of government, better use of resources and better quality services to local communities.

This Council would support the rationalisation of roles and responsibilities between the various levels of government. This should lead to a better use of resources but may not lead to better quality services to the local community.

To ensure a better level and balance of responsibilities between the three levels of government will require a substantial increase in funding to local government if it is to continue its various roles and responsibilities that it currently undertakes.

All levels of government have been seriously reviewing levels of spending in the provision of various services and facilities and it tends to be the very remote and isolated communities that are having services and facilities, especially those provided by the State Government, either reduced or transferred to a larger regional centre.

Local government is the only level of grass roots government that is capable and best placed to suitably identify local needs and should be able to prioritise the best use of resources.

6. **The findings of the Commonwealth Grants Commission Review of the *Local Government (Financial Assistance) Act 1995* of June 2001, taking into account the views of interested parties as sought by the Committee.**

The findings of the Commonwealth Grants Commission Review of the *Local Government (Financial Assistance) Act 1995* appeared to indicate that there had been a shift in responsibilities between state and local government, and that in many cases appropriate funding had not been provided to the states to enable local government be able to properly carry out its increased responsibilities.

This council has generally supported the above Commonwealth Grants Commission Review.

GENERAL INFORMATION ON THE SHIRE OF LAVERTON

OVERVIEW – SHIRE OF LAVERTON

Local Government in the Laverton area commenced in August 1906 with the formation of the Mt Margaret Road Board. In 1950 the Mt Margaret Road Board became the Laverton Road Board and subsequently the Laverton Shire Council in 1961.

The Shire of Laverton is located in the North Eastern Goldfields Region of Western Australia and is located some 1,000km north east of Perth. The Shire of Laverton shares its boundaries with the shires of Menzies, Leonora, Wiluna, Ngaanyatjaraku and the South Australian border.

Many people came to the Laverton area in the 1890s in search of gold. The town of Laverton was officially gazetted in 1900. In those early years development of this area was rapid with the extension of the railway line to Laverton which was completed in 1903.

The Laverton area has three major industries being mining, pastoralism and tourism. Mineral exploration in this area continues and will provide more opportunities for further development in the future.

The Laverton area is becoming more popular with outback tourism. Council in conjunction with local authorities in Western Australian Northern Territory and Queensland are also working on developing the Outback Highway which will provide a road link from Laverton in Western Australia through Alice Springs in Northern Territory and through to Winton in Queensland. Already this route is proving popular with tourists to this area keen to experience some real outback adventure travel.

Council maintains various facilities in the town of Laverton including the sealed airstrip and the airport facilities at the Laverton Aerodrome.

Council has a road network of some 3,500km the majority of which is unsealed dirt road construction. These roads provide access to the various pastoral properties in the Shire and to the various mining developments.

East and North of Laverton are the Jindalee Over the Horizon Radar installation sites which were constructed by the Commonwealth Government.

There are approximately sixteen pastoral leases located within the Shire.

While seasonal conditions have been good for the pastoral industry over recent years the high cost of operation and low rates of return of pastoral profits has seen a general decline in the number of people and investment into the pastoral industry in this Shire.

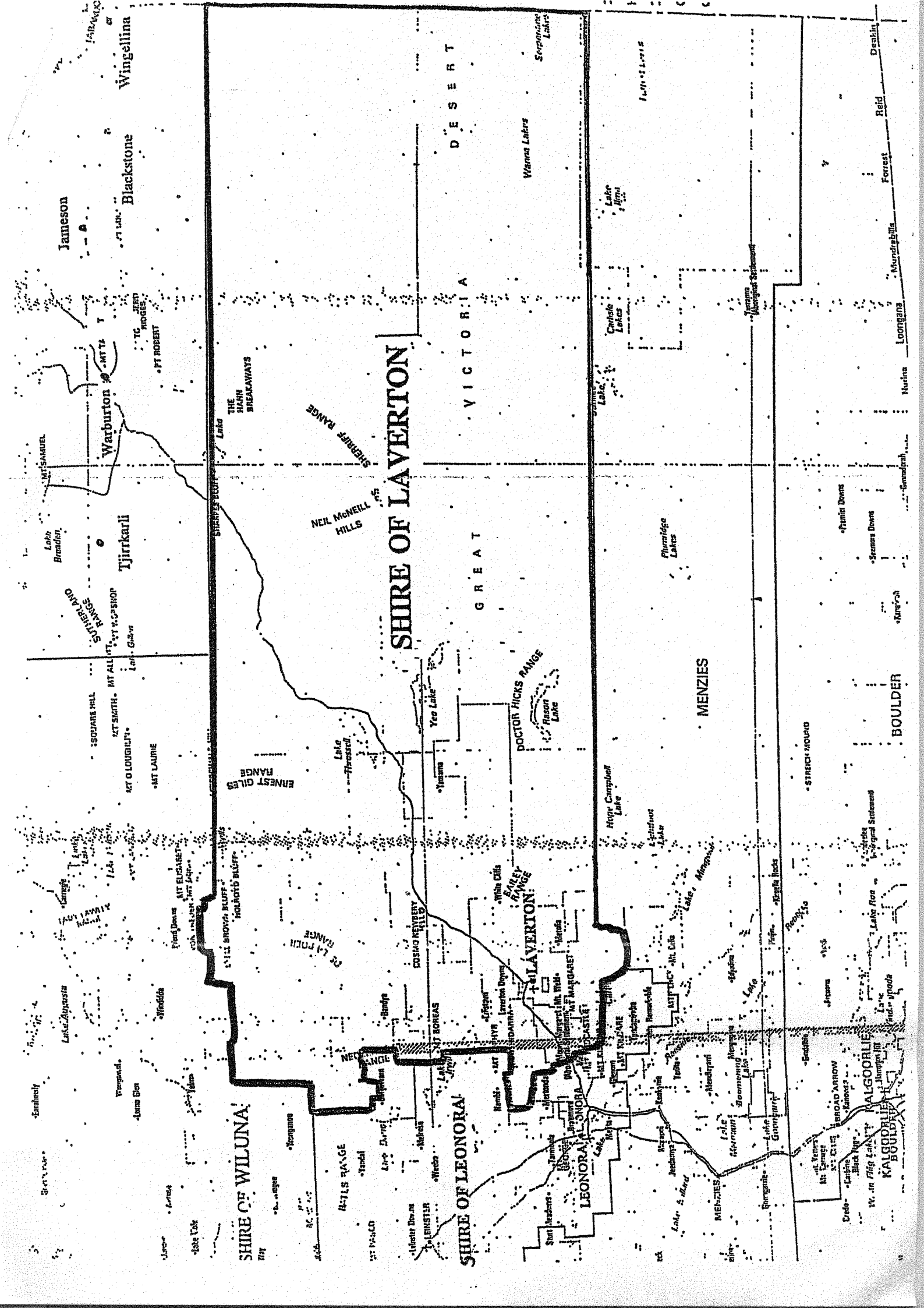
There are four major aboriginal communities in this shire. They are located at Cosmo Newberry, Mt Margaret, Mulga Queen and the Wongatha Wonganarra Community which is located adjacent to the Laverton townsite.

The major mining operations located in this shire at present are, Granny Smith (Placer), situated some 28km south east of Laverton, Sunrise Dam (Anglogold Australasia), located some 60km south of Laverton and Murrin Murrin (Anaconda Nickel) located some 60km east of Laverton.

These mines all employ a significant workforce however the majority of staff of these operations operate predominantly on a fly in/fly out basis.

Council is responsible for the provisions of health and building controls at all these locations and share an Environmental Health Officer/Building Surveyor with the Shire of Leonora for this purpose.

One new financial impact on Council's operations is the increased cost of fuel. Fuel costs in Laverton are now 15 to 20 cents per litre higher than Kalgoorlie.



SHIRE OF LAVERTON

G R E A T
D E S E R T

V I C T O R I A

MENZIES

BOULDER

SHIRE OF WILUNA

SHIRE OF LEONORA

SHIRE OF LAVERTON

SHIRE OF ALGOORIE

SHIRE OF BOULDER

Wingellina

Blackstone

Jameson

Warburton

Tjurrkarli

NEIL McNEILL HILLS

ERNEST GILES RANGE

DE LA POULLE RANGE

DOCTOR HICKS RANGE

Lake Trassell

Yee Lake

Yarnama

Happy Camps Lake

Phynridge Lakes

Carlyle Lakes

Wanna Lakes

Serpentine Lakes

STRETCH MOUND

BOULDER

ALGOORIE

BOULDER

ALGOORIE

BOULDER

ALGOORIE

BOULDER

ALGOORIE

BOULDER

Deathly

Field

Forest

Mundrabilla

Loongana

Murina

Gumudrah

Pariti Downs

Skemas Downs

Barry's

STRETCH MOUND

BOULDER

ALGOORIE

BOULDER

ALGOORIE

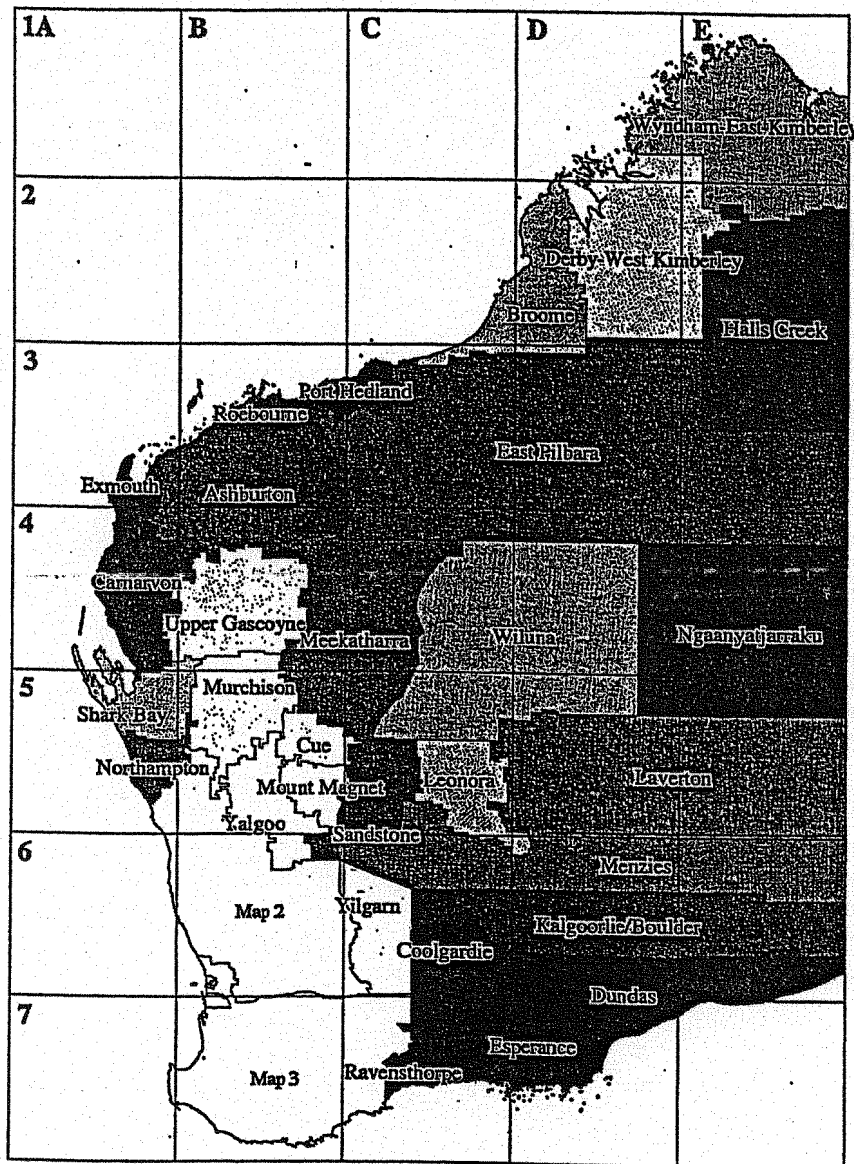
BOULDER

ALGOORIE

BOULDER

ALGOORIE

BOULDER



- | | | | | |
|---------------|-----------------------|-----------------|-------------------|---------------------------|
| 3B Ashburton | 6D Dundas | 5D Laverton | 4D Ngaanyatjaraku | 5A Shark Bay |
| 2C Broome | 3C East Pilbara | 5C Leonora | 5A Northampton | 4B Upper Gascoyne |
| 4A Carnarvon | 7C Esperance | 4C Meekatharra | 3C Port Hedland | 4C Wiluna |
| 6C Coolgardie | 3A Exmouth | 6C Menzies | 7C Ravensthorpe | 1E Wyndham-East Kimberley |
| 5B Cue | 2E Halls Creek | 5B Mount Magnet | 3B Roebourne | 5B Yaloo |
| 2D Derby | 6D Kalgoorlie/Boulder | 5B Murchison | 5C Sandstone | 6C Yilgarn |

STATISTICS

General

Area	183,198km ²
Population	1,185
No of Dwellings	350
Length of Roads	101km sealed 3,490km unsealed
No of Councillors	9

Urban Centres

Laverton

Population	417
Dwellings	350
Reticulated Oval	Yes
Library	Yes
Depot	Yes
Swimming Pool	Yes
Distance from Kalgoorlie	360km
Hall	Yes
Public Toilets	Yes
Parks/Playgrounds	Yes
Aerodrome	Yes
Tourist Information Centre	Yes
Telecentre	Yes

Note: *The Shire of Laverton has 8.25% of the Area of Western Australia*
 The Shire of Laverton has 2.5% of the State's Road Length
 The Shire of Laverton has 0.1% of the State's Population

INFORMATION ON NEW AND CONTINUING PROJECTS

OUTBACK HIGHWAY

Since 1995 Council has been heavily involved in the development of The Outback Highway. The Outback Highway links Laverton in Western Australia with Warburton, Uluru, Alice Springs and then across to Boulia and Winton in Queensland. This will become the Third Strategic Road Link across Australia and the Outback Highway Development Council's objective is to ensure that this route is upgraded to all weather road standard in the next few years. Already the development of the Outback Highway has seen a significant increase in tourism and other general east-west road traffic.

TOURISM

During the 2000/2001 financial year Council has developed a new Tourist Information Centre which provides a shop frontage to the main street of Laverton. To provide better tourist information services in addition to the provision of the a new Tourist Information Centre Council is also upgrading the original Police Sergeant Quarters in Laverton which is located very close to the former Police Station and Gaol which has already been restored to their former condition. This will provide visitors with an additional place to visit whilst in this Shire.

Council also has plans for the development of an Australian Explorers Hall of Fame which will be located in the former Indoor Sports Complex located also in the main street of Laverton. This is an ambitious long term project and we are hopeful of attracting some Federal funding towards this project in the very near future.

COMMUNITY SECURITY AUDIT

Council has completed a Community Security Audit of the Laverton townsite. Council will be implementing a number of the major recommendations contained in the Community Security Audit Report and this includes the upgrading of street lighting and various upgrading of town scape features. Some of the more social issues raised in the report will be taken up with various agencies servicing the Laverton Community.

YOUTH SERVICES CO-ORDINATOR

Council appointed a person to carry out the position of Youth Services Co-ordinator. At present there is very little for the young people of the town to do and this leads to boredom, vandalism, solvent sniffing, alcoholism and drug taking.

Council sees this as a positive move to try and reverse these trends and to improve some of the serious problems that exist in this area. This position has been part funded from Council's own resources.

TELECENTRE

In conjunction with the Tourist Information Centre which is now located in the main street, Council has developed a Telecentre facility. The Telecentre became operational in January 2001.

LIBRARY

Council has also relocated its Library facility from the existing Shire Office to our shop front facility which has been developed for our Tourist Information Centre and Telecentre. This again will provide easier access for many of the residents of the town to be able use our Library Services.

RURAL TRANSACTION CENTRE

Council is at present investigating the inclusion of a Rural Transaction Centre in conjunction with the shop front facility that is being developed for various purposes. Council has prepared a business plan to identify new facilities and services that we can provide to the Laverton community. (An application for funding has been submitted)

HOUSING

Council currently has thirteen houses which it provides to its staff and also to the local Doctor. During the 2000/2001 financial year Council constructed a new 4 x 2 bedroom house for use by the Doctor. The house currently occupied by the doctor will then be available for staff housing.

During the 2001/2002 financial year, Council constructed two 3 bedroom transportable houses.

RADIO/TV REBROADCAST FACILITIES

Like many small rural and remote local authorities this Council has been involved in the provision of radio and television rebroadcast facilities. The town of Laverton has access to four television stations and two radio stations.

LOCAL CALL INTERNET ACCESS

Residents in Laverton now have access to local call Internet Access.