



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

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Secretary: *Burdell*

Hurstville City Council

General Manager's Office

JP:BMC
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9th July, 2002

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

Dear Sir,

Inquiry into Local Government Cost Shifting

I would like to thank the Committee for the opportunity to respond to the Terms of Reference in this matter. While there will be submissions from both the Local Government Association and the southern Sydney Regional Organisation of Councils, of which this Council is a member, I would take the opportunity to offer the following observations.

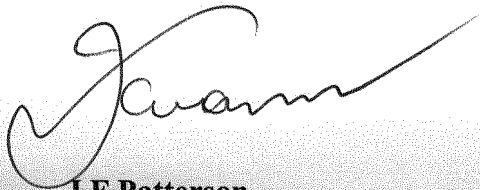
1. Local government's role has altered dramatically from the traditional focus on "roads, rates and rubbish". While these are still integral parts of councils' agenda, there have been increased responsibilities and expectations in the areas of community services, information services, cultural identity, planning and the environment.
2. The issue of funding from other levels of government relates not only to quantum but also to certainty over an extended period and the timeliness of advice regarding levels of funding. In order to adequately plan future initiatives, programs and service levels, a council must be able to accurately establish the level of funding available to it – particularly from its primary income sources.

3. There are regional opportunities for councils to work together. The Southern Sydney Regional Organisation of Councils, composed of eleven (11) metropolitan councils with a population base of one million, has a number of landmark programs in this regard.

Programs ranging from joint purchasing arrangements to regional environmental initiatives have delivered outcomes to the councils which would be unlikely to be recognised by those councils acting alone.

4. There is some history of state governments, in rationalising their own activities, devolving services to local government. In most cases there is a justifiable logic for doing so. However many such activities are not commensurately funded or are appropriately funded for a defined period of time. This means that the uptake or continuance of these services comes at a real cost to local government and, ultimately, the ratepayer.
5. There are undoubted opportunities for the three tiers of government to work more constructively to avoid duplication and the misallocation of resources. The difficulty in doing so is that each level of government has its separate agenda bound by its own imperatives and timeframes. The problem is further exacerbated by a mutual suspicion and focus on "turf protection" by individuals within the various bureaucracies.

Yours sincerely,



J F Patterson
General Manager