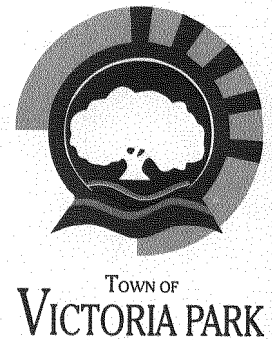
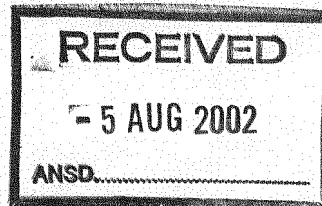


Enquiries to: Marcus Theobald 9311 8185  
Your Ref: Administration Officer  
Our Ref: ORG0157 55747

17th July 2002



The Honourable David Hawker MP  
Standing Committee on Economics,  
Finance and Public Administration  
House of Representatives  
Parliament House  
CANBERRA ACT 2000

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No: .....	239
Date Received: .....	
Secretary: .....	<i>Burdell</i>

Dear Mr Hawker

### INQUIRY INTO LOCAL GOVERNMENT AND COST SHIFTING

I refer to the Terms of Reference for the abovementioned inquiry received on 19th June 2002. The Council has identified a number of areas which were traditionally the responsibility of the State Government and have now become the responsibility of Local Government.


- 1. Crime and Safety in the Community:** In order to reduce crime within its district the Council has facilitated a Local Safer WA Committee, comprising members of Council, senior staff, local police, relevant State Government agencies and concerned residents. The Town provides the meeting venue and absorbs printing and associated operating costs of the committee. One strategy the Town has implemented through the committee is a subsidised home security alarm system scheme with a budget of \$40,000 in an attempt to address the crime rate. There has also been \$5000 placed on the budget for surveillance cameras to assist police in monitoring crime 'hot spots'. The Town also provides accommodation for the Victoria Park Community Police.
- 2. Disability Access Advisory Committee:** The State Government has passed legislation requiring Local Governments to establish a disability services plan to provide and improve access for disabled people within the community. No funding is provided by the State Government to assist with defraying the costs incurred by Council in developing and implementing the plan.
- 3. Meals for Seniors:** There has been no increase in the contribution from the State Government in relation to the Meals on Wheels programme, despite an increase in the number of people using the scheme and operating costs associated with this service.
- 4. Home and Community Care (HACC):** Council contributes a combined sum of \$95,000 each year to the Carlisle and Victoria Park Senior Citizen Centres. This funding is vital for the operation of these centres and is fully funded by the Town.

5. **FESA Levy:** It has been proposed that this levy be collected by Local Government on behalf of a State Government agency. There will be additional administration expenses for Local Government. There has not been adequate consultation by the State Government with Local Government in relation to this proposal.
6. **Swimming Pool Subsidy:** There has not been an increase in the level of the subsidy provided by the State Government to Council in relation to the operation of the Somerset Swimming Pool. This facility requires some major renovations and operating costs have increased substantially, whereas the swimming pool subsidy has remained stagnant. The subsidy is provided to ensure residents have access to a swimming pool, yet this responsibility is mainly resting with Council to find appropriate funding.
7. **Building Construction Industry Training Fund (BCITF) collection:** This is another fee collected by Local Government on behalf of the State Government. There is operating expenses associated with the collection of these fees that are borne by Local Government yet it is the State Government who benefits from this arrangement.
8. **Home Indemnity Insurance:** It is now a requirement for Council to ensure that builders have adequate home indemnity insurance. This causes additional administration expenses by legislation enacted by State Government compelling Local Government to undertake this responsibility.
9. **Builders Registration Board Levy:** This is another instance where the State Government has created legislation requiring Local Government to collect fees on behalf of the Builder's Registration Board.
10. **Landfill Levy:** This is a charge of \$3.00 payable to the State Government for each tonne of rubbish deposited by Local Government which is an additional levy above the costs to deposit the rubbish at the Town's refuse site which is jointly owned with other Local Governments.

The increasing responsibilities being placed on Local Government from State Government is causing undue pressure on already overstretched budgets. Unfortunately it appears that this cost shifting is becoming an increasing trend whilst funding to meet these expectations is not increasing.

If you require any further information do not hesitate to contact Mr Brian Callander, Executive Manager Corporate and Customer Services on 9311 8118.

Yours sincerely



**JOHN BONKER**  
**CHIEF EXECUTIVE OFFICER**