

COOMALIE COMMUNITY GOVERNMENT COUNCIL

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

Submission No: 76

Date Received: 27/7/02

Secretary: Gardell

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

Dear Sir,

Inquiry into Local Government and Cost Shifting

Council submits the following for your consideration:

a) Aboriginal Community Police Officers

Following a request from the local Police constabulary, Council submitted an application for such an officer but was advised it must provide housing for the officer and a vehicle. Policing is not a local government function yet the government is requiring a substantial contribution from local government.

b) Swimming Pool Fencing

Following public reaction to pool deaths, the government is moving towards pool fence legislation. Local councils will be the enforcing agency. However, for Coomalie, building approvals (and the revenue arising therefrom) are handled by a government department. To enforce the legislation, Council will have to employ building qualified staff without a revenue source because of a government decision made without any responsibility being borne by it.

c) Abandoned Vehicles

From time to time, vehicles are severely damaged in accidents or abandoned on roads under government control. In the spirit of cooperation, Council has allowed the Police to store the vehicles, free of charge, at Council's depot. When time comes to clear away the unclaimed vehicles, Council has had to bear the cost of removal to the tip (the vehicles have no resale value).

d) De-Maining of Roads

A government can declare a road that it has been maintaining to be a council road and maintenance to be at the council's expense. Historically, any compensation paid by the government has been inadequate and the council has not been in a sufficiently powerful position to negotiate or appeal. This is of

particular concern for this and several other councils in the Top End. There is a government proposal to expand each council's boundary until they are contiguous and there are no unincorporated areas. The government, in similar past boundary adjustments, has promised to bring the roads up to scratch but the promise has not been kept. Further, no rates are paid at all in the unincorporated areas at present. It is not sufficient to say a council would be given a rate base commensurate with the roads to be taken over. It will be the council that bears all the angst and legal costs when rates are introduced, not the government.

e) Waste Disposal

The government has made no provision for rubbish disposal in the unincorporated areas. The result is that local ratepayers are contributing to dump maintenance costs while entities from outside the council area can use the dump without any contribution. It is acknowledged the government grants councils a tip maintenance subsidy but there are two problems. Firstly, there are indications the subsidy will be phased out and secondly, the grant is to assist councils adopt proper waste disposal practices, not as recompense for other persons rubbish.

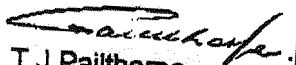
f) Literacy Programs

While councils applaud literacy education, councils, certainly small councils, are not education bodies and are limited in the funds they can contribute. Allocation of programs should be on a needs basis, not a net cost to the government basis.

The foregoing refers to the government of the Northern Territory although most of the problems would be found interstate. The problem is not limited to state governments, however. The federal sphere practices the same method of cost shifting. The method is in the guidelines to "tied grants". While it is accepted that 100% grants will not always be the case, requirements are seen to go beyond the intent of the grant. An example would be the Rural Transaction Centre program. This helps with establishment and start up costs but leaves the community to bear all the cost after the start up period. It is accepted the project must be self financing in the long run, but would it not be better for the Commonwealth to boost its provision of services rather than pass on the cost of provision to rural communities?

I trust the above will give some insight into cost shifting experiences of this Council.

Yours faithfully,



T J Pailthorpe
Chief Executive Officer
26 /07/02