



Boulia Shire Council
Submission to the
Local Government Reform Commission
May 2007



MESSAGE TO THE LOCAL GOVERNMENT REFORM COMMISSION

FROM THE MAYOR - CR. TREVOR JONES

Boulia Shire Council is **well managed, financially sustainable** and is in a **strong financial position**. We have a **bright and secure future** and we have a **very strong community of interest**. The Shire covers a vast area of the outback including part of the channel country. The wide range of services provided by Council and the workforce that it maintains are fundamental to the sustainability of the communities in the Shire.

Boulia Shire council has actively pursued the reform agenda and fully participated in the SSS process with the aim of ensuring that every opportunity to improve outcomes for our community were explored. While that avenue is longer available to us, Council is keen to undertake a review in conjunction with its neighbours to identify new opportunities, for resource sharing and cooperation, to strengthen community of interest and improve sustainability.

We are committed to the continual improvement of our performance and actively seek new and better ways to serve our community and after careful and objective consideration it is clear to us that amalgamation of Boulia Shire is not in the best interest of anyone.

Council and our community believe that the amalgamation of Boulia Shire with one or more other Councils would not deliver any significant benefits to our or any wider community and in fact it would have significant costs to the communities, business and individuals.

It is vital that the commission understand that **our communities** (unlike others in the State) **and the Council are inexorably linked** and if there is any decision made to reform or restructure Council there must be consideration given to the wider implications.

In our case, this simply means, remove the Council and our communities will die. It is not simply a matter of just supplying garbage services and sewerage, Council is the soul of our community, it binds the social fabric together and to think that you can impact on the Council in isolation is naive and bound to deliver unanticipated outcomes. Our community has forwarded a separate submission to the Commission which I trust will given your favourable consideration.

The commission must be aware that the decisions they make will decide the fate of western towns and their communities and if those decisions are wrong the negative impact will be dramatic, long lasting and irretrievable.

We are willing to look at ways to improve and welcome comprehensive detailed review but we cannot afford to have decisions of this importance, made in haste.

Submission Key Points

Size, Shape and Sustainability

Council considers that, given the time required to complete the QTC FSR, the group made reasonable progress in the 7 month period from our group's project approval to process termination.

This Council was committed to the SSS process and is keen to continue the exploration of opportunities to improve its performance, community of interest, sustainability and service delivery outcomes.

Sustainability

Boulia Shire Council is sustainable.

QTC financial sustainability Review

The outcome of the QTC report is positive for Council as it confirms a capacity to meet its financial commitments in the short to medium term. It also identifies opportunities for Council to improve its operational performance and to enhance its sustainability.

The implementation of these recommendations will ensure that good governance and sound financial management is practiced by Council in delivering quality service and responsible asset management to its community. The report also importantly confirms that with the required action, Boulia Shire Council is financially sound and sustainable and that its community has the capacity to support its own local government authority and to retain its autonomy.

Planning and Coordination across boundaries

Boulia Shire does not have any cross boundary planning or coordination issues. Our SSS review identified that;

“The distance between population centres in the region means that each Council area is independent from neighbouring Councils in all key urban infrastructure service areas. In some instances arrangements are in place with adjoining Councils to conduct cross boarder road maintenance activities to ensure efficiency and quality service provision.

Planning and infrastructure provision for future population growth is not impacted by boundaries. Therefore for individual Councils and the group as a whole, this indicator does not present any reform opportunities or imperatives.”

Focus on the delivery of front line services

Not only does Boulia Shire Council meet the needs of its community in core Local Government services but as the only Government body in the area, it also delivers and or supports a wide range of non-core functions that in other areas of the State are the responsibility of other agencies. These vital services include

housing, aged care, medical, ambulance services, banking facilities, undertaking services, remote health services, community transport etc.

Economic and population growth

Boulia Shire has been acknowledged as being in an excellent position to sustain or grow its population in the 15 to 55 age group as it experiences high out-migration rates in those aged over 55. The "State of the regions report 2005-06" published by National Economics and the Australian Local Government Association, on page 171 states:

"Regions with high levels of out-migration, such as Boulia (located in the south-west corner of Queensland, near the Northern Territory border) yet with the ability to still grow its population, also have excellent prospects in terms of population sustainability"

The shire population for 6-8 months each year is 15% higher than the recorded resident population and is likely to increase in future years. The draft Department of Local Government, Planning, Sport and Recreation Queensland Local Government Comparative Information 2005 -2006 shows Boulia Shire having an actual population growth rate of .9% for 2005 to 2006.

The above average summer and autumn rainfall in most of the Shire has presented the community with very good conditions for growth in the rural sector. The tourism industry continues to grow and improved road conditions will encourage further growth. These diversified businesses will provide a very strong capacity to pay for the works and services delivered by Council.

Infrastructure

Council has been effective in the management of its infrastructure assets and has no looming unfunded replacement issues. This responsible approach to asset management has put the community in a position in which its urban infrastructure is either in good order or about to be replaced in line with funded asset management plans.

Resource sharing and cooperation

Boulia Shire Council has a number of resource sharing and cooperation arrangements in place that continue to deliver efficiencies, regional growth and development and service delivery benefits to the community. The focus of Council on the delivery of front line services ensures that it always looks to establish the most cost efficient and effective means of service delivery.

Effectiveness of the current system

Boulia Shire Council delivers services efficiently and to a high standard.

Council has recently completed an independent review of its works operation to ensure systems are in place to ensure best practice operations and profitability. The report said:

“In carrying out a review of this nature, Council and Management are demonstrating sound management practice and a willingness to continually improve performance to the benefit of the residents of the shire.”

This work load and vast area to be serviced ensures that Council's workforce is a sustainable and viable operation which supports staff development opportunities and continual improvement in technology and performance. The conglomeration or centralisation of workforces would lose all of the advantages of a local workforce and is unlikely to enhance operational performance, productivity or profitability.

Boulia Shire Council regularly contributes its own funds to assets and services of State and Federal Governments

Council spends millions of dollars of its own funds on State Government assets and services.

Boulia Shire Council supports State and Federal Government service delivery.

The commission should be aware of the level of support that Council provides to a whole range of services and functions that are not included in Local Government statistical information and be cognisant of the impact that structural reform will have on the maintenance of those services and the resultant higher cost to the wider community.

Our communities provide vital support to emergency services.

If the population of the existing towns declines as the result of structural reform, then it follows that the availability of volunteers will decline to a point where emergency groups will not function.

Our community works hard and contributes to the broader State and National economies.

The notion that our communities are over subsidised and a drain on the community at large could not be further from the truth.

It would be a grave mistake, with implications for the rest of the State and Nation, for our Council and communities to be closed down as the result of

recommendations from an exercise that has not had the time or resources to fully investigate all of the costs and benefits of a forced restructure.

Our communities are very productive. The wealth generated by our people on a per capita basis is enormous.

Data sourced from the Australian Bureau of Agricultural Resource Economics web site is included in Appendix C and shows that **for the Western and South Western and Channel Country region, in 2005-06 there was beef cattle sale revenue of \$462.7 million as well as the equivalent of \$221.5 million in cattle transferred out of the region.**

This equates to over \$600 million in wealth generation last year from beef cattle production alone from our region which is supported by the Councils and residents of the far west. This demonstrates that with the application of the multiplier, the total wealth generation attributable to this region on a per capita basis is enormous.

Boulia Shire Council supports the development of local individuals in the community.

The importance of Council in providing local employment is key to the sustainability and maintenance of the social fabric of the community, the value of which outweighs any perceived savings in Local Government restructure.

The following is part of the transcript of the verbal submission to the Commission made by local traditional owner, Lindy Punch.

“If you take away the council office, the jobs won’t be there, then there wont be enough kids for the school. Boulia is a safe haven for the young kids that go away to the cities and get into trouble over there. They can always come home to Boulia to straighten up and get away from the drugs and the sniffing and get back to their families and their home. If there is no community here they won’t be able to come home. I bring kids back here all the time and take them out to their country and help them straighten out and get work.”

The complete transcript is included in Appendix B.

We manage and protect the wealth of nationally significant cultural heritage in the area.

Our indigenous community is very concerned that the amalgamation of Boulia Shire would result in less attention to the Shire road network which in many cases provides the only access to culturally significant sites. It is feared that the deterioration of these roads would impact on their connection to “their country”, and importantly the teaching and maintenance of those cultural links with the young people.

The following is part of the transcript of the verbal submission to the Commission made by local traditional owner, Lindy Punch.

“We like to eat our traditional foods and if the dirt roads are not graded we won’t be able to get out of town. We need to get out of town to our country and have ceremonies with our elders out on the river for story telling and teaching the kids traditional hunting and gathering skills.”

Physical size of the shire

Boulia Shire covers an area of 61,093 square kilometres.

The following information is provided to give some comparative idea of the vastness of this Shire:

- The area covered by the Southeast Queensland Regional Plan which includes 17 Councils from the NSW border to Noosa and west to Toowoomba, is 22,408 square Kilometres, or just over one third of the size of the Boulia Shire.
- Boulia Shire is larger than the **combined** size of the 50 smallest main stream Councils in area.
- The Shire is 360km from east to west and 420 km from north to south. The closest regional centre to the town of Boulia is Mount Isa which is 300 km to the north and its neighbouring town to the east, Winton is 370km.

The vast size of these larger area Councils does require that the commission take a different approach in the determination of their future, because as areas become extremely large, the expected outcomes of economy of scale do not apply.

The fact is that making the large Shires even bigger, (apart from the social and economic impact), will reduce the efficiency and effectiveness of service delivery.

Community of interest

The high level of distress and concern displayed by the community at the potential for Boulia Shire to be amalgamated is a clear indication of the fact that Boulia Shire residents do have a strong community of interest within the existing Shire

Please refer to a selection of the community submissions included in Appendix B. The community has also prepared a video which includes verbal submissions from local residents who are unable to prepare written submissions.

Water catchments and the environment

Council and the Boulia Shire community have a strong commitment to the environment and to the sustainable management of the Georgina river catchment and the crucial headwaters of the unique and internationally recognised Lake Eyre Basin

Impacts of amalgamation

The removal of the Council from Boulia as the result of amalgamation will have a severe negative impact on the towns of Boulia and Urandangi which is most likely to see them closed down completely.

Impact on community

The commission must be aware of the severe impact structural reform will have on the social fabric and viability of the towns of Boulia and Urandangi.

Loss of local employment.

Council staff, contractors and dependants that are totally reliant on Council for income make up 38% of the population. With Council continuing to serve the Boulia Shire Community our children will have an opportunity to remain in their community with their families and have access to a variety of careers, without the Council they will most likely have no future in the community.

Reduced Federal Assistance grant revenue

In looking at possible amalgamation scenarios, no one knows what savings may be made, if any. But we do know for certain the level of loss that will occur through FAGS reductions alone. These will be in the order of \$500,000 per amalgamated Council. The region and the State cannot afford to lose the future accumulated loss that amalgamation would bring.

Council strongly believes that there is no way that an amalgamated Council could maintain service standards and make savings significant enough to offset the grants reductions.

Reduced population

Amalgamation will result in dramatic and compounding population decline in our communities.

Losses through asset devaluation

The potential huge loss to individuals and the community must be considered as part of the Commission deliberations on the cost and benefits of change in this area. These losses will be a real cost of forced structural reform and as that cost is being externally imposed, it should be met by those imposing the reform.

The commission must understand that removing the Council (which has been shown to be effective and sustainable) from the Boulia Shire will cost the community and individuals dearly and could easily lead many residents and business owners to financial ruin.

Business closure

Population decline will make many businesses unsustainable.

Social capital will disintegrate

Community organisations and businesses will fold, families will be split and individuals and families will be financially devastated by asset devaluation.

Loss of capacity to manage natural disasters

The community is extremely concerned that Local Government restructure involving Boulia Shire will severely impact on the capacity of a centralised organisation to adequately respond to an emergency.

Impact on visitors

The impact on the removal of Boulia Shire Council from Boulia would not be restricted to the community of the Shire but also to visitors, travellers and the wider community generally.

Cost to wider community

Council considers that it is important for the commission to understand that the amalgamation of large western Shires will not only make Council service delivery less efficient and effective and impact on the community, but that it will also have a negative impact on the region, State and Country.

Loss of local representation and autonomy

These communities are at present electorally marginalised because of their remoteness and small population in that the State and Federal electorates are so large in area that it is difficult for representatives to have contact with their constituents. Our Council is the only accessible level of Government to our residents.

Alternative service delivery options would be more expensive

It is clear that centralised Local Government service delivery in amalgamated western Shires would be more expensive than the current models.

CONTENTS

1. SHIRE PROFILE.....	9
2. SIZE, SHAPE AND SUSTAINABILITY.....	11
3. SUSTAINABILITY.....	11
3.1. Boulia Shire Council is sustainable.....	11
3.2. QTC financial sustainability Review	12
3.3. Planning and Coordination across boundaries.....	13
3.4. Focus on the delivery of front line services	14
3.5. Economic and population growth.....	15
3.6. Infrastructure	16
4. RESOURCE SHARING AND COOPERATION	18
5. EFFECTIVENESS OF THE CURRENT SYSTEM.....	24
5.1. Boulia Shire Council delivers services efficiently and to a high standard.....	24
5.2. Boulia Shire Council regularly contributes its own funds to assets and services of State and Federal Governments.....	26
5.3. Boulia Shire Council supports State and Federal Government service delivery.....	26
5.4. Our communities provide vital support to emergency services.	27
5.5. Our community works hard and contributes to the broader State and National economies.	27
5.6. Our communities are very productive. The wealth generated by our people on a per capita basis is enormous.....	28
5.7. Boulia Shire Council supports the development of local individuals in the community.....	29
5.8. We manage and protect the wealth of nationally significant cultural heritage in the area.	30
6. PHYSICAL SIZE OF THE SHIRE	31
7. COMMUNITY OF INTEREST	33
8. WATER CATCHMENTS AND THE ENVIRONMENT.....	33
9. IMPACTS OF AMALGAMATION	35
9.1. Impact on community	35
9.2. Impact on visitors.....	38
9.3. Cost to wider community.....	40
9.4. Loss of local representation and autonomy.....	41
9.5. Alternative service delivery options would be more expensive	41
Appendix A	43
Appendix B.....	44
Appendix C	45
FARM SURVEY DATA FOR THE BEEF, SLAUGHTER LAMBS AND SHEEP INDUSTRIES.....	45

1. Shire Profile

The town of Boulia is the pivotal point of the far west, with Mount Isa 300 kilometres to the north and Winton 370 kilometres to the east. It is also linked to Alice Springs via the increasingly well maintained Donohue Highway. The Shire shares a 320 kilometre common border with the Northern Territory, which marks the eastern edge of the mighty Simpson Desert.

Boulia is acknowledged as the 'Capital of the Channel Country', which gives rise to the great rivers that flow south to Lake Eyre. Located on the Burke River, the township is home to a thriving community of approximately 300 people, yet is the administrative centre for an area covering over 61 000 sq. km.



The total shire population is less than 600. The town was first settled in 1876, and was a kind of last outpost before the deserts. In 1879 a town reserve was set aside, and gazetted under its current name. The Boulia Divisional Board was originally gazetted on 24th September 1887 - the area now being the Shire of Boulia. The township of Boulia itself is the administrative centre.

Now the centre of a prosperous beef industry, the Shire also benefits from the growing tourism industry, with visitors from all over the world coming to experience the iconic Min Min Encounter Visitor Information Centre, and the magnificent natural attractions.

Shire locals enjoy a hectic social calendar crammed with rodeos, races, camp drafts, camel races and other sporting events. The air is clean, the grass is green, children are safe and the sense of 'community' is supreme.

The township of Boulia is well serviced, with a general store, post office, QGAP office, health centre, school (to grade 7), roadhouse, visitor information centre, sports & aquatic centre, coffee shops, golf club, hotel, motel, station stays, and a pub.



Boulia Shire Council LGRC Submission

Although no one is quite sure what the name Boulia means, the most popular explanations include 'waterhole' and 'clear water', from the language of the local Pitta Pitta tribe.

Boulia Shire Council provides a range of services to its three communities. Many of these functions are not traditional Local Government services but in taking the initiative to deliver them, Council is filling the gap left by the State and Federal Governments. They include, housing, health support services, undertaking, television rebroadcasting and banking services.

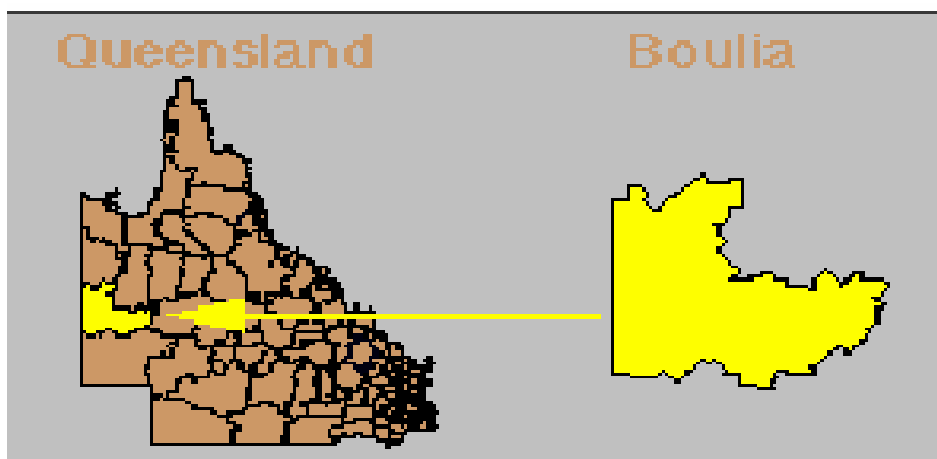


Council is proud to be able to advocate on behalf of our community. Due to the vastness of our State and Federal electorates, Council is seen by the community as its best means of gaining representation and influencing policy at the Local, State and National level.

Council is committed to being responsive to the needs of the community and takes every opportunity to deliver efficiencies through resource sharing and cooperation with the other Councils in the region.

Boulia Shire Council is the major employer in the Shire and supports many community groups and events. Council is well managed, financially sustainable has well maintained assets.

The future is bright for the Shire Community as well. We have strong growth in tourism, a resurgent pastoral industry and the completion of the sealing of the Donohue highway will bring new opportunities and prosperity.



2. Size, Shape and Sustainability

Boulia Shire has been a willing participant in the Size, Shape and Sustainability process. It joined the Western Queensland SSS review group of Councils in March 2006 and the MOA and IRF contracts were completed in June. **Approval to commence the review was granted in August 2006.** In the ensuing months, Council engaged the QTC to conduct its FSR and carried out its sustainability indicators review.

The Sustainability indicator review determined that of the 13 indicators, Council had 6 strengths, 6 opportunities and 1 vulnerability.

The only vulnerability related to the indicator for accountability and this was largely impacted on by the sub-indicator regarding an audit committee. As the commission is aware, at present there is no requirement for Council to have an audit committee and Council is confident that it has effective systems in place to ensure adequate financial controls for its operations.

The draft QTC FSR was provided to Council in April and Council has been discussing matters raised in the report with the QTC.

Council was looking forward to the opportunity to explore potential opportunities for improvement in operational performance and enhanced sustainability through the SSS process.

Council considers that, given the time required to complete the QTC FSR, the group made reasonable progress in the 7 month period from our group's project approval to process termination,.

This Council was committed to the SSS process and is keen to continue the exploration of opportunities to improve its performance, sustainability and service delivery outcomes.

3. Sustainability

3.1. *Boulia Shire Council is sustainable.*

The taxation arrangements in Australia since the second world war have made both the State and Local Governments reliant on Federal assistance grants distributed using the concept of horizontal fiscal equalisation. These grants aim to ensure that all Australians have reasonable access to a similar level of service and facilities no matter where they live. As with the Queensland State Government, Boulia Shire Council would have difficulty maintaining financial sustainability should these grants be removed, however, in terms of the commission assessing the financial sustainability of this Council, there are no grounds to suggest that there are sustainability issues simply because of that reliance. This concept by its nature delivers higher per capita grants to remote areas and this fact should not penalise those outside coastal urban centres through the often made suggestion that these communities are over subsidised.

3.2. QTC financial sustainability Review

The Queensland Treasury Corporation Financial Sustainability Review rated Boulia Shire as weak.

“A local government with an acceptable capacity to meet its financial commitments in the short- to medium-term and a limited capacity in the long-term. It is unlikely to be able to manage unforeseen financial shocks, and any adverse changes in its business and in general economic conditions, without the need for significant revenue or expense adjustments. It may experience difficulty in managing core business risks..”

It is likely that the QTC assessment may have been higher if not for the significant revenue sources generated externally through contract works and the FAGS grants mentioned earlier. While Council understands and manages its reliance on external revenue, as mentioned earlier, FAGS grants have been operating for many decades and should not be seen as factor limiting Council's future.

In reviewing the recommendations of the QTC report Council has taken on board the suggestions made and is working to address the issues raised to ensure that it continues to deliver quality financial outcomes for the community. These include the review and reform of its plant and works business which is its major operational activity. These reforms have significantly improved cost control, performance and profitability which will greatly assist in the establishment of operating surpluses.

Council has also taken steps to review its assets to ensure that it has accurate useful life assessments which will improve the accuracy of depreciation expense.

It is also important that the commission understand that without the level of Council expenditure on State Government services and assets and on the Donohue Highway (which should be a State controlled road), Council would have a significantly improved financial position. It has however still managed to maintain an acceptable and improving financial position in spite of these imposts through considered and effective financial management.

The QTC report rated Council's outlook as neutral:

“There are no known foreseeable events that would have a direct impact on the financial sustainability of the local government. It may be possible for a rating upgrade or downgrade to occur from a neutral outlook, if such an event or circumstance warranted as such.”

Council considers that it is in a position to quickly upgrade its rating through the implementation of the QTC recommendations, many of which have already been acted upon. As stated in the QTC FSR, Council has reasonable cash holdings of \$3,000,000 which is forecast to grow to \$20,000,000 over the next ten years. This situation is further enhanced economically by the very good summer and autumn rainfall which has provided a boost for most of our rural sector. The substantial rainfall will also assist Council's road construction activities.

Boulia Shire Council
LGRC Submission

Supporting this strength is the recent agreement by the Federal Government for significant funding of the Outback Highway, which will complete the sealing of the link from Cairns to Perth and passes through Boulia. This project is of national significance and will provide major positive economic benefits to the movement of freight and tourism across Australia. The Federal Government has committed \$3M to this project in the Shire which will be expended as part of Councils works program.

The outcome of the QTC report is positive for Council as it confirms a capacity to meet its financial commitments in the short to medium term. It also identifies opportunities for Council to improve its operational performance and to enhance its sustainability.

The implementation of these recommendations will ensure that good governance and sound financial management is practiced by Council in delivering quality service and responsible asset management to its community. The report also importantly confirms that with the required action, Boulia Shire Council is financially sound and sustainable and that its community has the capacity to support its own local government authority and to retain its autonomy.

3.3. Planning and Coordination across boundaries

Boulia Shire does not have any cross boundary planning or coordination issues. Boulia Shire is self contained in all infrastructure, planning and service delivery areas. This has been independently confirmed through the initial phase of the SSS assessment which concluded that:

“The distance between population centres in the region means that each Council area is independent from neighbouring Councils in all key urban infrastructure service areas. In some instances arrangements are in place with adjoining Councils to conduct cross boarder road maintenance activities to ensure efficiency and quality service provision.

Planning and infrastructure provision for future population growth is not impacted by boundaries. Therefore for individual Councils and the group as a whole, this indicator does not present any reform opportunities or imperatives.”

3.4. Focus on the delivery of front line services

In Shires with relatively small populations, the closeness of Councillors and staff to the community ensures that they remain very focused on the delivery of quality frontline services.

Not only does Boulia Shire Council meet the needs of its community in core Local Government services but as the only Government body in the area, it also delivers and or supports a wide range of non-core functions that in other areas of the State are the responsibility of other agencies. These vital services include housing, emergency services, banking facilities, undertaking services, remote health services, community transport etc.

The Queensland Government is concerned that too much Council revenue is being utilised on administration rather than front line service delivery. To demonstrate the actual situation in Boulia Shire, the following data has been collated which shows the break up of expenditure between administration and other Council activities.

<u>Administration Expenditure:</u>		<u>Other Expenditure:</u>	
Administration Salaries	\$502,674.00	Environmental Expenses	\$ 163,708.00
Councillor Fees + Exps	\$90,628.00	Community Expenses	\$1,536,390.00
Other Admin Expenses	\$386,986.00	Water & Sewerage Expenses	\$ 270,470.00
		Town Street & Roads	\$7,377,680.00
		Support / Employment Expenses	:\$1,254,371.00
		Plant / Equipment Expenses	\$1,547,840.00
TOTAL ADMINISTRATION	\$980,288.00	TOTAL OTHER EXPENSES	\$12,150,459.00

As can be seen from the above data 92%percent of Council's expenditure is on front line service delivery, including services such as housing maintenance, library and tourist information.

This fact clearly demonstrates the commitment that Council has to front line service delivery. It also confirms that the organisation is very lean in its administration and is therefore unlikely to deliver any significant savings through restructure.

The main factor which impacts on the resources that can be responsibly directed to frontline and critical non-core community services is the compliance burden which all Councils in Queensland, regardless of size, are required to deal with. Council looks forward to the review of the Local Government Act and some provision for a differentiation between Councils in order to reduce unproductive, resource hungry compliance demands that deliver nothing to the community.

Boulia Shire Council
LGRC Submission

With this addressed Council will be able to devote more resources to productive uses and continue to deliver the services and facilities that the community wants and deserves.

3.5. *Economic and population growth*

Population Growth

Communities in remote areas with relatively small populations are often pose difficulties for projected statistical analysis due to the wider regional influences and generalised modelling.

Population projections provided in the Office of Economic and Statistical Research (OESR) profile for Boulia Shire at page 2 states that the shire population has decreased from 577 persons in 2001 to 555 persons in 2005, a decrease of 1.3%. The projection for June 2006 was a population was 547 and this is expected to expect to fall to 531 by 2026.

However, projected population trends are not always reliable indicators for small populations as the projections fall short of actual growth. The recent Australia wide increase in birth rates is also occurring in Boulia Shire and reports have not yet acknowledged this change.

Boulia Shire has been acknowledged as being in an excellent position to sustain or grow its population in the 15 to 55 age group as it experiences high out-migration rates in those aged over 55. The "State of the regions report 2005-06" published by National Economics and the Australian Local Government Association, on page 171 states

"Regions with high levels of out-migration, such as Boulia (located in the south-west corner of Queensland, near the Northern Territory border) yet with the ability to still grow its population, also have excellent prospects in terms of population sustainability"

The 2001 census showed that Boulia has a high number of non-residents who must be catered for by the Council. On census night the population was 665 people, 15% higher than the estimated resident population. Tourists and itinerant workers, (who are not included in the resident population) maintain the shire population at these higher levels, for 6-8 months each year and therefore Council must maintain infrastructure and services to cater for a significantly higher population than the statistics show. The continued tourism demand in the Outback will increase these numbers in future years.

The shire population for 6-8 months each year is 15% higher than the recorded resident population and is likely to increase in future years. The draft Department of Local Government, Planning, Sport and Recreation Queensland Local Government Comparative Information 2005 -2006 shows Boulia Shire having an actual population growth rate of .9% for 2005 to 2006.

Economic Growth

The Economic Profile for Boulia Shire is strongly supported by the tourism, Council and the rural sector. Tourism is strong with increases in visitors and nights stayed within the shire. The Outback Queensland Tourism Authority (OQTA) has recently released data which shows that while tourism in the State generally is stagnant or reducing, outback tourism is growing very strongly, with a 13% increase last year. While there is limited reporting in this area, the private investment of motel accommodation in Boulia and surrounding properties demonstrates strong confidence in this sector.

Most of our rural sector has, after a number of years in drought, experienced extremely good summer and autumn rainfall and there now is an extremely positive outlook over the next 12-18 months. This sector has seen strong demand for rural properties and values over the past few years have increase by up to 1,000%. The demand is based on a projected strong economic performance in future years.

Boulia Shire Council has been striving to improve the quality of life for all residents and visitors. A major objective has been the vision to provide sealed road link Cairns to Perth through Boulia. Progress has only occurred due to the relentless lobbying of the Council and like minded councils across the route. With progressive improvement this road is now encouraging more visitors to the shire, while assisting the rural community through more effecient delivery of their produce to markets.

The above average summer and autumn rainfall in most of the Shire has presented the community with very good conditions for growth in the rural sector. The tourism industry continues to grow and improved road conditions will encourage further growth. These diversified business will provide a very strong capacity to pay for the works and services delivered by Council.

3.6. *Infrastructure*

Council has been effective in the management of its infrastructure assets and has no looming unfunded replacement issues. This responsible approach to asset management has put the community in a position in which its urban infrastructure is either in good order or about to be replaced in line with funded asset management plans.

Council has only limited urban infrastructure which it maintains and replaces as required either through funded reserves or out of general revenue.

Recent and proposed capital works include;

- Sewerage treatment plant recently upgraded. It now has a twenty year remaining useful life.
- All sewer mains have been inspected internally and logged and were shown to be in very good condition.
- All water reticulation mains to be replaced in a two year program fully funded by Council.

Boulia Shire Council
LGRC Submission

- Boulia aerodrome resealed. It is to be extended through a Federal grant.
- The sports and recreation centre is two years old.
- Four new houses to be constructed.

Council's Shire road network, other than the Donohue highway, is a mixture of formed or gravel pavement construction which maintains a generally static useful life through planned maintenance.

Council is required to inject significant capital funding (over \$1,000,000 in the last three years) into the Donohue highway as it is a major transport and tourism route linking Queensland and the Northern Territory. Council contends that this road is of State significance and should be a declared road controlled by the State. The road only services five Council ratepayers.

If Council did not have responsibility for this road it would be in a far better position financially as it has a significant depreciation expense, capital expenditure need and maintenance requirement.

4. Resource sharing and cooperation

Boulia Shire Council has a number of resource sharing and cooperation arrangements in place that continue to deliver efficiencies, regional growth and development and service delivery benefits to the community. The focus of Council on the delivery of front line services ensures that it always looks to establish the most cost efficient and effective means of service delivery.

4.1. Resource Sharing and Cooperation

In ensuring maximum efficiency in its service delivery, Council is continually looking for opportunities to do things better. As a result of this attitude, Council has over the years established numerous cooperative and resource sharing arrangements which deliver practical and benefits to the community. The range of arrangements include;

- Sharing services or staff with other Councils;
- Outsourcing services;
- Engaging in cooperative arrangements on a regional basis.

Council was looking forward to exploring more options and opportunities for resource sharing and cooperation through the SSS process, but in light of its demise, will seek to conduct its own investigation of opportunities at some time in the near future.

4.2. Remote Area Planning and Development (RAPAD) Board

Boulia Shire is a strong supporter of the RAPAD Board and its objectives of regional collaboration.

This organisation consists of a Board of predominately elected representatives from the 12 central western Shires. RAPAD has a General Manager and support staff and is based in Longreach. With the recent additional financial support of the Councils, this organisation has developed into a dynamic business that is striving to improve the representation of Central Western Queensland across State and Federal Governments and provide regional business cases to assist development within its area.

RAPAD has delivered a wide variety of regional projects that have assisted its member Councils in enhancing the capacity of their communities through a collaborative approach on:

- Skills connect programs;
- Opportunities for migrants;
- Communication programs;
- Corporate Planning;
- Networking the Nation projects; and
- Business support programs.

The success of RAPAD and the benefits delivered to the region are good examples of the benefit of cooperation by Councils on regional economic development and planning.

4.3. **Operational and Strategic Coordination**

The 12 Central Western Queensland Council CEO's meet four times each year. The aim of the meetings is to ensure effective communication across the region, address problems collaboratively and identify opportunities for further cooperation.

The group regularly invites Government officers to address the group on topical issues and to enhance the cooperative efforts between Local, State and Federal Government operations.

Representatives who have attended these forums include:

- Director-General Department of Local Government;
- CEO and Chairman – Queensland Tourism;
- CEO – Events Queensland;
- Director – Queensland Libraries;
- Executive Director – LGAQ;
- CEO – LGMA;
- Department of Housing; Department of Communities;
- Treasury Officers; Grants Commission;
- DOTARS;
- State Development;
- Environmental Protection,
- Primary Industries;
- Natural Resources;
- National Parks; and many other officers.

These forum shave led to numerous operational improvements for Councils in the region including;

Local Laws;

SRIP implementation;

Under-graduate summer employment programs;

Trainees and apprenticeship programs;

Local Buy purchasing arrangements;

Dataworks records system;

Bill Paying options;

Council policies; etc

The CEO Forums are recognised as an excellent opportunity for Council Chief Executive Officers to meet and discuss and address issues relevant to their communities.

4.4. **Engineering**

Boulia Shire completes a significant amount of civil construction and maintenance works each year. However, Council has long recognised that it can get better and more cost effective service through outsourcing its engineering services.

Council utilises the services of a regional Engineering consultancy firm, George Bourne and Associates (GBA).

This company commenced operations in the 1940s and now employs engineers, technical and support staff and provides an engineering consulting business to a number of western Queensland Councils.

The benefits of this arrangement are that GBA;

- has greater focus on professional support, development and training for their staff on engineer matters;

Boulia Shire Council
LGRC Submission

- has networking and information and resource sharing options across all of their client Councils;
- can deliver expert advice across the wide range of Council activities,
- has the capacity to maintain up to date engineering technology,
- has the capacity to cope with staff turnover without affecting the service they provide to individual councils; and
- has the capacity to limit the impact of corporate knowledge loss that occurs with the turnover of staff.

This arrangement ensures that all Client Councils have access to good quality advice, latest technology and are protected from the impacts of staff turnover and corporate knowledge drain. It also demonstrates the effectiveness of innovative resource sharing and public / private partnerships.

4.5. Accounting and Financial Services

Boulia Shire recognises that accurate financial information is critical to effective management and planning. To ensure quality and accurate financial management, Council out sources staff and expert support. Council currently has an agreement with Partners in Business (PIB) to provide qualified staff and high level accounting support. The organisation provides accounting support to Councils across Queensland and is up to date with all relevant accounting standards and legislative requirements.

Similar to engineering, the benefits of PIB are:

- greater focus on professional support, development and training for their staff on accounting matters;
- networking through regular contact with other senior PIB staff and an annual company conference;
- has the capacity to cope with staff turnover without affecting the service they provide to individual councils; and
- has the capacity to limit the impact of corporate knowledge loss that occurs with the turnover of staff.

The resource sharing and cooperative arrangements that Council has initiated ensures that Council not only meets its, statutory requirements, but in proactive and effective in its financial management and planning.

The success of this approach is evidenced by the positive QTC Financial Sustainability Review rating.

4.6. Information Technology

Boulia Shire like the majority of councils in Queensland is using the Practical Computer Services (PCS) for their IT systems and the support services.

PCS have delivered quality and practical IT solutions to Local Government for many years, and the consistent use of their systems across the State has many advantages for smaller Councils.

The major advantages of council using PCS are;

- common software program across most Qld Local Governments;
- ease of staff transfer between user Councils;
- support systems that are in place for users;
- training programs that have been established;
- support for Councils IT operations; and
- annual cost of operating the system is relatively low.

4.7. **Environmental Health**

Council currently has a resource sharing arrangement in place to share the services of an environmental health officer. This arrangement ensures that the community health needs of the Shire are met at the minimum possible cost.

4.8. **Planning**

Boulia Shire has with most other councils in Western Queensland use Campbell Higginson Town Planners. The organisation services many councils in Queensland and can provide expert Local Government planning advice and support. The utilisation of one company permits shires to have consistency in their planning schemes which allows a common approach to planning for the benefit of the community and potential developers. Taking this approach has significantly reduced the implementation costs associated with developing and implementing the new planning schemes.

4.9. **Works Coordination**

In order to deliver efficient and effective service delivery to its community, Council works with its neighbours in the coordination of works activities. This may mean that one Council may carryout road maintenance in an adjoining Shire if it has a works crew in the area or if the area can be more efficiently serviced by an adjoining Council.

These arrangements not only save money but ensure that the best possible service delivery is provided.

4.10. **Tourism**

Tourism is a strong economic driver for the Boulia Shire and Outback Queensland. Councils have played an extremely important role in the development of this tourism market on a regional and local level. The Boulia Shire Council coordinates tourism promotion of cooperation between business, tourism operators and the visitors to the region. Council operates a tourism information service that promotes the shire and provides information on surrounding regions.

The structure of tourism marketing is that the Outback Queensland Tourism Authority (OQTA) has a role to market the entire outback of Queensland. Due to the sheer size of the region, the OQTA has created a North West, Central West and South West sub regions. The membership of the OQTA is business operators, tourism supporters and shire councils. Most businesses are too small to provide significant support to the development of tourism and councils have taken on this responsibility from the local level to the sub-region and OQTA regional level.

The entire tourism structure demonstrates the importance that local councils provide to the tourism sector and the function of resource sharing and a collaborative approach to tourism is providing great economic benefit to the shire and outback Queensland in general.

4.11. **Housing**

The cost of building works in Western Queensland compared to the coastal areas has long been an issue for the community. As families have reduced in size, the need for more homes has created challenges for Council in meeting this need affordably.

Boulia Shire Council
LGRC Submission

One solution for Boulia and other neighbouring shires has been the relocation of surplus homes from other towns such as Blackwater and Amberley. Working in partnership with the Department of Housing and neighbouring shires, over 50 homes have been relocated into the area.

A further proposal has been initiated with the Local Government Infrastructure Services (LGIS) in partnership with our neighbouring shires that we consider financing and construction options of a large number of homes across our area. These collaborative approaches provide a regional solution to local problems, where individual councils are aware of the community needs and utilise relationships with its neighbours to achieve positive outcomes for the community.

4.12. **Local Government Representation and Advocacy**

As a member of Local Government Association of Queensland (LGAQ), council has been involved in many programs that have targeted improving the efficiency of Local Government in Queensland. These programs have aided, promoted and enhanced regional collaboration of services, activities and approaches to the problems confronting local government. These programs recognise that there is no “one size fits all” solutions and that a local component is required to ensure the best possible outcome for each individual communities. Having access to the services provided by the LGAQ significantly reduces operational costs in HR, insurance, legal advice etc as well as ensuring Council is well informed on issues of importance and well represented in the wider community. While the LGAQ as our peak body represents Council interests on a state level, on a regional basis the Western Queensland Local Government Association represents our regional interests.

4.13. **Procurement**

Boulia Shire Council has recognised that collective purchasing arrangements will provide cheaper prices and better quality control systems. For a number of years council has taken advantage of the programs established by the LGAQ to assist with these purchasing arrangements.

Council is a member and supporter of the Regional Local Buy Partnership meetings where key purchasing officers from the region meet to discuss opportunities to improve our purchasing options.

Council utilises “Local Buy” contracts for 50% of its annual purchases of goods and services (competitive tendering arrangements account for 30% of expenditure). These arrangements have delivered considerable savings to Council through more competitive pricing and reduced administrative costs. The “Local Buy” program has also assisted council staff to increase their knowledge and skills in the procurement area and allows for the continued support of local businesses to achieve a positive outcome for the community.

4.14. **Workplace Health and Safety**

Council has developed their Workplace Health and Safety Programs to best suit the needs and requirements of their local workplace. The program that Boulia and neighbouring shires utilise was developed through the LGAQ and other WHS specialists. This is another example of a collaborative approach to a workplace issue that is further improved by local input and consideration of the issues which are relevant to local staff.

Boulia Shire Council
LGRC Submission

The 04/05 financial year lost time injury results highlight the advantages to that Boulia staff enjoy over the remainder of the state:

Boulia Shire Council	0.10%
Av Rural/Remote Council	0.29%
State Average	0.47%

This arrangement delivers not only positive safety outcomes for our staff but also reduces our costs and the cost to the community of workplace accidents.

4.15. **Training**

It is estimated that 70% of all training that is undertaken by Council staff occurs in some form of regional arrangement. Council has long recognised the cost savings that can be achieved when councils combine or include other shires in their training programs. Again this delivers good outcomes financially and operationally for Council, staff and the community.

4.16. **Emergency and Disaster Response**

Boulia Shire Council provides the key roles for organising and performing SES operations within its shire. Council is also active in regional disaster planning, management and mitigation activities.

Taking a cooperative approach to these matters ensures that the community is better protected from the impacts of disaster and there can be a coordinated response in times of need.

The success of disaster planning or response is very closely linked to the knowledge of local conditions and resources and is therefore better carried out cooperatively by a group of Local Authorities rather than on a centralised basis.

4.17. **Roads Alliance**

Council is actively working in cooperation with the Department of Main roads and other Councils in the region to deliver regionally beneficial road network development outcomes through the Roads Alliance. Our community has seen tangible benefits from this cooperation as road funds are spent on regionally significant roads.

5. Effectiveness of the current system

5.1. *Boulia Shire Council delivers services efficiently and to a high standard.*

Boulia Shire Council maintains a workforce of approximately 52 employees and contractors. The majority of this stable workforce are local residents who range from long serving staff with high skill levels through to trainees.

These staff have access to quality and up to date plant, equipment and technology. The workforce is led by experienced and well qualified managers and supervisors and has access to skilled consultants. These factors ensure that Boulia Shire Council delivers best practice works and services to the community and can deliver quality outcomes and return good profits on external contracts.

Council has recently completed an independent review of its works operation to ensure systems are in place to ensure best practice operations and profitability.

The report confirms the sustainability of the operation through its capacity to fund an ongoing plant replacement program through fully funded depreciation while delivering a return on investment to the community for use in other areas of need.

The report states

“Council’s plant operation presents Council with its best opportunity to generate revenue from sources other than its ratepayers and is likely to be an area in which efficiencies can be improved over time. The more effectively the Plant operation performs, the more profit is available to Council to utilise in other activities or for the development of community infrastructure.”

“In carrying out a review of this nature, Council and Management are demonstrating sound management practice and a willingness to continually improve performance to the benefit of the residents of the shire.”

“By addressing the issues raised in this report, Council will improve the performance of its plant operation and increase profit by up to **\$400,000**. Increased profitability will enhance Council revenue and ensure that accurate costs are being applied to projects.”

Boulia Shire has an area of 61,093 square kilometres. It maintains 1310km of road, being 769km Shire roads, and the remaining 540km being State owned.

This work load and vast area to be serviced ensures that Council’s workforce is a sustainable and viable operation which supports staff development opportunities and continual improvement in technology and performance.



The workforce performance is enhanced by the local knowledge of conditions, location and quality of materials, reliable water sources, likely areas to be affected by rain, flood or drought and most importantly in remote areas, a relationship with land owners to gather information, report dangerous conditions and assist with signage etc when required.

The location of a skilled and well equipped workforce in the Boulia Shire allows the Dpt of Main Roads to carry out its maintenance and construction works in the most cost efficient manner by contracting Council.

The conglomeration or centralisation of workforces would lose all of the advantages of a local workforce and is unlikely to enhance operational performance, productivity or profitability.



5.2. Boulia Shire Council regularly contributes its own funds to assets and services of State and Federal Governments

There is a perception by some people in the wider community that Communities like Boulia Shire are over subsidised and generally a drain on the wider community. While this perception is in fact very wrong, and Council is sure that Commission is cognisant of the real situation, it considers that it should be made clear that much of the resources available to Council are in fact applied to assets and services that are not the responsibility of Council. It does this simply to meet the needs of the community which are not met by the responsible agency. Examples of these contributions are as follows:

- In the last two years Council has allocated \$360,000 of its R2R funds to State roads.
- Council has committed from Council funds \$1 million to the Donohue Highway over past three years.
- Council employs a Rural Lands Officer to manage the Stock Route Network at the cost of approximately \$40,000 per annum.
- Council funds and supports all emergency services.
- Council contributes \$35,000 per annum plus in kind contributions to community groups.

As these examples make clear, Council would have been in an even better financial position if it didn't fund these projects and services. The commission should also be aware that in a centralised Local Government, it is likely that these services will either have to be met by the State Government or terminated. This includes the investment of millions of dollars of Federal and Local funds into State owned roads.

5.3. Boulia Shire Council supports State and Federal Government service delivery.

Boulia Shire Council runs and facilitates a range of non-core services that would not otherwise be delivered to the community or would be delivered at a much higher cost to the wider community. These include:

- Low income housing
- Undertaking / Funeral Services
- Remote health services
- Emergency services
- Airports for the use of the RFDS and air ambulance
- Aircraft fuel supply and refuelling facilities
- Credit Union
- Butcher Shop
- Café/Kiosk
- Coffee Shop
- Community Transport

Council provides water supply and maintains medical facilities and the aerodrome for the Marmanya aboriginal community near Urandangi. Because the community is on land held by deed of grant in trust, Council receives no rate revenue to offset the services provided.

The commission should be aware of the level of support that Council provides to a whole range of services and functions that are not included in Local Government statistical information and be cognisant of the impact that structural reform will have on the maintenance of those services and the resultant higher cost to the wider community.

5.4. Our communities provide vital support to emergency services.

Local Government is responsible for the maintenance of Local State Emergency Service Groups. The membership of these groups is entirely local volunteers, many of whom are Council employees. On a local basis, Council can support the groups and their volunteers to carry out their activities. Council regularly pays staff their normal pay while on SES duties and provides plant and equipment, which it can do on short notice.

The distances and harsh conditions that exist in Western Queensland mean that the timeliness of emergency response is a life and death matter.

If the population of the existing towns declines as the result of structural reform, then it follows that the availability of volunteers will decline to a point where emergency groups will not function.

A significant part of the work of these volunteers is in assisting in recoveries at road accidents, searches and flood rescue. Therefore it will not only be the local community that suffers but the travellers in the region, many of whom would be unaware that they do not have trained emergency services personnel coming to their rescue.

5.5. Our community works hard and contributes to the broader State and National economies.

The notion that our communities are over subsidised and a drain on the community at large could not be further from the truth.

The Regional Profile: Central West compiled by the Queensland Government Treasury, Office of economic and statistical research (OESR) page 10, Shows that the population of Boulia Shire is very productive having an unemployment rate of only 1.4% with 513 or 70% of the population in the workforce. In terms of contribution to society generally, the people of Boulia Shire are working and paying taxes with very little in unemployment benefits coming to the Shire.

As mentioned earlier, grants to the community or Council should not be seen as propping up the community, as all communities, even in the south east of the State receive very high levels of subsidisation of infrastructure, public facilities and transport and the State Government itself receives revenue from external sources. **In fact the level of external revenue generated by Councils should**

be seen as a positive sign of a proactive and well managed organisation not one that is financially susceptible or unsustainable.

Our community does work hard and “puts in” for the benefit Queensland and Australia. We volunteer our time for the good of the local and wider community and help deliver the produce and wealth generated in the region to rest of the nation.

It would be a grave mistake, with implications for the rest of the State and Nation, for our Council and communities to be closed down as the result of recommendations from an exercise that has not had the time or resources to fully investigate all of the costs and benefits of a forced restructure.

5.6. Our communities are very productive. The wealth generated by our people on a per capita basis is enormous.

Per capita statistics are often presented to show the perceived high cost of maintenance of services in western areas. If this same logic is applied to the production of wealth, we see that the value of production and wealth generated per capita in remote areas is enormous. The productivity of areas of primary production is multiplied many times through the transport, processing, marketing etc to get the final product to the consumer. It is therefore vital to the economy of the State and nation to ensure that these communities remain populated and that a Council is in place which can effectively maintain the infrastructure required to facilitate primary production. Numerous studies have confirmed the positive cost/benefit ratio of investment in these remote areas, so it is false economy to suggest that reducing inputs to these areas will deliver net savings.

Data sourced from the Australian Bureau of Agricultural Resource Economics web site is included in Appendix C and shows that **for the Western and South Western and Channel Country region, in 2005-06 there was beef cattle sale revenue of \$462.7 million as well as the equivalent of \$221.5 million in cattle transferred out of the region.**

This equates to over \$600 million in wealth generation last year from beef cattle production from our region which is supported by the Councils and residents of the far west. This demonstrates that with the application of the multiplier the total wealth generation attributable to this region on a per capita basis is enormous.

5.7. Bouliā Shire Council supports the development of local individuals in the community.

In these communities it is only the Council that can give local residents a range of employment opportunities without the need to leave their home town, family and friends. Council has the capacity to offer a range of job opportunities including traineeships and apprenticeships to local youth and can give all staff a career path in a range of professions which helps build the skills and capacity of the community.

The importance of Council in providing local employment is key to the sustainability and social fabric of the community, the value of which outweighs any perceived savings in Local Government restructure.



The opportunities that Council provides are especially important for the Local indigenous community who are not mobile and if not able to gain employment in the community would be forced onto social security. The indigenous community see Bouliā as a haven of safety and comfort, where families can have a far better quality of life than those in other communities in the region. The removal of the Council from the Shire will have a devastating effect on the indigenous community and dramatically impact on the lives of many individuals and families. The following is part of the transcript of the verbal submission to the Commission made by local traditional owner, Lindy Punch.

“If you take away the council office, the jobs won’t be there, then there wont be enough kids for the school. Bouliā is a safe haven for the young kids that go away to the cities and get into trouble over there. They can always come home to Bouliā to straighten up and get away from the drugs and the sniffing and get back to their families and their home. If there is no community here they wont be able to come home. I bring kids back here all the time and take them out to their country and help them straighten out and get work.”

The complete transcript is included in Appendix B.

5.8. We manage and protect the wealth of nationally significant cultural heritage in the area.

Boulia Shire is home to a number of nationally and internationally significant cultural and natural heritage assets. These include the iconic “min min light”, a living indigenous culture, numerous indigenous sites of significance, Burke and Wills camp site, the rare and endangered Acacia Puce or “Waddi Tree”, the pioneering spirit of the beef and wool producers and the memory of those locals who fought and died in the service of their country.



As local residents, Council and the community have a commitment to the preservation of the cultural heritage of the Shire. This commitment has been demonstrated over many years with the outcome being that Australian and international visitors can see and experience this rich cultural heritage through the state of the art “Min Min Encounter”, museums and displays as well as events like rodeos, horse racing and the famous Boulia camel races.

Would these important cultural assets have been preserved if Boulia Shire did not exist and will they continue to be preserved if Boulia Shire ceases to exist? Our community is concerned that the answer is no. In the very best case, a centralised Council would reduce its commitment to the preservation of our cultural heritage and inevitably some elements will be lost forever.

Our indigenous community is very concerned that the amalgamation of Boulia Shire would result in less attention to the Shire road network which in many cases provides the only access to culturally significant sites. It is feared that the deterioration of these roads would impact on their connection to “their country”, and importantly the teaching and maintenance of those cultural links with the young people.

The following is part of the transcript of the verbal submission to the Commission made by local traditional owner, Lindy Punch.

“We like to eat our traditional foods and if the dirt roads are not graded we won’t be able to get out of town. We need to get out of town to our country and have ceremonies with our elders out on the river for story telling and teaching the kids traditional hunting and gathering skills.”

6. Physical size of the shire

- Boulia Shire is 61,093 square kilometres in area which is four times the average size for the State of 13,742 km². As can be seen from the data table below, Queensland Local Authorities are much larger in area on average than in the other eastern States.

State	% of Australia	Mainland area	Number of Local Authorities#	Average size km ²
Queensland	22.5	1 723 936	127	13,742
New South Wales	10.4	800 628	152	5,267*
Victoria	3.0	227 010	79	2,873
Tasmania	0.9	64 519	29	2,224

* NSW includes an unincorporated area in excess of 200,000 km², the actual average size of Councils is below 4,000 km². # Indigenous councils not included.

The disparity in areas is also evident within Queensland with most Councils concentrated in the southeast and along the east coast. While a map of Queensland councils clearly shows the size of the few larger Councils, the following information quantifies this disparity.

- 28 Shires in excess of 20,000km² in area. These 22% of Shires comprise 75% of the area of the State which leaves 68% of Councils covering 25% of the area.
- 17 Shires in excess of 40,000km² in area. These 13% of Shires comprise 68% of the area of the State which leaves 87% of Councils covering 32% of the area.
- 9 Shires in excess of 50,000km² in area. These 7% of Shires comprise 38% of the area of the State which leaves 93% of Councils covering 62% of the area.



Boulia Shire Council
LGRC Submission

The following information is provided to give some comparative idea of the vastness of this Shire:

- The area covered by the Southeast Queensland Regional Plan which includes 17 Councils from the NSW boarder to Noosa and west to Toowoomba, is 22,408 square Kilometres, or just over one third of the size of the Boulia Shire.
- Boulia Shire is larger than the combined size of the 50 smallest main stream Councils in area.
- The Shire is 360km from east to west and 420 km from north to south. The closest regional centre to the town of Boulia is Mount Isa which is 300 km to the north and its neighbouring town to the east Winton is 370km.

The vast size of these larger area Councils does require that the commission take a different approach in the determination of their future, because as areas become extremely large, the expected outcomes of economy of scale do not apply.

As Professor Brian Dollery stated in his article entitled “When big is not better”, **“modern local councils provide a large number of services. Some of these services exhibit significant economies, most notably domestic water provision, IT services and regional economic development activities. However, many other services, especially human services, do not have economies of scale. In fact, there is evidence that most local services show diseconomies of scale at relatively low levels.”** (Courier mail 25/4/2007 page 24).

As stated earlier, Council has actively striven to gain maximum productivity and performance through cooperative arrangements. For example, two of the services identified by Professor Dollery are already being delivered through joint arrangements and the provision of domestic water supply in remote areas cannot be “bundled up” with adjoining schemes as they are physically too far from each other.

The fact is that making the large Shires even bigger, (apart from the social and economic impact), will reduce the efficiency and effectiveness of service delivery.

Council puts the question to the commission, given that Boulia Shire Council is sustainable, well managed and already vast in area, what possible logical reason would there be to recommend amalgamation?

7. Community of interest

The high level of distress and concern displayed by the community at the potential for Boulia Shire to be amalgamated is a clear indication of the fact that Boulia Shire residents do have a strong community of interest within the existing Shire boundaries. The community's feelings are expressed in submissions made by the community which are summarised and included as in Appendix B.



As mentioned in the introduction, Dajarra and surrounding areas may have a community of interest with and be better serviced by Boulia Shire. Residents in this area have for some time sought to move into the Boulia Shire. Council maintains 91 kilometres of State owned road in the Dajarra area which is in Cloncurry Shire. It was Council's intention to investigate these potential changes through the SSS process. While Council understands that it is unlikely that the commission would be recommending boundary changes of this nature, it is considered important to make them known, as they would improve community of interest, service delivery and water catchment management.

8. Water catchments and the environment

Council and the Boulia Shire community have a strong commitment to the environment and to the sustainable management of the Georgina River catchment.

Council recognises its important role in the management of the Georgina catchment as the Shire covers the head waters of much of the catchment, management decisions will impact on the areas downstream.

At a local level Council works to ensure that the Georgina catchment is protected through the development and implementation of its pest management plan. In line with the plan, Council works with land holders and local land care groups to manage weeds and other pests.

Boulia Shire Council
LGRC Submission

At a regional level, Council is involved in the “Desert Channels” regional natural resource management body and the Georgina - Diamantina catchment committee which includes the Georgina catchment in its charter. This group coordinates the management of catchment issues and with the cooperation of the western Councils is working with landholders and industry to establish and maintain sustainable management practices that protect the catchment generally.

Council is also actively managing the stock routes and reserves network in the Shire to ensure that they are free from pests and weeds and are used in a sustainable manner.

From a practical point of view, the approach being taken by Council to the management of its water catchments and the environment generally, is considered to be the most effective as it can effectively control activities within its area and through joint arrangements and cooperation can assist in the overseeing of the management of the entire Georgina catchment as part of the Lake Eyre Basin which is a massive area one sixth of the nations land area and crosses State boundaries.



9. Impacts of amalgamation

The removal of the Council from Boulia as the result of amalgamation will have a severe negative impact on the towns of Boulia and Urandangi which is most likely to see them closed down completely.

While jobs may not be lost overall, there will be Council jobs relocated and centralised, therefore staff and their families will leave the community.

The loss of individuals and families to the community will quickly flow on to loss of income to business, reduced numbers in schools and less justification for other services such as police, aged care, medical services etc to a point when those business, services etc will be closed down, driving the remaining residents to other centres which still have services. This will particularly effect the elderly residents of the town when their younger family members who would normally care for them, are forced to relocate.

9.1. *Impact on community*

The commission must be aware of the severe impact structural reform will have on the social fabric and viability of the towns of Boulia and Urandangi.

1. **Loss of local employment.**

If there is to be any perceived saving from amalgamation or removal of the Council from Boulia, there will have to be restructuring in the workforce and centralisation of staff. There is no doubt that the number Council staff living in Boulia will be reduced. It is also likely that local contractors and service providers to Council will be significantly impacted on by changes which will require them to relocate or go out of business.

The obvious impact on local people is that a lack of job opportunities will force young people to leave their families and the area they grew up in.

With Council continuing to serve the Boulia Shire Community our children will have an opportunity to remain in their community with their families and have access to a variety of careers. Without the Council they will most likely have no future in the community.

2. **Reduced Federal Assistance grant revenue**

The commission must be cognisant of the fact that if amalgamations do occur, after the four year "grant freeze" there will be a significant reduction in the flag fall component of the FAGS grant which will impact on the ongoing sustainability of the new Council. In this Council's situation the reduction would be in the order of \$500,000 for an amalgamation of two Councils with the reduction increasing by that amount for every other Council included. That is,

Bouliia Shire Council
LGRC Submission

for an amalgamation of 3 Councils a \$1,000,000 reduction, for 4 Councils \$1,500,000 reduction and so on.

In looking at possible amalgamation scenarios, we don't know and the commission doesn't know what savings may be made, if any, but we do know for certain the level of loss that will occur through FAGS reductions alone.

Council strongly believes that there is no way that an amalgamated Council could maintain service standards and make savings significant enough to offset the grants reductions.

This potential loss of revenue on an ongoing basis would have a significant impact on the Federal funding coming into the region and the State. As we have already identified, Bouliia Shire Council currently puts a lot of that money into State infrastructure and services, so effectively it could be argued that the State will lose out as much as the Councils. The biggest issue is however that in any event it will be our community that will suffer the consequences of this lost revenue.

3. Reduced population

Council staff, contractors and dependants that are totally reliant on Council for income make up 38% of the population. The resulting population loss due to job transfers or redundancies will place pressure on the maintenance of a range of services that are currently being delivered in the community. These include the school which currently provides places from prep to year 7. Enrolment reductions will put pressure on the maintenance of staff numbers and curriculum options and could force its downgrading and eventually closure.

A smaller population will put pressure on services that rely on volunteers. These services include, SES, sporting clubs and tourism events such as the camel races and the local culturally significant rodeo, races and campdraft.

Reductions in the availability of services especially for children and the aged will force families to split as they move to access education opportunities or for the aged have to leave their life long home town to access adequate care.

4. Losses through asset devaluation

There has been significant capital investment in the towns of Bouliia and Urandangi over the years by all levels of Government and the community. With the likelihood of population and economic loss due to the removal of the Council through restructure, it follows that the demand for and therefore value of all assets, whether public or private, will reduce.

The potential huge loss to individuals and the community must be considered as part of the Commission deliberations on the cost and benefits of change in this area. These losses will be a real cost of forced structural reform and as that cost is being externally imposed, it should be met by those imposing the reform.

The commission must understand that removing the Council (which has been shown to be effective and sustainable) from the Boulia Shire will cost the community and individuals dearly and could easily lead many residents and business owners to financial ruin.

5. Business closure

Loss of jobs means less income to the community. Council staff, contractors and dependants that are totally reliant on Council for income make up 38% of the population. Council spends over \$6.5 million per annum on goods and services in the Shire.

For businesses in self-contained communities like Boulia and Urandangi, there is very little in the way of revenue generated from people not living in the town. Therefore every job lost and every person who leaves has a big impact on businesses which are already operating on tight margins.

The multiplier effect working in reverse will see businesses reducing staff to counter lost revenue which will in turn further impact on business and services.

6. Social capital will disintegrate

The level of involvement by Council employees and their families in the wealth of community organisations, events and services in the Boulia Shire is shown in appendix A. This list clearly demonstrates the strength and vitality of the community at present and also shows how reliant those groups are on Council employees and how involved they are in the community. As discussed earlier, any amalgamation and removal of the Shire headquarters from the Shire will possibly mean job losses but certainly job relocation and therefore population decrease.

Reduced populations will impact on the availability of people to be involved in community organisations. This loss of social capital will impact on services and community activities and events to a point where social connectivity in the community will disintegrate to a point where “community” is lost.



7. Loss of capacity to manage natural disasters

Queensland is regularly struck by significant natural disasters. On all occasions Local Government is at the forefront of disaster relief and recovery as we saw in Innisfail with cyclone Larry and in Boulia in on many occasions over the years in time of flood and fire. To be able to respond to any natural disaster, there needs to be people on the ground who are organised and have resources readily at hand. In most cases generally and in all cases in the west of the State this response comes from the Council and local volunteers.

The community is extremely concerned that Local Government restructure involving Boulia Shire will severely impact on the capacity of a centralised organisation to adequately respond to an emergency.

These concerns are based on the long distances that would have to be covered by responders, the likely reduction of volunteers and emergency services in communities and the absence of local knowledge to effectively manage emergency situations.

These concerns are serious and are very likely to become reality if the Council were to be removed from Boulia Shire.

9.2. *Impact on visitors*

The impact on the removal of Boulia Shire Council from Boulia would not be restricted to the community of the Shire but to visitors, travellers and the wider community generally.

1. **Reduced services.** The population and services reduction as the result of the removal of the Council would impact on all visitors to the area.
 - a. **No emergency services.** The likely loss of local emergency services due to Local Government restructure will put locals and visitors alike at increased risk of the lack of rescue or assistance in the case of accidents or emergencies. Unfortunately it is probable that people will die as the result of reduced services should Boulia Shire be amalgamated.
 - b. **Reduced medical services.** Smaller populations will lead to reduced medical services in the communities. The lack of medical services or assistance will also put locals and visitors at greater risk of suffering from untimely or inappropriate medical treatment.
 - c. **Information.** Service reductions are likely to include the provision of information to travellers. A lack of information or the inconsistent or inaccurate information can be very costly and dangerous for those who rely on it. It is vital that travellers in remote areas have up to date accurate information on which to base travel decisions. Inappropriate decisions are likely to result in damage to vehicles or injury to people.
 - d. **Fuel and mechanical, Accommodation and Provisions.** As discussed earlier, reduced local demand will lead to the closure of business generally, including those that service travellers and

Boulia Shire Council
LGRC Submission

visitors such as mechanical repair services, fuel supply, accommodation, food and general supplies.

2. Dangers presented by lack of local monitoring of road conditions, flooding etc.

A centralised Local Government will have a reduced capacity to monitor and respond to changes in road conditions on a day to day basis. Road conditions in remote areas can change dramatically in a very short period of time due to isolated storms causing flooding and road washouts, grid or culvert failure or even through heavy use of dry or wet roads by road trains. These conditions are very dangerous to road users who may not be expecting unsigned dangerous conditions. A lack of local knowledge, local networks and up to date information on road conditions will mean that dangerous conditions are not identified, signed and or repaired in a timely manner and therefore it is expected that the number and seriousness of road accidents would increase.



9.3. *Cost to wider community*

Council considers that it is important for the Commission to understand that the amalgamation of large western Shires will not only make Council service delivery less efficient and effective and impact on the community, but that it will also have a negative impact on the region, State and Country.

The commission must take this into account when considering the future of these Councils. Examples of where these impacts will occur include:

1. **Higher cost of service delivery and or reduced service delivery to outback.** The higher cost and reduced level of services provided to western areas as the result of amalgamation and centralisation will have a direct impact on the operations and profitability of land holders, many of whom are the major pastoral companies in Australia. The resultant reduced profits will mean forced staff reductions, reduced company tax payable, reduced dividend distributions etc. In short these cost impacts will be transferred through reduced business performance onto the rest of the country.

2. **Higher cost of commodities transported from region through deteriorated road conditions.** A lack of responsiveness, understanding of conditions and high operational costs through centralised service delivery in western areas will mean that road conditions will deteriorate to a level that road freight companies, (the only transport option) will be forced to increase freight charges. Higher freight charges will obviously impact on the costs of goods delivered into the west but will also have a severe impact on the already high freight component of commodities produced in the region.

As stated earlier, Council is concerned that a centralised Local Government would not be prepared to continue the investment of current funding levels on the Donohue highway. The use of this road for cattle transport has grown significantly in recent years through the diversion of cattle from the north to fattening in the channel country or Queensland feedlots or saleyards. Any reduction in the standard of maintenance of this major road link will impact on the costs of transport and loss of condition of cattle being moved.

Local producers have recorded the benefits to productivity through good road access and the cost of poor road conditions. The sealing of the final 70 kilometres of the Winton to Boulia road decreased the average weight loss in cattle transported from Boulia to Winton from 10-12% to 4-5% and reduced travel time from 7-8hours to 5 hours. These observations clearly demonstrate the cost differential between good and poor road conditions in remote areas. It is a real cost that will be incurred if monitoring and maintenance standards are reduced. Depending on the circumstances these costs will be met either by the consumer through higher prices or the producer through reduced revenue.

3. **Cost of increased road accidents and injuries.** Deteriorated road conditions, reduced monitoring and responsiveness and lack of emergency and medical services, bought about as the result of

Bouliia Shire Council
LGRC Submission

centralisation, will all contribute to an increase in the number, severity and injury consequence of road accidents in the region. The cost of these consequences is difficult to predict in dollar terms, but the social cost alone in terms of loss of life or serious injury are unacceptable, particularly when there is no other social or economic benefits to be gained through structural reform in these large Shires.

9.4. *Loss of local representation and autonomy*

These communities are at present electorally marginalised because of their remoteness and small population in that the State and Federal electorates are so large in area that it is difficult for representatives to have contact with their constituents.

Further loss of representation and advocacy locally would seriously impact on the sustainability of communities as their last close connection to policy makers and influence would be significantly eroded.

Our community has close contact with and knows all of the Councillors. Because of this they have good access to their decision makers and can participate in true and active democracy. They rely on Council to advocate on their behalf, and address matters that are not Local Government responsibility, as it is the only level of Government that they good access to.

The following is part of the transcript of the verbal submission to the Commission made by local traditional owner, Lindy Punch.

“I speak for my whole family when I say that I am against closing down the council office in Bouliia because they do so much for the town like the bank, the undertakers and the cemetery, the library and just a lot of things for the community as well. If amalgamations happen it will be very bad for the town and bad for the people. We want to see the councillors and the mayor and the council offices stay here in our own town not moved hundreds of kilometres away to another place where no one will understand us and we will get no say in what happens to us.”

The nature of this region means that it is important that there is local input into decision making. If the conditions and circumstances at the local level are not well understood, it is difficult to adequately respond to community needs.

The achievements of these communities have largely been bought about through proactive and innovative leadership at the local level and it is unlikely that these outcomes would have been achieved in a more centralised model.

9.5. *Alternative service delivery options would be more expensive*

The delivery of services from a more centralised location would be expensive and inefficient as travel time would reduce productivity. As Professor Brian Dollery stated in his article entitled “When big is not better”, **“This “tyranny of distance” often means that it is simply physically impossible to provide service from a single centre to a huge hinterland of country towns.”** (Courier mail 25/4/2007 page 24).

Boulia Shire Council
LGRC Submission

A centralised workforce working in a variety of widespread remote locations would expect pay and conditions on par with the mining industry which is well above that paid by Councils currently. This is because to deliver any sort of efficiencies when working so far from the centralised location, works would have to be conducted from camps operating on a fly in / fly out basis for cycles 10 days or more as is common in remote gas and mining operations.



The model currently used by remote Councils has been developed over time to be as efficient and effective as possible as those communities want and need to get the very best value for any money spent in the region.

Under the current model, Councils have been able to utilise the local population to provide a relatively stable workforce that is continually developed to provide quality outcomes.

Some local families in the area have had three generations work all of their lives on these Councils. This local knowledge and understanding of and capacity to work under extreme conditions are invaluable in delivering quality outcomes.

It is therefore unlikely that a centralised system would maintain these important benefits that can only be delivered by a Council operating in the local community.

Appendix A

**Clubs and Organizations in Boulia and Urandangi 2007.
Number of Council staff and families involved the organisations**

Council staff and families involved in community groups

CLUB / ASSOC.	Executive Membership	Active Membership	Volunteer
Agforce		2	
Allsports	1	7	10
Arts Council	1	3	
Camel Races		8	13
QCWA	1	2	
Golf Club		18	
Historical Society	1		
Indigenous Group	1	1	
P&C	2	5	
Pony Club	1		
Rodeo Association		15	8
SES	3	4	
Shooters Association	4	2	
Turf Club	3	1	6
Children of Staff attending local schools			
Boulia School	25		
Urandangi School	4		

Appendix B

BOULIA COMMUNITY SUBMISSION
LIST

Kelsey Neilson - Councillor, Grazier

Lindy Punch - Indigenous Leader Yulluna Tribe

Len & Marie Wilmington - Uniting Church Flying Padres

Barry & Lorene Westaway - Desert Sands Motel

Shane & Rae Lincoln – Grader Contractor

Boulia Rodeo Association

Boulia Camel Races

Boulia Allsports

Boulia Turf Club

Under separate cover: DVD recording of Boulia Community
Members unable to write a submission

Appendix C

Data sourced from the Australian Bureau of Agricultural Resource Economics web site.
<http://www.abareconomics.com/ame/mla/download.asp>

Farm survey data for the beef, slaughter lambs and sheep industries



abare

[Disclaimer](#)

Industry	Region	Year	Population (farms)	Total cash receipts (\$)	Total cash receipts	Livestock transfers - outward (\$)	Total Transfers
All Beef Industries Combined	Western & South Western and Channel Country	2005-06	363	\$1,274,758	\$462,737,154	\$610,366	\$221,562,858

Financial data is expressed in 2005-06 dollars.

ITEM	DESCRIPTION
Population	Estimated number of farms in the selected categories
Sample	Number of sampled farms in the selected categories
Total cash receipts	Cash inflows to the farm business during the financial year from livestock, livestock products, crops, agistment, sharefarming, contracts, insurance claims, compensation, govt assistance, royalties, rebates, refunds. Incs imputed value of lstock transfers off farm
Livestock transfers - outward	Estimated value of livestock transferred out