

31 July 2002

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

E-mail: EFPA.Reps@aph.gov.au

SUBMISSION – INQUIRY INTO COST SHIFTING ONTO LOCAL GOVERNMENT

NAME: Shire of Yilgarn

POPULATION SIZE: 2,215

GEOGRAPHIC SIZE: 30,720 sq km

CURRENT BUDGET: Operating Revenue \$3,443,163
(Rate Revenue \$1,493,853)
Operating Expenditure \$4,220,050

RELEVANT DEMOGRAPHIC INFORMATION:

We have an aging population as indicated –

0 – 14 535

15 – 29 538

30 – 64 1005

65+ 137

Our youth leave to attend Upper High School and Tertiary Education and seldom return to our community. Population figures are not accurate as the census conducted does not collect our mining population who live and work in our community but show their residential address as where their family home is. This figure could be as high as 600 persons who live in mining camps and mining company housing.

OVERVIEW OF HISTORICAL DEVELOPMENT OF COUNCIL:

Following the discovery of gold in the Yilgarn in 1887 the Yilgarn Road Board and the Southern Cross Municipality were declared in 1892. The Southern Cross Municipality was amalgamated with the Yilgarn Road Board in 1918. The Yilgarn Road Board became the Shire of Yilgarn in 1961. Over the years there have been a number of boundary changes but these have had minimal affect. The population of the Shire is mainly based in the southwest portion of the Shire being where the communities are based within the broad acre farming and mining areas. The eastern and northern parts of the Shire are very sparsely populated being subject to Pastoral leases and mining tenements on large areas of Unallocated Crown Land and CALM Reserves.

REGIONAL ORGANISATIONS OF COUNCILS:

This Council is not currently a member of any regional organisation of Councils although we have recently conducted “informal” meetings with a group of Central Wheatbelt Councils.

CONTRACT WORKS COUNCIL HAS UNDERTAKEN FOR ANY STATE, FEDERAL OR OTHER AGENCY DURING 2001/02:

State Government – Department of Transport - Police Licencing-
Transactions valued at \$806,513 Earning commission of \$20,320
Westrail Train Bookings \$24,814 Earning commission of \$3,465

OUTLINE ANY ACTIVITY COUNCIL HAS UNDERTAKEN WHICH WOULD NOT NORMALLY BE PART OF COUNCIL ACTIVITIES, OR HAS BEEN TRADITIONALLY PROVIDED BY FEDERAL OR STATE GOVERNMENT DURING 2001/02 AND ITS VALUE:

- ❖ Cost of recruiting and attempting to retain a General Practitioner for our community – 2001/02 cost almost \$100,000 plus provision of equipped Medical Centre, furnished dwelling and provision of a motor vehicle for use by GP.
- ❖ Rural roadside spraying for declared weeds which was originally carried out by local Agricultural Protection Board staff. 2001/02 cost to Council \$24,670 – contractor employed.
- ❖ Contribution toward group employment of a second dogger to control wild dogs which have extended into farmlands following curtailment of wild dog baiting program by Department of Agriculture and CALM on CALM lands plus rationalisation of dogger activities on UCL adjoining farmlands by the Department of Agriculture of recent years (2001/02 cost \$3,000)
- ❖ Requirement to contribute toward installation of CDMA mobile telephone base station transmitters in our area, and being held to ransom by being told that transmitter would not be installed if we did not contribute, therefore denying our ratepayers CDMA facilities. 2001/02 commitment to contribute \$10,000 toward the Moorine Rock transmitter (Do our city cousins have to contribute toward their CDMA transmitters?)
- ❖ Following the introduction of the royalty on Gold by the State Government, local mining companies have declined to contribute to upgrade and ongoing maintenance of Councils road system which is subject to heavy use by haulage contractors moving ore between mine sites and treatment plants. Council has a duty of care to ensure roads are maintained at a safe level and must carry out the necessary maintenance works at its own cost or alternatively not permit heavy haulage operations on these roads. Mining companies’ response is that they pay taxes and royalty and will no longer contribute toward the roads.

DOES THE COUNCIL BELIEVE THAT DEVOLUTION OF SERVICES OVER THE LAST TEN YEARS HAS PLACED ADDITIONAL FINANCIAL BURDENS ON COUNCIL:

Yes – without doubt, but also upon general community members.

OUTLINE WHAT SERVICES HAVE BEEN DEVOLVED AND APPROXIMATE ANNUAL COST AND INCOME:

In addition to the previously mentioned services, the rationalisation of services and removal of local staff by Telstra, Wester Power, Water Corporation and Westrail have adversely affected our community in the following ways –

- ❖ Telstra - Greater time delays in getting repairs carried out and/or additional services provided.
- ❖ Western Power – Huge increase in time delays in getting repairs carried out when power failures are experienced, often leading to loss of freezer goods, etc. There is also great concern within Council and the community regarding lack of maintenance to infrastructure which often results in loss of power from fallen poles or wires.

❖ Water Corporation & Westrail – Time delays are not as severe, however the loss of staff has affected population numbers at schools and the wider community.
Difficult to estimate annual cost.

OUTLINE COSTS INCURRED BY COUNCIL IN MEETING FEDERAL AND STATE COMPLIANCE/ADMINISTRATIVE REQUIREMENTS:

No Comment.

HAS THE COUNCIL HAD TO EMPLOY ADDITIONAL STAFF TO PROVIDE DEVOLVED SERVICES OR MEET ADDITIONAL COMPLIANCE/ ADMINISTRATIVE REQUIREMENTS:

No.

OUTLINE ANY COUNCIL SERVICES THAT COULD BE BETTER PROVIDED BY ANOTHER SPHERE OF GOVERNMENT OR PRIVATE SECTOR:

While it is not considered the role of Local Government we have had to by necessity become involved in the recruitment and retention of a Doctor for our community due to lack of support by State and Federal Government in achieving this. In fact there has been a withdrawal of incentives by WACRRM who disperse Federal funds meant for this purpose.

OUTLINE ANY SERVICES CURRENTLY PROVIDED BY OTHER SPHERES OF GOVERNMENT THAT COULD BE BETTER PROVIDED BY LOCAL GOVERNMENT:

None and we don't want any more without all the appropriate funding.

NICK E EIFFLER

Chief Executive Officer

Shire of Yilgarn