

24th August, 2007

Committee Secretary
Finance and Public Administration Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600 AUSTRALIA

Dear Sir

The following Councils wish to appear before the Senate Enquiry at Emerald on Friday, 31st August, 2007 as a group of Western Councils:

- Aramac Shire ANNEXURE A
- Jericho Shire ANNEXURE B
- Ilfracombe Shire ANNEXURE C
- Isisford Shire ANNEXURE D
- Tambo Shire ANNEXURE E

The Councils are concerned that the amalgamation was 'bulldozed' through Parliament without the opportunity for any democratic processes to take place.

The Local Government Association of Queensland has made a submission to the enquiry focusing on the:

- Referendum/plebiscite on Council Amalgamations
- Electoral Amendment and the Size Shape and Sustainability process. The above Councils support the submission and wish to individually discuss their concerns on the effects these changes will make to their Shires. Attached for the committees information are the Executive Summaries of the five (5) Councils which details the priorities for each of the Councils.

Please arrange to confirm with the undersigned any timeframe that may be allocated for this group of Western Councils.

Should you wish to discuss this proposal any further please contact the undersigned on 0429 496 570.

Yours faithfully

Ian Badham
Chief Executive Officer
Aramac Shire Council

INTRODUCTION/MESSAGE FROM THE MAYOR CR. GARY PEOPLES

FINANCIAL SUSTAINABILITY

The Aramac Shire Council thanks the Commission, on behalf of the people of the Aramac Shire, for the opportunity to submit our views on the Local Government reform agenda to which you, seven Commissioners, have the arduous and unenviable task of assessing who in Queensland has a future.

Aramac Shire Council is **financially sustainable**; it is in a **strong financial position** and is **well managed**. We have a **bright and secure future** and we have a **very strong community of interest**.

Section 159u(3)(b) of the Commissions terms of reference requires the Commission to direct recommendations towards “creating Local Governments with improved financial sustainability”. The Q.T.C. benchmarking report rated Aramac Shire’s financial position as **moderate with a developing outlook**. Aramac Shire’s financial sustainable position can be further improved through the capital works programmed in future years and it is highly unlikely for the people of the Aramac Shire to achieve any “improved financial sustainability” through any form of amalgamation with any other Shires.

There has been non stop rhetoric from the Local Government Minister on the poor financial sustainability of many Councils across the State as the reason for this reform and the establishment of the commission. The Aramac Shire Councils sustainability benchmark report rates the Aramac Shire Council the same as Rockhampton City Council.

The Aramac Shire presently has \$7 million in cash reserves and has approximately \$27 million of funded Capital works over the next three to four years. In the history of the Aramac Shire the Council has never been in a more financial/stable position. The financially stable position Council presently enjoys with the QTC rating as **moderate**, could have been further enhanced if the Aramac Shire Council didn’t inject Council funds into State roads. I must stress that Aramac Council has no problem with making this commitment, as the sealing of the Torrens Creek road is beneficial to all. However the \$5 million injection of Aramac Shire funds into this State road over the past six years would possible give the Aramac Shire a rating of **strong** and this would have further justified our future sustainability.

PREFERRED OUTCOMES FOR ARAMAC SHIRE

1. Aramac Shire maintains its autonomy and continues to operate into the future as the Aramac Shire Council with its current boundaries. Total area = 23,361 square kilometres.
2. Aramac Shire has a significant boundary realignment with Winton Shire. This has been mutually agreed upon by both the Winton and Aramac Councils as the Aramac Shire Council presently services this area in the Winton Shire. The graziers involved have included letters to support their willingness to join the Aramac Shire. There is a map in the submission showing the new boundary alignment.
3. Aramac Shire Council would continue to pursue with the Flinders and Dalrymple Councils negotiation of a boundary alignment so as the people in the southern end of Flinders and Dalrymple Shires who use the Aramac town as their community of interest can do so. The graziers in each of these shires have requested that this be investigated.

Our aim from structural reform, with which we have been working for some time, is to strengthen our community of interest and improve coordination and service delivery efficiency and effectiveness through these significant boundary realignments with Winton, Flinders and Dalrymple shires and look forward to seeing that change occur. Present total area 23,361 square kilometres to 30/40,000 square kilometres.

COUNCIL AND COMMUNITY

There are so many areas of service provision in Western Shires such as ours which makes us unique compared to the rest of shires in Queensland and it is important to understand that Councils in the west are the “glue which holds communities together.”

Some of the examples of this uniqueness are:

Council runs the Bank

- Council has a lease commission arrangement with Pioneer Permanent and from the 1st September 2007, Bank of Queensland, where Council employs three staff to run the bank and Q-Gap services for our town (430 services).

Council owns and leases the Bakery

- Council owns the bakery and leases this on a yearly term. This lease on occasions has been vacant and the local plumber, a Council employee, has been the baker during this period.

Council employs Tradesmen

- Council employs the only plumber and carpenter presently in the Shire who are available for residents and ratepayers convenience through private works.
- Council employs an Information Technology Officer who is available to help all residents and ratepayers in the Shire, as there is no IT services available in the Shire.

Council run Aged Care, HACC and Meals on Wheels

- Aramac Council provides the aged accommodation (16 units).
- Aramac Shire runs Home and Community Care and Meals on Wheels.

Council run Tourism in the Shire

- Council maintains four museums and one art gallery in the two communities.
- Council runs the Harry Redford Cattle Drive every year for international and domestic tourists. This is three weeks of an authentic cattle drive where people are in the saddle everyday and sleeping on the ground under the stars every night. This event is underwritten by Council (advertising, plant & equipment etc) and then voluntarily run by Shire residents. (Cattle, horses, chuck wagon & drovers etc) *This iconic outback event, the Harry Redford Cattle Drive, would not exist without the support of the Council.*

Council is the Undertaker

- Aramac Shire Council are the Undertakers.

Council run Dingo Control

- Council employs a fulltime dogger and runs aerial 1080 campaigns to support the graziers industry.

Council runs Emergency services

- Council staffs the Emergency Services team and majority of the Fire Brigade are Council employees on a voluntary basis.

Council are the Real Estate Agents

- Council owns approximately 40 homes of which they lease to State Government Departments, Council staff and the general public. Council also, through State Government Housing Department, intends to move in more housing stock for purchase by the general public. Council also rents the Doctors Surgery to the Health Department for a peppercorn rental of \$1/year.

Council supports all clubs

- Council supports all sporting and recreational clubs in the shire with the use of plant and machinery before events.

Council runs TV channels

- Council maintains the TV community aerals and pays for the license fees for each channel.
- Council also pay the license fee for the radio TAB channel.

The before mentioned is just to show the uniqueness of Western Shires and the roles they do play in their communities.

REGIONAL CO-OPERATION AND RESOURCE SHARING

The Aramac Shire is a member of the Remote Area Planning and Development Board (RAPAD) which consists of 11 shires in Western Queensland. This regional board has one member from each Council to address regional issues. The board is funded from the 11 Councils and also works on State and Federal projects such as the Rural Financial Counselling program. (Helping small business and graziers in times of hardship - \$2.5 million budget.)

The RAPAD board now employs four people and works on regional issues prioritised by the board.

Presently the main priority for the RAPAD Board is the upgrade of the Longreach airport which will benefit the whole regional. The group of shires which make up the RAPAD board has never worked better together and this is due to the quality people who presently make up the board.

Through the RAPAD board the 11 Councils have worked on many areas of resource sharing and some of these are:

Engineering: All 11 shires work with a company (George Bourne and Associates) across the region.

Building Certifier: All 11 shires have paid a retainer to employ a Building Certifier to work in our region.

Work Place Health & Safety Officer: Some of our member shires presently are sharing Workplace Health & Safety Officer in their Shires.

Environmental Health Officer: Some of our member shires presently are sharing Environmental Health Officer in their Shires.

Broadband Project: This is a project supported by all Shires in improving telecommunications for all in the west.

Geothermal Power: Investigating possibilities of alternative power across region.

Regional Promotion: RAPAD board is assigned to promote the region through Country Week in Brisbane, through tourism etc.

Blueprint for the Bush: Chief Executive Officer of RAPAD is on the Blueprint for the Bush Committee.

Immigration Certification Body: The board is the Certifying body for immigration into Western Queensland.

Central West Health: Chief Executive Officer of RAPAD represents all Councils on Health matters on the District Health Council.

The before mentioned, highlights some of the areas where the 11 shires are working co-operatively and resource sharing.

EMPLOYMENT

This is the most important issue facing our Western Shires as any loss of employment to small communities can have a snowball effect and have a major effect on the local economy of our small towns. The loss of three of four jobs/families can see the loss of children at the school, teachers lost and this flows on through the community. The Aramac shire was once a major wool growing shire which had approximately 12 shearing teams employing 150 people between the two towns. The downturn of the wool industry and the moving in of the larger cattle men has seen major changes in available employment in the shire.

The shearing industry now only has two teams where there used to be 12 and the employment opportunities in the cattle industry are limited. This downturn has seen many of the shearers now working for the Aramac Council and have no other opportunity for employment other than the Shire Council. The mining boom, which is wide spread throughout the Central Highlands, hasn't reached our region thus giving very few options for employment across our Western Shires.

The Council has been able to fill this employment gap for many in the shire due to having a major works program over the past eight years and major capital works program over the next four to five years. The Aramac Council has the biggest program in the history of the Shire with \$18-20 million of works on the Torrens Creek inland highway which goes from Townsville to Melbourne.

Aramac Shire presently employs 77 people and 30/40 people through contractors making a total of around 115 people. Council estimates that there are approximately 194 people on wages in the shire of which 115 work for the shire.

Employment statistics for Aramac Shire

Town	Council		Self Employed		State Government		Other Employees		CentreLink/Retirees		
	Employee	Depend	Employee	Depend	Employee	Depend	Employee	Depend	Employee	Depend	
Aramac	96	48	132	52	28	19	25	18	57	12	487
Muttaburra	19	3	52	47	8	10	18	12	19	4	192
Totals	115	51	184	99	36	29	43	30	76	16	679

- Council employees and dependents constitute approximately 25% of the population
- Total wage earner numbers (not including self employed) in the Shire is 194 of which 115 are directly reliant on Shire Council. Approximately 60% of Shire wage earners are directly related to the Council.
- Total wage earners in Shire (not including self employed and State Government Employees) equals 158 of which 115 are directly reliant on Council. Approximately 73% of workforce reliant on Council if you exclude State Government employees.

These figures show the major reliance for employment in the Aramac Shire is the Council and the future of the Shire would be threatened by any reduction to this employment.

CONCLUSION

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 Aramac Shire is not in the best interest of anyone. Council and our community believe that the amalgamation of Aramac 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 as some Ministers put it recently 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.

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. Even though the Aramac Shire is financially stable and has a secure future, any decisions, on the future of Western Shires must give consideration to the people who live in those Shires - It cannot just be about money. Also the successful working relationships which presently exists between the 11 shires on the RAPAD boards will be strained and possible diminish through any forced amalgamations across the west.

We are willing to look at ways to improve and welcome comprehensive detailed review but we cannot afford to have decisions of this importance, to the livelihood of so many, made in haste. We believe there are alternative methods of enhancing the operational efficiencies, local democracy, local representation and the sustainability of our two communities.

Aramac Council is the lifeblood and the glue which keeps this Shire and our communities sustainable and any merger with any other shire/s would be to the detriment of the residents and ratepayers of the Aramac Shire. The economic and social contributions and the employment opportunities offered by the Aramac Council are the reasons that Aramac and Muttaborra exist.

The iconic outback belongs to all Australians, who at sometime take the opportunity to visit and enjoy the history, the traditions, the larrikins of the bush and that special connection to our pioneering past. If these small western communities, such as Aramac and Muttaborra, slowly die so will some of the Queensland heritage, and this great place, we call the OUTBACK.

1. Executive Summary

Having regard to the community's decision as outlined in the introduction the following points are of the utmost importance to understand the important role the council plays in the makeup of this community.

(i) Sustainability

QTC FSR **moderate** rating with **neutral** outlook

Only **1%** of total expenditure spent on **corporate governance**

Only **3.5%** of total expenditure spent on **administration**

Council contributes **\$1.9 million into local business** plus \$1 million into the wage packets of local staff.

Elected members numbers were reduced to 7 at last election.

Today administration staff numbers are the same as it was 25 years ago.

The DLGP Local Government Profile report 2004-05 indicates that this shire is better than average compared to remote rural councils. (Sect.3.5)

(ii) Community of Interest

Alpha and Jericho provide the community of interest.

Tyranny of distance – 168kms to nearest major centre.

Main industry links to processors on the east coast.

All council employees lives in the shire.

Natural resource catchment considered too diverse to manage.

RPAC and SSS areas considered too large for effective management.

(iii) SSS Participation

Jericho Shire was actively participating in two groups being the Central Highlands group and the Central West group.

SSS provided the opportunity to expand resource sharing arrangements.

The SSS QTC Financial Review shows the shire is in a sound financial position.

(iv) Service Provision

Services provided by Council that are not provided by State agencies.

Senior Council staff forms the QFRS, SES, Ambulance etc.

Staff reduction causes significant flow-on effect (eg. 4 Council jobs = 32 community jobs).

Social fabric torn apart.

Council has improved operations through resource sharing and shared services.

Increased development of mineral deposits mainly coal.

Loss of local knowledge (Councillors and staff).

Senior staff average 13 years with this council.

Loss of local government involvement in significant functions such as Anzac Day and Australia Day.

COUNCIL'S RECOMMENDATION:

The preferred position of the Jericho Shire Council is to stand alone and not amalgamate but to continue with joint arrangements and resource sharing.

EXECUTIVE SUMMARY – ILFRACOMBE SHIRE COUNCIL

This submission asserts that amalgamation alone is not the best approach to reform in the Central West of the State.

In particular the following recommendations are made, stemming from the RAPAD report commissioned jointly by the 11 councils in this region:

- That the Local Government Reform Commission (LGRC) find against any forced amalgamation of any RAPAD area local council
- That the LGRC find in favour of the maintenance of the existing activities, structure and representation of RAPAD and the future strengthening of the RAPAD organisation as the best means available to improve the service provision efficacy and operational efficiency of RAPAD area local councils
- That the recommendations contained in the RAPAD report for additional service sharing initiatives should be adopted and investigated further (see RAPAD LGRC Submission).

KEY CONSIDERATIONS FOR LOCAL GOVERNMENT REFORM COMMISSION
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In outlining these key considerations, there are also several key concerns in relation to the conduct of this review that must be highlighted:

1. Decision making process of the Commission and Minister, in particular the denial of any challenge, review or questioning of any decision of the commission or Government - the explanatory notes to the Bill acknowledge this as being a departure from the Governments own fundamental legislative principles. On issues of such vital importance to the future of local communities, this is a significant denial of natural justice and democratic principles.
2. Inadequate length of time for submissions to be presented to the Commission – a timeframe of less than four weeks for councils, community groups and other stakeholders to prepare submissions regarding their futures is inconsiderate and a blatant disregard of, and hindrance to, the say of these communities who will be affected.
3. Inadequate length of time for commission to undertake such significant work - the situation of the LGRC in assessing the fate and future of more than 150 councils from a desk top in Brisbane, in such a short time frame, is ludicrous and shows immense contempt for people in potentially affected areas.

This submission asserts that structural reform should not be recommended unless the evidence clearly and unequivocally indicates that the benefits outweigh any disbenefits. A precautionary approach must be adopted in all cases where:

- full assessment identifies that amalgamation can yield benefits (eg. administrative cost savings and economies of scale) but that *measurable disbenefits* (eg. economic impacts of job losses and costs of reform such as redundancy payments, loss of representation, diminishing communities) outweigh them; or
- evidence is inconclusive (i.e. there are minimal measurable net benefits and there are significant intangible disbenefits, such as community disaffection); or
- time restraints do not permit full and conclusive evaluation of benefits/disbenefits.

In such cases, the recommendation should be for alternatives other than forced amalgamations, and given the short time frames for the commission to determine the future of the entire Local Government sector in Queensland, it is argued that the above *cannot* be adequately assessed without in-depth and onsite research and assessment.

The Reform Commission is encouraged to give weight to those arguments that relate directly to local government service delivery and local government's role in achieving community development objectives. In addition, the importance of 'sense of place' and 'sense of belonging' should not be neglected in this assessment.

The potential impacts of structural reform are far greater than local government sustainability and service delivery. Such reform is likely to impact on employment, availability of non-government services, levels of isolation and local community sustainability. Given the sheer size of the Central West, and sparsity of population in most parts of the region, these impacts must be understood and considered prior to any structural reform decision being reached.

The diversity of community development objectives and activities undertaken by Ilfracombe Shire (outlined further in this document) should be acknowledged and understood.

Further, it is recommended that a much broader concept of community sustainability be explored as:

- No agreement exists on the meaning and measurement of financial sustainability in Australian local government
- Different approaches arrive at different conclusions on the financial status of individual councils
- Financial sustainability *per se* has a very poor predictive efficacy in identifying with local councils fail
- All recent national and state-based inquiries into local government unanimously agree that amalgamation will not solve any financial problems in local government.
- Financial sustainability is only part of the much broader concept of overall local community sustainability that includes local democracy, local social capital and local capacity
- While these and other attributes of the functioning of councils are difficult to define and measure, this does not reduce their vital importance
- Rural and remote local councils play a pivotal role in the long-run survival of small communities by providing crucial economic and social support to these communities and must be regarded as a 'special case' in Queensland local government
- Ilfracombe Shire Council also represent a vital ingredient in local democracy and local representation
- Amalgamation of small local councils typically undermines long-run community sustainability and threatens the very existence of small country communities
- Amalgamation would severely undermine local democracy and local representation to the detriment of local communities

Isisford Shire Council Submission Local Government Reform Commission

EXECUTIVE SUMMARY

On behalf of the Isisford Shire Council and Community, I submit the following submission to your commission. The Isisford Shire Council and Community request that the commission leave our shire boundaries, exactly as they are at present. The following submission will refute the reasons supplied by the State Government for the need for this reform. We will positively address all areas of concern, including: -

1. The State Government Local Government Reform Report;
2. The Auditor-Generals Report;
3. Price Waterhouse Coopers Report; and
4. Our QTC Report.

These reports are supposed to be the reason why the State Government implemented this unjust, undemocratic and un-Australian action. We are not 'Broke or Going Broke' which appears to be the inference of the State Government on small rural remote shire councils. The **Independent Umpire** [the QTC] has rated the Isisford Shire Councils' financial sustainability as '**MODERATE**' with a neutral outlook. [Refer Attachment A]

The Premier and Minister Fraser have repeatedly stated that the reform is needed to stop Councils "GOING BROKE". Our QTC Report will refute those claims for the Isisford Shire Council. The positive indicators of the report are Very Strong Liquidity, Multi-skilled Staff, Extensive knowledge of available grants and subsidies, Asset Management plan review and a Major Capital Project: Jericho-Windorah Road.

We acknowledged the need for shared service many years ago, and as a result, we share many services and resources with our neighbouring Councils as evidenced in our detailed summary later in this submission. The shire is proactive in looking outside the square to improve services, such as water. The Isisford Shire is presently in negotiations with the Department of Local Government and the Department of Natural Resources and Water and a private contractor to fund a proposal to place floats on our town dam water supply to reduce evaporation. Considering we loose up to 3m in evaporation per year, this will mean a major saving of water by the Isisford Shire. At least four [4] other shires to-date are waiting on our initial results before they commit to the proposal. This has the potential to save Millions of litres of water throughout Queensland. We are not trying to use more water from the system only better use what we already have.

This submission will supported by evidence in the form of official research by Professor Brian Dollery [MA.PhD] and Andrew Johnson [B.Ec{Acc} CPA, MBA. JP] that wholesale forced amalgamations has not worked in other states. The full report is being submitted by the Remote Area Planning and Development Board on behalf of the member Councils in the RAPAD area. The Dollery/Johnson Report will be presented in four (4) parts. Parts A & B are on local governments in general and wholesale forced amalgamations in other states. Parts C & D highlight in particular, The Isisford Shire and our particular region.

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| PART A - | Amalgamation and Shared Services |
| PART B - | Sustainability and the role of Council in small communities |
| PART C - | Analysis of R.A.P.A.D. member Councils {Including Isisford Shire} |
| PART D - | Recommendations |

Part D of the report listing recommendations, is attached at Attachment B.

**Isisford Shire Council Submission
Local Government Reform Commission**

I will also present evidence of community satisfaction with Council, the support that council gives to the community, and highlight the fact that the social impact of any amalgamations will have a disastrous effect on our community. This submission will provide evidence of the concern from real people. I will also attach letters from tourists to our shire from N.S.W. & VIC. who have been through forced amalgamations, these sentiments are confirmed by many other tourists who have been in forced amalgamation situations, none have a positive word for such forced amalgamations only anger at their loss of services and identity. This submission will provide letters of support from local businesses, clubs, organizations etc on how this would affect their quality of life.

The Minister has publicly stated that Chief Executive Officers and Senior Officers will become redundant or may have to be deployed to another site {Town}. This loss of staff will have an immediate affect on the economy of the Isisford Shire. There is a four fold flow on effect as will be highlighted later in this report. Evidence from Victorian Amalgamations shows, that despite reports of no employment losses for outside employees due to amalgamation, over a period of time it is inevitable that losses will occur because of financial pressure on councils, because of a reduction in the Federal Financial Assistance Grant. This course of action will cause a reduction of outside employees living in smaller remote towns, such as Isisford or Yaraka. These employees will have to relocate to the larger centres to maintain their employment, this will be the beginning of the end for our towns.

The loss of employees from the Isisford Shire will have a flow on effect on the Schools, the Primary Health Centres, the Businesses, the Sporting Clubs & Associations and the social fabric of the shire. The value of employees and other residents Homes will be devalued dramatically. This will also devalue rural grazing land and in turn reduce State Government rents.

A senior Administration Officer of the Isisford Shire Council last year relocated a home from outside Isisford into Isisford at a cost of approx. \$110000. The Officer is married with five [5] children and had chosen to work and retire in Isisford. His goal was the 'Great Australian Dream' of owning his own Home. Should the Isisford Shire be amalgamated with any shire, his employment may be terminated or redeployed to another town, thus leaving him with a massive debt and no prospect of selling his home to recover the debt.

I refer to your terms of reference 3 (b) "creating local governments with **IMPROVED** financial sustainability". There appears to be a State Government belief that a shire should be dependent on rate revenue for in excess of 50% of total revenue. We average 11% over the last five (5) years. If you were to amalgamate all the central western shires, you would not achieve 50% rate revenue as total revenue without massive rate increases. Thus, you would not be achieving **IMPROVED** financial sustainability. The same result would occur even if one, two, three or more western shires were forced to amalgamate. The Director General of the Department of Local Government, Planning, Sport & Recreation replied when asked the question, how would amalgamating help in the above case, his reply was and I quote "Why would we want to group councils together if there is no benefit, there has to be improved financial sustainability". This quote was made in Blackall in front of witness on the 26th April 2007.

Minister Fraser stated on the ABC television programme, Stateline, 11/05/07 that if your Commission recommends no change to our boundaries, then the Government will abide by those recommendations.

The Isisford Shire Council is financially viable as evidenced by our QTC Report, which states that our rating is moderate with a neutral outlook and in their own words a "**HIGH MODERATE**" and that we run a "**VERY GOOD LITTLE BUSINESS**".

**Isisford Shire Council Submission
Local Government Reform Commission**

The Shire celebrates its centenary in 2008, and forward planning for the year has already commenced. Please let us continue to carry on our business for the Shire of Isisford, for another 100 years.



ROBERT M. BAUER
CHIEF EXECUTIVE OFFICER



EXECUTIVE SUMMARY

This submission reflects the views of the Tambo Shire Council's elected representatives as well as the broader Tambo Shire community. Despite the restricted time frame to formally consult with community members, Tambo Councillors and staff have contacted the majority of the community via a community meeting held on the 3 May 2007 and through three workshops held on the 17 May 2007. As a result I can confirm that 100% of the Tambo community is opposed to the forced amalgamation of Tambo Shire with any other Western Queensland Shire.

The Queensland Treasury Corporation's (QTC) Financial Sustainability Review rated Tambo Shire Council as moderate and neutral with a high capacity to meet its financial commitments, able to manage unforeseen financial shocks and any adverse changes in its business, and the capacity to manage core business risks. Council has remained debt free since 1995 and forecast to remain debt free. Council has been advised by QTC that they are at the top of the moderate category placing them within the top 11% of local governments in Queensland. Council has demonstrated its capacity to provide and maintain quality infrastructure whilst funding core operations to provide and maintain quality infrastructure whilst funding core operations and extended services.

Council's sustainable financial position has been the result of strategies that provide high cost efficiencies. This includes resource sharing with other shires in the region, efficient service and infrastructure delivery, high capacity to plan and address current and future trends and needs such as the aging population, and ability to develop and implement initiatives to meet social, economic and environmental outcomes.

In Tambo Shire, as with many local governments that suffer the tyranny of distance, local government takes on an especially crucial role. For instance, Tambo Shire Council offers numerous services outside the normal range of functions performed by other local governments. Although funded by State and Federal Governments services such as aged care, childcare, adult learning, home assist, rural health nursing, podiatry, physiotherapy, meals on wheels, fire and state emergency services are operated and managed by the Council.

Tambo Shire Council has also been directly responsible for securing many other businesses that are taken for granted in larger communities such as banking facilities, an electrician, plumber, carpenter mechanic, pharmacist, a hardware store, a furniture and electrical store and a sawmill. Council actively approached these businesses and attracted them to Tambo with incentives such as provision of retail space, subsidized rent, provision of staff housing, provision of land and in the case of the Pioneer Permanent Building Society, Council's banking business. Success in attracting Pioneer Permanent Building Society to Tambo was only achieved due to the large amount of business that Council conducts with this financial institution. If the Council was to be removed from Tambo the Pioneer Permanent Building Society would not longer continue to operate in the town, thus leaving the community without a banking facility.

As a result of Tambo Shire Council's active campaign to attract businesses, Tambo has a low unemployment level of 0.7% (well below the state average of 5%) and the highest positive population growth in Western Queensland of 3.6%. Australian Bureau of Statistics figures also show a continued reduction in the average age of residents in Tambo over the last 5 years.

Tambo Shire Council works collaboratively with a wide range of regional organisations including the Remote Area and Planning Board (RAPAD) and the two catchment bodies, Desert



Channels Queensland and South West Natural Resource Management. This regional approach through RAPAD has been highly successful in providing mechanisms to identify and implement key regional issues and plans, and develop strategies to increase efficiencies across the region such as resource sharing. Whilst Council is part of two catchment areas, Council has managed to develop a highly effective working relationship with both of the environmental catchment bodies that has not only resulted in excellent natural resource management but also provided vital local information to help formulate effective regional environmental plans.

Tambo Shire Council is the largest employer in the community and the goods and services that the Council purchases plays a pivotal role in the survival of the local economy. Council contributes on average \$1,178,208 per year to local businesses and contractors for services and equipment. In addition the income of Council employees is spent within the community thereby injecting up to a further \$1,843,647 per year into the local economy.

Council employees typically represent the backbone of local service organisations with twelve of the seventeen member State Emergency Service team being Council staff, two of the four volunteer ambulance drivers and twelve of the seventeen volunteer fire brigade members are also employed by Council.

Children of Council employees attending the local school total 39 and account for the continued viability of the Tambo State School in terms of student numbers.

In summary, the Tambo Shire Council and its employees and families represent the heart of the Tambo community. Thus if the Council was to be removed from Tambo through forced amalgamation, the resultant migration of workers seeking employment in a larger centre would not only have a devastating effect on the local economy but would ultimately lead to the demise of what is presently a vibrant and economically viable community.

Local Governments within Western Queensland are unique in terms of their vast size and distance from neighbouring centres. These characteristics need to be highlighted as they are the key determinants for retaining the existing arrangement for the community of interest. To change Tambo's community of interest would only serve to disadvantage the Tambo residents through loss of key services, infrastructure and opportunities to further develop economically, socially and environmentally.

Council does support the concept of continued efficiencies and the need to work closely with regional, state and federal governments. However, it is absolutely essential that community sustainability and capacity is not compromised by this process. All these outcomes can be successfully achieved through the continuation of the existing local government arrangement for Central Western Queensland whereby planning for the future, decision making and management is retained by local community members who understand the needs and requirements of the community they serve.

Recommendations:

- That current resource sharing practices within the region continue so as to achieve cost savings and further investigation into the viability for other areas of resource sharing be undertaken



- That Councils in their current form in the Central West continue to work collaboratively to provide strategic regional decision making to ensure minimal duplication of key regional services and infrastructure.
- That Councils in their current form continue to address recommendations made by the QTC review to ensure financial sustainability whilst addressing key planning issues for the future.
- That council retain its autonomy for local decision making, planning and management so as to continue to achieve proven sustainable financial management whilst delivering positive economic outcomes for the Tambo community.
- That councils continue to work collaboratively and closely with regional bodies planning social, environmental and economic outcomes and that greater emphasis is placed on strengthening the links between the regional bodies and other levels of Government to ensure sustainable and viable communities.
- That Council works towards the future strengthening of the RAPAD organisation as the best means available to improve the service provision efficacy and operational efficiency of councils in the RAPAD region.
- That the natural resource management regional bodies with the expertise remain separate and independent from councils and that TSC continue to work closely with these bodies to provide sustainable resource management for the region.
- That the existing community of interest of the Tambo Shire remain unchanged as Tambo has limited community of interest with other surrounding shires, it currently meets the needs of the community and any changes to this community of interest would only impact negatively on Tambo.