



Blackall Shire Council

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BCK:ajs
Enquires: Brenda Kelly

24 August, 2007

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

Dear Sir / Madam

RE: SENATE ENQUIRY INTO LOCAL GOVERNMENT PLEBISCITE BILL

I wish to offer Blackall Shire Council's support to the Australian Government's proposal to allow the Australian Electoral Commission to undertake a plebiscite on the amalgamation of any local governing body in any part of Australia.

Blackall Shire Council has been forced to amalgamate with Tambo Shire Council with no referendum held to gauge the communities views on this important issue. A voluntary survey conducted by Council shows a 93% support in not amalgamating these shires and community members are requesting an avenue to express their desire in a formal way – a Democratic Plebiscite would allow community members this entitlement.

Attached to this letter is Council's submission to the Queensland Local Government Reform Commission which clearly expels Council's position that Blackall Shire Council should remain an autonomous entity and strongly recommends against any forced amalgamation of Central West Queensland Councils.

Should you have any further questions relating to this issue please do not hesitate to contact me.

Yours faithfully

Brenda Kelly
CHIEF EXECUTIVE OFFICER





Blackall Shire Council Local Government Reform Commission Submission

Council's Mission

To provide leadership, facilities and services to enhance lifestyle and promote economic, social and cultural development in consultation with the Community.

Executive Summary

This submission reflects the view of Blackall Shire Council elected representatives as well as the broader Blackall Shire Community. Despite not given adequate time to formally consult with community members, Blackall Shire Councillors and Staff have contacted the vast majority of the community via a community meeting held 7 May 2007, consulting with community members at the annual Blackall Show 5-6 May 2007 and through the various other informal consulting mechanisms available to Council and I can categorically confirm that 100% of the community opposes the forced amalgamation of Blackall Shire or any other Western Queensland Shire.

Council does support the concept to modernise local government to meet the challenges we face today and into the future, however it is absolutely essential that community sustainability and capacity is not compromised by the process of forced amalgamations. Planning for the future must be lead by local community members who understand the needs and requirements of the community. Reform must not detract from, nor hinder, the substantial benefits which the Blackall community enjoys through Blackall Shire Council and community initiatives.

It is Councils submission that:

- While recognising that there is always 'room for improvement' it is Councils position that Blackall Shire Council should remain an autonomous entity and strongly recommends against an

Shire Profile

Blackall Shire comprises an area of 16,384 km² and is located in the heart of Central West Queensland approximately 1,000 km north-west of Brisbane by road. Blackall Shire Council was established in 1932.

Blackall Shire's economy is based on agricultural production plus a strong and thriving retail business, fast growing tourism industry and an expanding aged care industry. The tourism industry is growing however is seasonal with an estimated 35,000 visitors to Blackall each year. The town of Blackall offers a great variety of modern and contemporary services to local and regional residents and visitors.

Blackall Shire residents' community of interest is BLACKALL. The town of Blackall provides the basis of all necessary business, retail, service and government service requirements. Residents of Blackall and the many rural agricultural properties within the Shire share a strong economic and social attachment to Blackall. There is a strong '*sense of community*' within Blackall and the Shire and this is noted by many residents and visitors.

Blackall Shire Council is a member of the Remote Area Planning and Development Board (RAPAD) incorporating Central Western Regional Organisation of Councils. RAPAD is a non-profit, ASIC listed, incorporated organisation working for and with Central West Queensland Shire Councils. RAPAD covers an area over 374,000 km². *(Further information on the role of RAPAD can be found in the Dollery and Johnson May 2007 RAPAD Report to the LG Reform Commission).*

Blackall Shire Council fully supports the submission from RAPAD to the LG Reform Commission as compiled by Dollery and Johnson, May 2007.

Population and Growth

The 2006 preliminary estimated resident population of Blackall Shire was 1,608 of which approximately 1,400 reside in the town of Blackall. The DLGPSR projection of a 1.3% population decline (period to 2026) does not reflect current actual population trends which indicate that the negative growth has ceased and population numbers will at least remain static but more than likely involve an increase.

In support of this statement local real estate agents have confirmed that within the last six (6) months at least 12 vacant houses that have been sold in the town now have a minimum of two (2) people in each residence.

Residential sales have hit an all time high for Blackall in the last 10 months and sales continue to exceed all expectations. Contrary to DLGPSR projections Blackalls population base is currently growing not declining and while Council remains in Blackall this trend is expected to continue as many people head west to escape the "coastal congestion".

Month	Average	Median	Growth	Low	High
Feb - 2006	\$65,625	\$61,500		\$10,000	\$139,000
Aug -2006	\$88,889	\$85,000	38.2%	\$35,000	\$190,000
Feb - 2007	\$121,667	\$145,000	70.6%	\$70,000	\$150,000

Data supplied from Ray White Rural Sales Search Report 16 May 2007

Unemployment is low and currently well below the State average of 5.1% at only 1.6% (March 2006).

Financial Sustainability

The Queensland Treasury Corporations (QTC) Financial Sustainability Review conducted during April 2007 has assessed Council's capacity to meet our financial commitments in the short, medium and long-term. The limitation of the QTC report is that it is purely finance based and does not factor in community sustainability which is intricately linked to Council sustainability, particularly for Blackall.

The draft QTC rating of Council's financial sustainability is **weak with a developing outlook**. "A *developing outlook has been assigned as a significant improvement in Council's financial position is forecast. This improvement is essentially due to revenue from contract work to be completed by Council on the Jericho-Windorah Road.*" (QTC Financial Sustainability Review page 6).

Weak is defined by the QTC as "an **acceptable capacity** to meet its financial commitments in the short to medium term and a limited capacity in the long term" - this is not the definition of a Council that is in imminent financial difficulty. Our financial capacity is currently strong and will continue to improve over the next few years.

Council's assets are in good to excellent condition and significant works have been completed in relining sewer pipes and the airport terminal and runway. Council has commenced construction of a 30 allotment industrial estate and negotiations to establish a new residential area with an additional 10 - 15 allotments and work has commenced on major improvements to the Blackall Saleyards Complex. Blackall Shire Council is best situated to ensure projects that benefit our community are completed for the benefit of the whole community as well as the region.

By continuously improving our operations and actively participating in the numerous regional forums and groupings within this region our Council will continue to improve our financial and communities sustainability. Council has made significant changes to the financial capacity of Council over the previous two years and the benefits of these changes are now being felt and have put Council in a sound financial position for the future of the Shire and the community.

"The significance of this vast, sparsely-populated area is that the Councils will struggle to achieve economics of scale in the delivery of the services. It is well-known in local government systems across the world that servicing small massively spatially separated populations will generally be very costly, regardless of the organisational structure delivering the service. This 'tyranny of distance' will thus be likely to drastically increase an organisation's cost if a centralised organisational structure is adopted. Vast distances mean greater expenditure if service provision is centralised. This inescapable fact is acknowledged by the Queensland State government itself, given the substantial number of functions and responsibilities the shire councils under review already carry out on behalf of the state government, such as health services." (Dollery and Johnson May 2007 RAPAD Report to the LG Reform Commission).

Services Provided

Services provided that are considered **within the "normal" range** of local government services provided to the Blackall Shire Community include:

Function	Services provided
Administrative and Financial Services	<ul style="list-style-type: none">▪ Council office including transactions, governance, leadership, information sharing, pensioner rebate scheme, community consultation mechanisms for Council and State Government agencies, agency arrangements, collection of Fire Service Levy;▪ Photocopying and binding services (commercial);▪ Public awareness campaigns▪ Community Education;▪ Community advocacy;

Planning and Development	<ul style="list-style-type: none"> ▪ Town and Shire planning; ▪ Building control and certification; ▪ Tourism promotion; ▪ Area development promotion; ▪ Economic development;
Engineering Services	<ul style="list-style-type: none"> ▪ Maintain and improve 1,111 km of shire roads and streets; ▪ Oversee 285 km of Queensland Government roads and 95 km of National Highway including major maintenance and improvement construction projects (recoverable works); ▪ Footpath construction and maintenance; ▪ Kerb and channelling construction and maintenance; ▪ Street lighting; ▪ Street cleaning; ▪ Road grid safety inspections and construction; ▪ Urban stormwater drainage maintenance and construction; ▪ Mechanical Workshop for all plant and equipment repairs; ▪ Airport
Environmental Services	<ul style="list-style-type: none"> ▪ Environmental protection services and advice; ▪ Natural resource management; ▪ Maintain 792 km of stock route network including the issuing of travelling stock permits, depasturing permits and water agreement negotiation and fee recovery; ▪ Public order and safety including animal and public nuisances control, vermin control; ▪ Inspection/licensing of food and other premises, community health; ▪ Licensing environmentally relevant activities; ▪ Advocate for improved health services for Blackall, Tambo and Isisford; ▪ Flood mitigation projects;
Community and Cultural Services	<ul style="list-style-type: none"> ▪ Cultural Centre, Arts Centre, community meeting rooms, community hall, youth centre, gallery, historical museum; ▪ Parks, playgrounds, picnic areas, camping area, barbeques, nursery, skatepark; ▪ Showgrounds, sporting fields and venues, aquatic centre; ▪ Public conveniences; ▪ SES operations; ▪ Local disaster management with SES, QF&RS, Hospital, Police and QAS; ▪ Cemetery; ▪ Library including public internet access; ▪ Employee and public housing;
Utilities	<ul style="list-style-type: none"> ▪ Refuse/waste management control; ▪ Water supply; ▪ Sewerage and waste water system;

Services provided that are considered **outside the “normal” range** of local government services include:

Function	Services provided
Administrative and Financial Services	<ul style="list-style-type: none"> ▪ Instore Westpac Banking facility at the Council Administration Office; ▪ Training to a substantial number of residents via traineeships and apprenticeships; (Training is undertaken by both Council and various community organisations utilising grant money made available via Council) ▪ Historians and publishers of local historical books and information;
Planning and Development	<ul style="list-style-type: none"> ▪ Subdivision and property development - industrial estate as well as residential and commercial allotments; ▪ Visitor Information Centre; ▪ Local Economic Development including - <ul style="list-style-type: none"> ○ Business expansion and retention program;

	<ul style="list-style-type: none"> ○ Local business cooperative TV advertising program; ○ Conference development program; ○ Youth employment initiatives; ○ Creative industries development; ○ Heartland Festival Co-ordination; ▪ Regional Economic Development;
Engineering Services	<ul style="list-style-type: none"> ▪ Community Bus Hire; ▪ Private Works including plant and labour hire to the following: <ul style="list-style-type: none"> ○ Ergon Energy; ○ Telstra and subsidiaries; ○ Substantial Qld Main Roads maintenance and capital works; ○ State Government Departments and Agencies; ○ Local businesses and companies; ○ Private individuals; ▪ Airport (3 commercial flights per week); ▪ Small equipment hire including chairs, tables, jack hammers, mower/slathers,
Environmental Services	<ul style="list-style-type: none"> ▪ Wild dog eradication programs; ▪ Pest plant and pest animal eradication programs; ▪ Construction and maintenance of washdown facilities; ▪ Management of the Town Common;
Community and Cultural Services	<ul style="list-style-type: none"> ▪ Qld Corrective Services WORK Camp program - 16 offenders located at Blackall and undertake community work in Blackall, Tambo and Isisford Shires. ▪ Public housing for Pensioners; ▪ 60 and Better Program (ex Qld Health); ▪ Family Day Care (ex Qld Communities); ▪ Rural In-home Family Care (ex Qld Communities); ▪ Community Services Coordination (ex Qld Communities); ▪ Disability Services (ex Qld Communities); ▪ Community Housing (ex Qld Housing); ▪ Saleyards and Spelling Facilities; ▪ Molasses and other feed supplement sales; ▪ Funeral Business (Undertakers) also servicing Isisford and Tambo Shires; ▪ Television and SBS Radio Retransmission; ▪ Regional Arts Development Fund administration; ▪ Youth Development Services including employment initiatives; ▪ CentreLink Office space; ▪ Barcoo Independent (local newspaper) partnership; ▪ Administer Multipurpose Sport and Recreation Association (18 local clubs are members); ▪ Organiser/coordinators for Australia Day celebrations, ANZAC Day, Clean Up Australia day; ▪ Support to every local organisation including annual show, Woolscour, hospital auxiliary, sporting organisations, cultural organisations, community organisations etc;
Utilities	<ul style="list-style-type: none"> ▪ Private works - Plumber; ▪ Rural electricity connection scheme;

Staff Establishment and Employment Opportunities

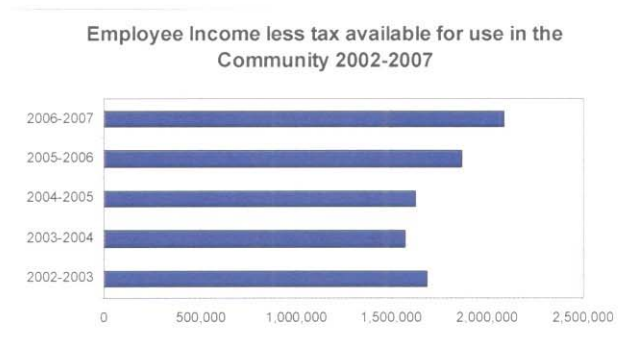
Council currently have 66 employees paid via Council's payroll system. Of the 66 employees 47 are classified as 'outside' employees and 19 are classified as 'inside' employees. ALL employees are frontline service providers - from labourers, plant operators, gardeners, community service providers and administration officers who all provide front office support to the community via receipting, banking, enquiries, advice and assistance. While administrative functions are important

and are carried out, all administration officers are multi-skilled and are an important communication link from Council **and other government agencies** direct to community members.

ALL employees are vital to the social fabric of the Blackall Community. Any loss in positions, whether in the short term or the long term, is totally unacceptable to the Blackall community and will only reduce the long term social viability and sustainability of the community. The impact of Council employees on local organisations is crucial to long term community sustainability.

Council employees are the backbone of the Council and the Community:

- 85% of employees own their own home or reside with their partners and/or parents;
- 15% are currently renting residences;
- No Council employee resides outside the Shire boundaries;
- A significant number of employees hold executive and committee positions on numerous sporting, cultural and community groups and organisations.
- 72% of the local QF&RS members are Council employees;
- 86% of local SES members are Council employees;
- Council is the only organisation in the community that offer significant numbers of traineeships and apprenticeships giving vital employment and training opportunities to the youth of the region;
- Council employees offer a wide array of skills and knowledge that the community utilise within groups and organisations as well as sharing the skills and knowledge with community members thereby increasing the vitality and versatility of the community;
- Council employees' income is spent in the community thereby supporting other business units in the community. Incomes spent in the community is shown in the following chart:



In addition to Council employees as noted above, Council also employ a number of contract based employees who are Blackall Shire based:

- **Saleyards** - Council contractor manages the facility and this has two (2) permanent positions. 18 residents work on average one (1) day per fortnight for cattle sales (store and fat sales are held fortnightly at the complex with special sales held during the off week - on average 25-30 sales per annum);
- **Child Care Operations** - Council contract five (5) full time child minding positions (this has been as high as 8);
- **Aquatic Centre** - Council contractor leases the centre and this has two (2) permanent positions;
- **WORK Camp** - Council in conjunction with the Queensland Corrective Services employ one (1) permanent supervisor in this position;
- **Cleaning Services** - Council contract out cleaning of public conveniences and this is equivalent to one (1) permanent position;
- **Community Services** - Employs four (4) locals to carry out casual work in the field of community services and disability services;
- **Administration/Professional** - Council employees an Environmental Health Officer on a part-time basis and an Accountant on a part-time basis. The services provided by these

professionals are sufficient for Council requirements at this point in time. These regional residents also work for various other Shire Councils;

- **Engineering Services** - Council engages the services of consulting engineering firm George Bourne and Associates based at Barcaldine. Council utilises the services of the regionally based engineers when required.

Overview of SSS Participation

Council participated fully in the Size, Shape and Sustainability (SSS) Project and was a member of the Central West SSS Review Group of Councils comprising Blackall, Tambo, Jericho, Isisford, Barcaldine, Ilfracombe and Longreach with Aramac as an observer. The Central West Review Group was formed in April 2006 to undertake the initial review phase of the (SSS) Project.

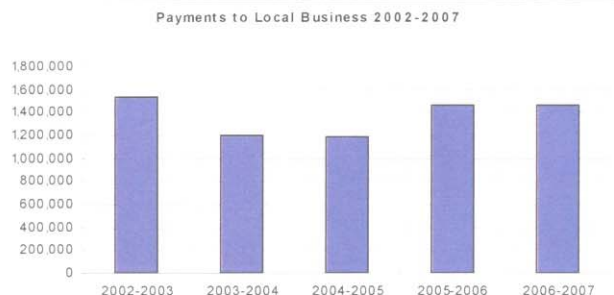
A draft Terms of Reference for a Comprehensive Phase of Sustainability Review had been completed and was due to be adopted by the Central West SSS Review Group of Councils however, as this meeting was scheduled to be held after 17 April 2007 the meeting did not proceed in light of the Minister for Local Government's announcement on that date.

It is unfortunate that the SSS process has been disbanded as the purpose of the Comprehensive Review Phase was to examine in detail the potential for structural change to improve the sustainability of local government in the area administered by the group of Councils **within a framework of social sustainability for the communities** in the region, and to make appropriate recommendations for change to the Councils and Communities.

Council and Community Sustainability and Service Provision

Council asserts that the primary determinant of Blackall Shire's future success will not be an amalgamation or boundary alteration, rather it will be from new development as a result of establishing an industrial estate, establishing a cattle spelling facility, establishing new residential allotments, providing new commercial opportunities, encouraging creative business opportunities, improving health services for the Shire and the region and fighting for appropriate and fair financial support from other levels of government.

A larger Council in this region will lead to a loss of independent local decision making that is respectful of local identity, ideologies, lifestyle, tradition and history. **Local government based in Blackall is essential to maintain and sustain the local community, local economy and level of local services currently provided.** Council's financial history indicates that substantial revenue is spent at a local level (see following chart) and removal of these revenues from the community will result in substantial reduction of local services offered.



It is Council's assertion that by using continuous improvement to refine and improve our operations and actively participate in the numerous regional forums and groupings this Council will continue to improve our financial and community sustainability.

The State Government's view that:

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- *The local government sector is characterised by a **large number** of small rural and remote councils that are financially unsustainable or unable to meet community expectations regarding service delivery (Local Government Reform page 19)*

is reprehensible and an affront to the Blackall Shire Council and the Blackall community who have worked together for decades ensuring that residents live in a modern and contemporary environment and have modern and locally appropriate services. If the State Government had undertaken appropriate community consultation it would be apparent that this particular statement has no factual basis to it.

"If one was to review all the roles, responsibilities and services provided by the eleven central west councils, it would soon become evident that the unilateral decision by the Queensland state government to undertake wholesale amalgamations of local authorities in Queensland has not considered the ramifications on small communities in the far west of the state. The eleven shires in the RAPAD district do much more than provide local governance and the range of public goods and services that are typical of any other local authority in Australia. Indeed, these small councils literally hold their respective communities together. They provide numerous services that would normally be supplied by other government agencies and the private sector." (Dollery and Johnson May 2007 RAPAD Report to the LG Reform Commission).

In practice a high level of local representation provides for Councillors to have frequent face to face contact with community members and for Council to be represented on a significant number of community organisations within the Shire. The removal of this level of elected representation from the Shire will have an adverse impact on community members and result in the community being disenfranchised.

Blackall Shire's community sustainability has improved significantly over the previous 12-18 months with a growth in Blackall's business sector. Despite the ongoing effects of the devastating drought the township of Blackall continues to defy regional trends by opening six (6) new businesses over this period. This has been complemented by the opening of Blackall's new 14 bed nursing home (which will soon be extended by an additional 10 beds). The future is bright for the Blackall Shire; however these initiatives do not happen without the support of a local Council who understands and works within the local community.

"The potentially catastrophic consequences for small communities of forced amalgamation are so grim that it is essential that local government policymakers, such as the Queensland Reform Commission, examine the potential effects of compulsory council mergers and try to get some statistical appreciation of the magnitude of the negative economic and social multipliers involved." (Dollery and Johnson May 2007 RAPAD Report to the LG Reform Commission).

Regional Collaboration

Council, along with all other western Queensland Councils have a strong and effective record of regional collaboration and resource sharing. Council neighbours have been sharing resources and have been assisting each other for decades; however there is room for improvement and given adequate assistance and resources this will continue to enhance the effectiveness and efficiency of service delivery.

Regional collaboration and resource sharing for Blackall Shire takes many forms and includes the following:

- Council is a member of the Remote Area Planning and Development Board (RAPAD) incorporating Central Western Regional Organisation of Councils. 11 Shires are represented on this Board including: Blackall, Tambo, Ilfracombe, Isisford, Barcoo, Diamantina, Boulia, Winton, Longreach, Aramac and Barcaldine. RAPAD is the conduit for significant regional economic development initiatives required in Outback Queensland.

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- Council is a member of the Outback Regional Roads Group (ORRG) whose functions include: assessing asset management use, deriving benefits from joint-purchasing and resource-sharing initiative, maximising financial benefits derived from working together and advocating as a group to increase road funding to the ORRG's vital road network.
 - Through the ORRG, Councils are developing a Joint LG Body to undertake major projects along the National Highway which will involve substantial sharing of resources.
 - Council is a member of the Five (5) Shires Jericho to Windorah Road Project. Blackall, Jericho, Barcaldine, Isisford and Barcoo Shires have all signed a MOU with the Department of Transport to remove the rail line from Jericho to Yaraka and replace it with a bitumen road from Jericho to Windorah. Work along this road will involve resource sharing, joint management and cross boundary construction.
 - Joint purchasing arrangements have been used in the past and had been highlighted as an area for improvement in the future. However, this will occur without penalty to local businesses.
 - Council along with Tambo, Isisford and Barcaldine Shire undertake a cooperative 1080 baiting program within the Shires.
 - Council has worked with Tambo, Isisford, Barcaldine and Jericho Shires on joint pest weed control strategies.
 - The COWS group (CEO's of Western Shires) network and work collaboratively to provide uniform policies and sharing arrangements and cost saving initiatives for all western shires. Other important networking occurs on a regular basis with Stock Routes Supervisors, Overseers and various administrative officers.
 - Council has in the past and will continue to in the future, assist neighbouring Councils with sharing / utilising of the following:
 - Staff with specific expertise;
 - Plant and operators;
 - Small plant and equipment;
 - Funeral services (undertaking);
 - Local assets including shade structures, chairs, tables, electronic equipment, etc
 - Council will continue to work in a regional cooperative setting via RAPAD for the following regional issues:
 - Health;
 - Education;
 - Public transport arrangements;
 - Regional promotion;
 - Regional economic development;
 - Natural resource management;
 - Other government services.
 - Council is a member of the Western Queensland Local Government Association and the Local Government Association of Queensland, both of which support and assist Council along with other local governments to deliver hundreds of outcomes involving shared resources, shared services, shared information, infrastructure planning, economies of scale, red tape reduction and with them significant community benefits.

Natural Resource Management

The major water source in the Shire is from the Great Artesian Basin with the Barcoo River flowing through the Shire. Blackall Shire is part of the Queensland section of the Lake Eyre Basin which includes the Georgina/Diamantina and the Cooper Creek catchments. At 509,933 km² it is one of

the largest planning regions in Queensland. The region has an extremely diverse landscape. This diversity includes the woodlands of the Desert Uplands, the rolling plains of the Mitchell Grass Downs and Channel Country to the dunes of the Simpson Desert.

The size of the natural resource area in which the shire is included is far too massive to give any credence to suggesting that natural resource management areas should be taken into account when considering boundaries of proposed local government areas.

Conclusion

While recognising that there is always 'room for improvement' it is Council's position that Blackall Shire Council should remain an autonomous entity and strongly recommends against any forced amalgamation of Council or any other central west Queensland Council. Dollery and Johnson's May 2007 RAPAD Report to the LG Reform Commission is a comprehensive report highlighting the reasons for not forcing amalgamations in the central west as well as detailing a number of recommendations for improving the delivery of services in this vast part of the state.

Council provides numerous services to our community, some are considered the normal responsibility of councils while a significant proportion are not considered the normal responsibility of local authorities. These services are provided because the community has seen a need for the service and Council has responded proactively to this need, irrespective of which level of government traditionally has jurisdiction. Without these necessary services being provided by a local entity the community will suffer from the lack of service and goods.

"As local councils get bigger and more centralised, local knowledge and local enthusiasm evaporate, and local innovative and effective local solutions inevitably disappear." (Dollery and Johnson May 2007 RAPAD Report to the LG Reform Commission).

Brenda Kelly
Chief Executive Officer
Blackall Shire Council
21 May 2007