

MEDIA RELEASE

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All of Western Queensland unite for a fairer deal from Canberra

Almost 60% of Queensland has united to call on the Federal Government to increase overall funding for local government and to put in place targeted funding programs for rural and remote councils.

The 21 councils ranging from the Gulf of Carpentaria to the New South Wales border, generate \$9.35B of the State's Gross Product from 1.3 per cent of the Queensland's population.

This contribution, coming from the resources and agricultural sectors, is 2.2 times per capita above the Queensland average, demonstrating the value of the Western Queensland regions to the State and national economies.

This is achieved despite the current challenges faced by the councils and their communities.

"All of western Queensland has been punching well above its weight in terms of its contribution to the national economy with unsatisfactory Federal funding, if we are to continue we require a fair deal and targeted support," Cr Rob Chandler, Chair of the Remote Area Planning and Development Board (RAPAD) said.

Recent analysis undertaken by the AEC Group for the three regional organisations of councils – North West Queensland based on Normanton, RAPAD based on Longreach and South West LGA based on St George, highlights the pressure faced by their 21-member councils.

Amongst the pressures are:

- Substantial population decline over the last five years
- Adverse weather conditions with the majority in drought since 2013, and
- Considerably higher costs of the living for goods and services.

These factors are increasing the pressure on the councils' budgets because of:

- Their limited rating and revenue raising capacity spread across large geographical areas
- Ageing community infrastructure requiring large renewal investment
- New infrastructure challenges to support increased resource sector activity, and
- Volatility of operating grants significantly impacting the provision of infrastructure and services to their communities.

This volatility in external funding cannot be replaced by the councils because of their own limited revenue raising capacity. External funding particularly from the Commonwealth government is essential to the wellbeing and sustainability of Western Queensland communities, and their ability to continue their above average contribution to the nation's economy.

The report concludes that in addition to a growth in external funding, greater certainty and predictability is required. Strategic infrastructure investment and service provision can only be achieved if there is certainty in long term funding sources and levels.

To achieve this outcome the councils have called on the Commonwealth government to:

- Return the Financial Assistance Grants Scheme funding levels to one percent of total Commonwealth taxation revenue. Originally at one percent it has dropped in recent years to .55 percent.
- Continue other programs accessed by the councils or beneficial to their communities such as: Roads to Recovery, Black Spots, Heavy Vehicle Safety and Productivity, Bridges Renewal, Northern Australia Beef Roads, Northern Australia Roads, National Highways Upgrade and Outback Way.
- Commit to the development of a longer-term funding regime for rural and remote councils based on an allocative model similar to that used for the Roads to Recovery Program to achieve predictability and certainty of funding levels and to minimize the costly and lengthy delays involved in multiple bid-based programs.

Chairs of the three ROCS – Mayor Jack Bawden (Carpentaria Shire Council), Mayor Rob Chandler (Barcaldine Regional Council) and Mayor Richard Marsh (Balonne Shire Council) called on the Government, Opposition and the Cross Bench to take seriously the need for reform of funding for rural and remote councils.

“Whilst short term crisis response programs are welcomed there needs to be a longer-term vision for the funding of these areas so fundamentally important to the nation’s economy through the supply of raw materials, and food and fibre for the nation’s growing population,” Cr Chandler said.

“Commonwealth funding can be more strategically invested with better long-term planning, priority assessment and a collaborative regional approach to project timing and co-funding arrangements,” Cr Marsh said.

“For too long rural and remote regions and their communities have been unfairly treated with the level of return they receive from the Commonwealth government against the value they create for the national economy. We are seeking a fundamental rethink of how the Commonwealth Government funds rural and remote councils,” Cr Bawden concluded.

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