



Local Government Association Tasmania

MEDIA RELEASE

FOR IMMEDIATE RELEASE

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Working for Communities

“The propaganda that is being churned out by the group known as Tasmanians for Reform in its latest radio advertising campaign is nothing short of misleading, with the big of end of town seeking to enlist normal ratepayers to ease the rate burden that commercial property owners presently bear,” Acting President of the Local Government Association of Tasmania, Clr Deirdre Flint said today.

“References to councils taking major profits on water and sewerage is rubbish,” she said.

“Under present legislation, the pricing for water and sewerage is established by an independent regulator and, as part of that pricing arrangement, the regulator requires a reasonable rate of return on the assets that are used in the provision of supply. This is a standard arrangement for public utilities throughout the country and is aimed at ensuring that the investment in infrastructure is effective and efficient.”

“Any dividends received by councils are invested back into the provision of services to the community, or the replacement or upgrading of assets. It needs to be understood that while many have received water and sewerage bills for the first time in recent years, these charges used to be included within council rates. They are not new charges and the returns received by councils do not exceed those which were received prior to water and sewerage reform. In fact, for most councils they are less!” Clr Flint highlighted.

“The suggestion by Tasmanians for Reform that councils have underinvested in water and sewerage infrastructure to the tune of \$1 billion is also rubbish. Councils have spent hundreds of millions of dollars on providing and upgrading water and sewerage infrastructure over the past decade and would certainly have continued that rate of expenditure into the future. The new regulatory regime that came into effect with water and sewerage reform has certainly lifted the bar in terms of the standards to be met, but it is ridiculous to suggest that councils had not been diligent in their spending.”

“And Tasmanians for Reform want council amalgamations. They outrageously claim savings levels that have never been achieved anywhere in the world where amalgamations have occurred. They don't care about small communities that value and want a local voice. They don't care about normal Tasmanians that are faced with the loss of medical services from their local community that call on their local councils to step in to assist. They don't care about the plight of people that suffer hardship and rely on their local councils to provide services to maintain their dignity in the community,” Clr Flint said.

“According to them, this is rubbish apparently and only adds to the inefficiency of Local Government. Tasmanians for Reform forget that councils are there for the people and not only the big end of town. Councils are not ruthless and seek to build and keep communities together,” she said.

“Councils have embraced resource sharing across the State in an effort to achieve efficiencies, while continuing to meet their statutory obligations and providing services that the community wants and needs.”

“No mention is made of who will pay for amalgamations but I am sure that it will be left to ratepayers to bear the cost - certainly not those pushing for the change,” she said.

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For media enquiries, please contact LGAT CEO, Allan Garcia, on 0419 123 201.