State Govt Grinch after Christmas for communities

Councils and their communities will once again bear the brunt of attempts to redress spiralling State debt, this time through cuts to vehicle registration concessions.

The impact will vary between Councils, but it is estimated next year it will cost the sector millions more to register the vehicles used in servicing the community.

Likely a public servant somewhere is being congratulated for the savings, but it will be the community that will ultimately wear those costs.

To redress this cost shift imposed by the State, Councils will either have to reduce what they provide for the community or increase their income from rates.

Ironically, when Council rates increases are announced each year, the State Government invariably tries to endear itself to the community by joining in the chorus of condemnation. And yet the State themselves are unable to maintain inflation-only rises to utility rates.

In a further twist, the Department of Transport in advising Councils of the change claims the extra revenue will be spent on road and infrastructure projects.

The contradiction however, is that about 80 per cent of WA roads and associated maintenance falls to Councils, to which the State Government has reduced the proportionate funding share.

The State Government’s retreat from supporting licensing charges is the latest in a string of measures to shift costs to Councils rather than make any actual decisions on real savings.

For example late last year the Department of Local Government and Communities decided to walk away from supporting families in need and cut $1.4m to support community family centres.

Before that State Treasury decided to move to a “cost recovery model” which hiked up the rates Councils had to pay, predominately to provide community infrastructure.

Some of the State’s cost shifting initiatives have a bigger financial impact on Local Government than others, but they all add up.

At a time when the economy has stalled and unemployment in WA is at its highest since 2002 and the worst in the nation, the community has less ability to absorb additional charges.

The impact of the latest cost shift - the need for Councils to pay the State more to license vehicles - won’t be implemented until the new financial year, well after the State election in March.

That is the community won’t feel the financial impact of the decision until well after it has decided who should form Government.

Everyone accepts that the State is in a dire financial situation and that cost shifting by State Government to Councils is nothing new.

But it would be refreshing to have a State Government that had an economic recovery plan that actually redressed overspending in agencies and made genuine decisions on savings.

Rather than simply trying to make the State Government seem increasingly efficient by clumsily shifting costs to Councils and ultimately to their communities.