

POST OFFICE BOX 181

PHONE: 07 4651 1211
07 4681 1336

FAX: 07 4651 1778



Barcaldine Shire Council

Council Chambers

Barcaldine Q. 4725

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE CHIEF EXECUTIVE OFFICER

IN REPLY QUOTE REFERENCE NO.

PKB:AAC:JULLTR

23 JUNE 1999

Mr Ernie Bridge, OAM JP MLA,
President,
Watering Australia Foundation,
PO Box 1053,
WEST PERTH WESTERN AUSTRALIA 6872

Dear Ernie,

RE: IMPACT OF COMPETITION POLICY REFORMS ON RURAL AND REGIONAL AUSTRALIA

Due to other commitments (A State Ministers visit etc), this Council will be unable to be represented at the National Competition Policy hearings in Townsville next week. This lack of representation, however, does not indicate a lack of concern at the present and potential effects of National Competition Policy; far from it!

This Council has been extremely concerned at the potential for the depopulating of small inland Towns by the Policy. I refer particularly to the requirement for Federal Highway construction work to be put to tender rather than constructed by means of an agreement with Local Government. As you are aware, Local Government in Towns such as Barcaldine is the largest employer, and depends on the maintenance and construction of permanent works on State and Federal Main Roads to keep it's workforce and plant fully utilised. This has worked very well in the past, and a form of agreed pricing applies in the case of Qld Main Roads Projects on State Highways. In this way, the Council is assured of it's future works, and Government, in turn, gets the works carried out at a competitive and economic rate. The agreed price system allows unit rates to be compared with other works in the area (both contract and Local Government), and the agreed prices reflect the industry standard.

The need to tender for road construction projects in our own area raises uncertainty as to the future of our workforce. We feel that we are most competitive compared with contractors, and are not afraid to compete with them. However, there is a history of poorly carried out contract work in Queensland as well as examples of contractors going broke and walking away

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PHONE: 07 4651 1211
07 4651 1338

FAX: 07 4651 1778



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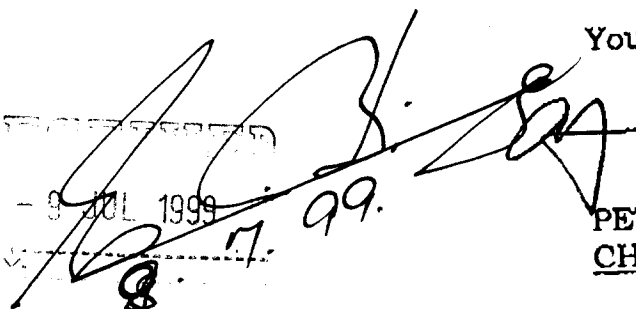
from projects. A Council only has to miss out on one contract and it would probably be unable to employ it's workforce for the balance of the year. Council employees tend to be skilled in road construction utilising local materials for example, construction of roads in black soil country is very different to the same construction in sandy loam country. Both soil types occur in this area.

Council employees, whilst not paid the rates of pay available to them in the mining industry etc, tend to remain with local government because of the long term security, superannuation, etc. If the Council is unable to employ them for long periods due to no contract work, they will certainly leave town and migrate to the Coast or to the mining areas where work is available. Once lost, the expertise of these people can never be regained by Councils, particularly if future employment is unsure. The loss of 50 or 60 jobs (families) in a town such as Barcaldine will start a downward spiral which will affect the staffing of schools, shops, etc from which the town may never recover. It is hard enough maintaining population in the inland area of Australia without having the affects of National Competition Policy actively destroying that population base.

It is felt that National Competition Policy is a disaster in many aspects, particularly to rural Australia. I have outlined above just one example where this policy can depopulate the inland and cause the demise of many of it's small towns.

This Council fully supports your submission to the hearing, and would wish to have it's concerns made known to the hearing as well. Thank you for the opportunity to voice our concern.

Yours faithfully,


 PETER BUROW, PSM.
 CHIEF EXECUTIVE OFFICER

9 JUL 1999

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