

COUNCIL OF THE SHIRE OF EACHAM

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ALL COMMUNICATIONS SHALL
BE ADDRESSED TO THE
CHIEF EXECUTIVE OFFICER

If further information is required
regarding the content of this letter,
please contact

6th November 1998



WHEN REPLYING PLEASE QUOTE:

98/G293

40242

Impact of Competition Policy Reforms Enquiry
Productivity Commission
PO Box 80
BELCONNEN ACT 2616

Dear Sir/Madam

**RE: IMPACT OF COMPETITION POLICY REFORMS ON RURAL &
REGIONAL AUSTRALIA**

Council accepts that efficiency gains in local government and many industries are necessary, however it believes that the impacts of competition policy reforms on rural Australia are largely negative. This submission represents Council's views and is presented as anecdotal rather than data oriented.

With respect to local government, the review of local laws for anti-competitive provisions is proving to be a time consuming and expensive exercise, and in many cases a wasted one. Council supports the application of full cost pricing to its activities, however believes it essential that the service focus of local government not be lost. Particularly with respect to services that would not be profitable for private enterprise to provide.

Council is a major employer in the shire and believes strongly that it has a role to support local employment, and provide services required by the residents of the Shire. Services will be provided as far as possible within Council's budget, even to the extent of incurring a loss. Contracting out services has led to a loss of employment and people within the community, and given Council's proximity to larger coastal centres, favours contractors from those centres.

In conclusion, although this submission is brief, it is important to stress that Council firmly believes the impact of competition policy reforms are negative for the region, and costly and time consuming in terms of Council resources.

Yours faithfully

IAN M CHURCH
A/CHIEF EXECUTIVE OFFICER

