



BUDGET 2011-2012

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BUDGET MEDIA ANNOUNCEMENT FOR IMMEDIATE RELEASE

COUNCIL CONTINUES TO ABSORB IMPACTS OF SUBSIDY WITHDRAWAL

In its budget handed down today Bundaberg Regional Council has again absorbed much of the impact which has resulted from the State Government's withdrawal of its 40% subsidy for new Water & Sewerage capital infrastructure projects.

Council has identified that if all of the new projects listed in its 10 year forward projections for capital works came to fruition, the effect of the State's decision to withdraw the subsidy would result in a loss of some \$53M to the regional community. Nominally, this would equate to about \$5.3M per year and if not absorbed by Council, could have resulted in the introduction of an infrastructure levy of \$122.40 per year for each of the region's 43,300 ratepayers.

This is an unacceptable prospect and whilst some of the increases in the 2011/12 rates and charges will be attributable to the State's withdrawal of the subsidy; Council will continue to bear the brunt of the impact, according to Council's Finance Spokesperson, Cr Greg Barnes.

"Council is very much aware that this level of impact is beyond the reach of many ratepayers and that most of it has to be absorbed within the level of services provided", said Cr. Barnes. "Whilst Council continues to seek better operational efficiencies, the net result of the State's decision is likely to be felt in the level of services provided to the community for years to come or until it is reinstated".

The 40% subsidies which had previously been available to all of the State's local governments were suddenly withdrawn following the amalgamations in 2008.

Also withdrawn was the State Government's Roads and Drainage grant that had traditionally been provided to Council and which will continue to adversely impact on its future operations.

For more details on Bundaberg Regional Council's 2011 – 2012 Budget, visit Council's website: bundaberg.qld.gov.au; view the Budget at Council Centres at Bundaberg, Bargara, Childers and Gin Gin; or phone the Call Centre: 1300 883 699.

14.7.11