

* Advice received from Minister Coulston's office that 1% position of our peak bodies want, won't happen. ALGA's call for FAGS to be tied to one per cent of Commonwealth tax revenue isn't going to happen. FAGs have not been tied to Commonwealth taxation revenue since 1986. The Federal government has no plans to tie FAGs funding to Commonwealth tax revenue as they see this as increasing the volatility of the payments received by local governments. And that is a direct quote from Minister Coulston's letter dated 16 December of last year. Speaking of direct quotes, I'd like to provide you with another from Minister Coulton - Local governments have a critical responsibility to deliver vital services and ensure quality of life for their communities in good times and bad. The Australian Government will continue its support for local governments under the Financial Assistance Grant program. With all respect to Linda's advice, that cuts may be made to FAGS, with country councils heavily relying on these grants, without them, many of us will simply go into administration. It's not sustainable. For example - if you look at FAGS as a % of your rates revenue, for Sydney Council it is 2%, for Gunnedah Shire Council it is 25% and for Kyogle Council, it is 63% of our rates revenue.

* Further to ALGA, at the 2019 conference we passed a resolution to remove the minimum per capita payment.

* Original reason for legislation - the intent of the act was to provide funding for disadvantaged councils who lack the capacity to deliver the services they are supposed to deliver. I refer you to the second reading of the bill when it was introduced to Parliament in 1985.

* This is something we all need to get on board with. As Country Mayors, it is our Councils that are the most disadvantaged, who meet the specified criteria of the intent of the Act and will benefit the most from this minor change to the legislation. This amendment will provide the state government with more flexibility in the distribution of the funds, particularly in terms of directing the funding to those councils who need it most.

Sent from my iPad

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