

16 October 2014

Natural Disaster Funding Arrangements Productivity Commission <u>disaster.funding@pc.gov.au</u>

## Re: Productivity Commission Draft Report into Natural Disaster Funding Arrangements

I have attached copy of Council's submission previously forwarded to the Productivity Commission. In January 2014, the largest bushfire in the Mount Lofty Ranges since Ash Wednesday 1983 devastated a large area of the Eastern Mount Lofty Ranges in South Australia from Eden Valley across to Cambrai and North to Truro. Over 26,000 hectares of farm land was burnt, 130 farms affected, 5 homes were burnt and many livelihoods were devastated. The Mid Murray Council has noted the Draft Findings and recommendations in the draft report.

It is noted in the Draft Finding 2.2 a number of statements regarding the current funding arrangements. Whilst it is noted that the existing natural disaster relief and recovery arrangements do not constitute a major fiscal burden that exceeds State and Territory funding capacity, it is pointed out that small regional and rural Councils are often subjected to the costs of the recovery from disasters, particularly for relief centres, recovery coordinator, disposal of burnt stock, fencing and other materials and a range of other assistance for land owners. Often, the Council does not have the financial capacity, but nonetheless undertakes this recovery role.

In relation to Draft Finding 2.5 it is considered that Councils need more funding for mitigation, so that disaster relief and recovery funding can be reduced over time.

In relation to Draft Finding 2.3 it is considered that information should be provided by State Governments or Local Government Associations on non traditional insurance products for Roads to Councils. The Mid Murray Council has the second largest road length of the 68 Councils in South Australia and such information would be helpful in relation to disaster recovery.

In relation to Draft Recommendation 4.4, it is pointed out that in South Australia Independent Development Assessment Panels determine Development Assessment decisions, not the local Council. The Independent Development Assessment Panels have a majority of independent members.

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Main Street, Cambrai, South Australia Telephone: (08) 8564 6020 Facsimile: (08) 8569 1931 Infrastructure Services Cnr Fourth & Eighth Street, Morgan, South Australia Telephone: (08) 8540 0060 Facsimile: (08) 8569 1931 In relation to Draft Recommendation 4.5, it is contended that unless the Federal Government requires the State Government to ensure Local Governments in their jurisdiction are sufficiently resourced; this will not occur. It is considered that the State Government will simply require Local Governments in South Australia to undertake the requirements in your Draft Recommendation 4.5 without such resources and support.

It would be appreciated if the Mid Murray Councils comments could be taken into account in the finalisation of your report.

Yours faithfully

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Russell Peate CHIEF EXECUTIVE OFFICER