

21 October 2014

Natural Disaster Funding Arrangements Productivity Commission LB2 Collins Street East MELBOURNE VIC 3850

Dear Commissioners

PRODUCTIVITY COMMISSION INQUIRY - NATURAL DISASTER FUNDING

The Wellington Shire Council welcomes the opportunity to respond to the Productivity Commission's draft report on natural disaster funding arrangements.

Since 2006 Wellington Shire has been impacted by more than nine natural disasters. The impact of which has been significant and ongoing in many parts of our community including many people with limited ability to mitigate the effects of these events.

As such, natural disaster funding has a profound impact on our local community and we echo the Municipal Association of Victoria's (MAV) concern that the reform options proposed by the Commission will lead to a significant financial burden being placed on councils that already have limited financial capacity to effectively respond to the mitigation, relief and recovery of natural disasters.

The proposed Natural Disaster Funding Arrangements appear to lack critical analysis of the potential impact the funding reforms will have at a Local Government level. The proposed reduction of Commonwealth funding may have substantial flow on effects to the services and programs councils offer the community and we believe it is imperative to fully understand and consider the economic and social consequences of these planned reforms.

To that end, Wellington Shire wishes to register its support for the submission made by the MAV on behalf of the Victorian Local Government sector, while stressing in the strongest possible terms that under no circumstances should local government and communities be financially disadvantaged by the proposed changes.

In addition to supporting the MAV's submission, Wellington Shire also supports recommendations contained in the submission submitted by East Gippsland Shire Council. As a neighbouring municipality with a similar natural environment, they too are impacted by and experienced in managing the impacts and response to a range of natural disasters and we commend them for their detailed response to the Commission's inquiry.

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Should you wish to discuss this submission further, please contact Mr John Websdale, Acting General Manager Liveability

Yours sincerely

CR SCOTT ROSSETTI Mayor

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