Shire of Lake Grace

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Please address all correspondence to the Chief Executive Officer Your Ref: Our Ref: 0046 / 07908 Enquiries: J De Landgrafft

## Email: PRRTReview@treasury.gov.au

Mr Michael Callaghan PRRT Review The Treasury Langton Crescent **PARKES ACT 2066** 

Dear Mr Callaghan,

## FEDERAL REVIEW INTO THE PETROLEUM RESOURCE RENT TAX

It is the preference of the Shire of Lake Grace for a "Royalties for Regions" type program to be included among the final recommendations of the Petroleum Resource Rent Tax (PRRT) review, so as to ensure a fair share of future earnings will be re-invested in regional, rural and remote Australia.

A "Royalties for Regions" type program would provide funding for infrastructure that would be also beneficial to the exploration industry and the subsequent development of other resource based projects, as without the Local Governments network of roads, bridges and aerodromes across regional Australia, access to regional Australia and its resources would be limited.

As a service provider of last resort, the financial constraints of Local Governments in rural areas are significantly restricted when Councils fill the void left by other spheres of government to fund medical and other human services which are expected by the community.

There are also geographic factors which impact on rural and remote Local Governments capacity to fund service delivery and infrastructure upgrades and maintenance. The geographic reality for the Shire of Lake is that we are a sparsely populated land mass which increases our financial viability challenges.

The overall effect or impact of the funds allocated under the Royalties for Regions allocations in Western Australia for the Shire of Lake Grace has been positive. Royalties for Regions allowed the Shire to commence addressing its infrastructure backlog that it would have struggled to implement within a reasonable timeframe.

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Royalties for Regions has also allowed the Shire to work in with other local governments and come up with a regional showcase project that will see the completion of aged accommodation units that in turn will keep people longer within their respective communities.

Should you have any further queries regarding the above please contact me on 08 9872 0029 or by email shire@lakegrace.wa.gov.au.

Yours faithfully,

Cr Jeanette De Landgrafft SHIRE PRESIDENT

2 February 2017 jdl:dg