



Tasmania

State Grants Commission

ANNUAL REPORT FOR 1999-00

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The Hon. Dr David Crean MLC
TREASURER

Dear Treasurer

In accordance with Section 9 (3) of the *State Grants Commission Act (No. 40 of 1976)*, I have pleasure in presenting the State Grants Commission's Annual Report and recommendations of financial assistance for local government authorities in Tasmania. This is the twenty fourth Annual Report of the Commission, relating to grants for payment in the 1999-00 financial year.

Yours sincerely

I G Inglis
CHAIRMAN

CONTENTS

1. INTRODUCTION	1
2. LEGISLATION GOVERNING THE GRANTS	1
3. LEVEL OF ASSISTANCE FOR 1999-00	2
4. INVESTIGATIONS AND INQUIRIES	3
5. PRINCIPLES AND METHODS	3
Base grant distribution	3
Calculation of standardised revenue	5
Calculation of standardised expenditure	5
Application of council-specific disability factors	6
(i) Scale	8
(ii) Population dispersion	9
(iii) Isolation	9
(iv) Regional responsibility	9
(v) Population growth/population decline	10
(vi) Worker influx	10
(vii) Absentee population	10
(viii) Age profile	11
(ix) Unemployment	11
(x) Tourism	11
(xi) Day-tripper	11
(xii) Equivalent tenements	11
Identified local road fund distribution	12
6. ISSUES REVIEWED FOR THE ASSESSMENTS	12
(i) Review of the “Mulholland” asset preservation model	12
(ii) The distribution of “NRTC funds” to councils	14
(iii) Review of expenditure categories and disability factor weightings	15
(iv) Recognition of council support of medical practitioners	16
(v) “Aerodrome disability” for island councils	16
7. OUTCOMES OF THE 1999-00 ASSESSMENTS	
Base grants	17
Identified local road grants	17
Total grants	17
8. ISSUES FOR FUTURE ASSESSMENTS	18

9. GENERAL OBSERVATIONS	19
10. RECOMMENDATIONS	19
11. CONCLUSION	19
APPENDICES	
1. Mathematical form of the equalisation model	22
2. Example of the application of disability factors	23
3. Total grants provided in 1998-99	24
4. Population of local government areas as at 30 June 1998	25
5. Length of local government roads as at 21 March 1999	26
6. Municipal property valuations as at 1 July 1998	27
7. Rate revenue received by local government 1997-98	28
8. Standardised revenue and specific purpose payments 1999-00	29
9. Standard expenditure 1999-00	30
10. Standardised expenditure 1999-00	32
11. Disability factors 1999-00	34
12. Mulholland model disability factors	36
13. Representation at Commission discussions in 1999	38

1 - INTRODUCTION

The Commission was established under the *State Grants Commission Act 1976*. It is responsible for making recommendations to the Treasurer concerning the distribution of Commonwealth financial assistance grants and identified local road funds to local government.

In performing its task the Commission, *inter alia*, adopts the principle of horizontal fiscal equalisation to ensure that as far as possible, a grant is sufficient to enable a municipality to function, by reasonable effort, at a standard not lower than the average standard of other municipalities within the State.

The above mentioned Act provides that the Commission comprise four members: a chairman, who is appointed by the Governor; one person nominated by the Secretary of the Department of Treasury and Finance and approved by the Treasurer; and two representatives of local government nominated by the Minister for Local Government from a list of four names submitted by the Local Government Association of Tasmania (LGAT).

The current members of the Commission are Mr I.G. Inglis CB, Chairman; Mr R.C. Close, the Member nominated by the Secretary of the Department of Treasury and Finance; Mr L.J. Mooney AM, and Mr B.A. Southorn PSM, the representatives of local government.

2 - LEGISLATION GOVERNING THE GRANTS

The Commonwealth *Local Government (Financial Assistance) Act 1995* replaced the earlier 1986 Act in April 1995, which in turn had replaced the *Local Government (Personal Income Tax Sharing) Act 1976*. The Act provides the conditions that must be fulfilled for the States to receive funds, and stipulates the basis for distributing the funds among local governing bodies.

The Act also provides that a set of national principles governing the distribution of grants be developed in consultation with the States, Territories and Local Government. The principles came into effect on 1 July 1996.

The main principle continues to be full horizontal fiscal equalisation. However, this is qualified somewhat by the minimum grant principle, which ensures that no local governing body will be allocated an amount in a year that is less than the amount that would be allocated to that body if 30 per cent of the State entitlement were allocated amongst local governing bodies in the State on an equal per capita basis.

The other principles include the need for effort neutrality in the assessments, inclusion of other grant support, recognition of the needs of Aboriginal and Torres Strait Islanders and the distribution of identified local road funds. These principles are described in full in Section 5.

The principle regarding identified local road funds recognises the relative needs of councils for roads expenditure and to preserve their road assets. These funds remain separately identified but are untied and are not required to be spent on roads.

The Commonwealth Act provides for the base grant to be distributed on a population share basis among the States and the Northern Territory. This share is determined by the Commonwealth Statistician, based on State populations as at 31 December in the

year prior to the application of the grants. Road funds are distributed on an historical basis between the States and Territories as defined in the *Australian Land Transport Development Act 1988*.

3 - LEVEL OF ASSISTANCE FOR 1999-00

The amount of general purpose financial assistance provided for local government by the Commonwealth was advised by the Commonwealth Minister on 9 July 1999 as shown in Table 1.

Table 1: Financial assistance for local government - 1999-00

	National pool of funds	Tasmanian grant entitlement	Proportion of national pool	Change from 1998-99 final grants
	\$	\$	%	%
Base grant	879,379,289	21,956,899	2.5	1.3
Road grant	390,206,468	20,678,186	5.3	3.0
Total grant	1,269,585,757	42,635,085	3.4	2.1

The national quantum of local government general purpose financial assistance is determined by the Commonwealth Treasurer having regard to: (a) underlying movements in general purpose payments to the States, or changes to the classification of any such relevant payments; (b) changes to the distribution of financial responsibilities between the Commonwealth and States; and (c) such other matters the Treasurer may consider relevant.

As has been the usual practice in the past (with the recent exception of 1997-98), the Commonwealth has adjusted the grant pool for both inflation and national population growth so that the pool is maintained in "real per capita" terms.

In line with long term trends, Tasmania's base grant did not increase by the full level of the indexation applied to the national pool (as shown in Table 1), as the estimated Tasmanian population decreased as a proportion of the national population. According to the latest ABS estimates, Tasmania's share of total national population has fallen from 2.54% to 2.50% between 31 December 1997 and 31 December 1998.

The Commonwealth has determined that there will be a negative adjustment of \$120,928 to the 1998-99 estimated grant entitlement of \$41,890,263, as the estimated inflation figure of 2.98% used to determine last year's pool, was higher than the actual level of inflation of 2.56%. Therefore, the "final" 1998-99 grant entitlement for Tasmania has been calculated by the Commonwealth as \$41,769,335 (which is \$41,890,263 minus \$120,928). Details are provided in Appendix 3.

The adjustment will be deducted from the 1999-00 quarterly payments, based on the distribution of the 1998-99 grants. This will mean that the cash actually paid to councils in 1999-00 will be the estimated 1999-00 entitlement of \$42,635,085 less the negative adjustment to the 1998-99 grants of \$120,928, which is a total of \$42,514,157.

4 - INVESTIGATIONS AND INQUIRIES

Section 8 of the *State Grants Commission Act 1976* provides that, for the purpose of making recommendations to the State Treasurer, the Commission may hold such inquiries and make such investigations as it considers to be necessary.

Under Section 11 of the Commonwealth Act, a State is not entitled to its grant unless the Commission has held public hearings in connection with the recommendations and permitted or required local governing bodies in the State or associations of those bodies to make submissions to it in connection with the recommendations.

In accordance with these requirements the Commission conducted a series of regional hearings which Councils, the public and media representatives were free to attend. The dates for the hearings were:

Launceston	21 April 1999 - for northern and north-eastern councils.
Ulverstone	5 May 1999 - for western and north-western councils; and
Hobart	13 and 14 May 1999 - for southern and eastern councils.

In addition to the above mentioned hearings, the Commission visited 10 municipalities throughout the State and considered written submissions from a majority of councils.

The most notable issues considered by the Commission for the 1999-00 assessments included:

- outcomes of the Mulholland Model update and review;
- distribution of NRTC funds to councils - investigation of possible methods;
- review of disability factor weightings; and
- financial support of doctors (general practitioners) by rural councils.

Details of the Commission's considerations and conclusions in relation to these and other matters are reported in Section 6.

5 - PRINCIPLES AND METHODS

BASE GRANT DISTRIBUTION

The national principles for the distribution of base grants (Section 9 payments under the Commonwealth Act) are shown in the box on the following page.

The Commission's equalisation model is based on the 'balanced budget' approach. That is, each local governing body's grant entitlement is determined according to the difference between the expenditure 'required' to provide a common range of services, given its unique cost conditions (standardised expenditure), revenue that could be raised by applying a standard or average rate per dollar of assessed annual values to all rateable property in that local governing body (standardised revenue) and specific purpose payments received that are treated by the 'inclusion' approach, as defined later in this section.

National principles for the distribution of base grants

1. Horizontal Equalisation

General purpose grants will be allocated to local governing bodies, as far as practicable, on a full horizontal equalisation basis as defined by the Act. This is a basis that ensures that each local governing body in the State/Territory is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the State. It takes account of differences in the expenditure required by those local governing bodies in the performance of their functions and in the capacity of those local governing bodies to raise revenue.

2. Effort Neutrality

An effort or policy neutral approach will be used in assessing expenditure requirements and revenue raising capacity of each local governing body. This means as far as practicable, policies of individual local governing bodies in terms of expenditure and revenue effort will not affect the grant determination.

3. Minimum Grant

The minimum general purpose grant allocation for a local governing body in a year will not be less than the amount to which the local governing body would be entitled if 30% of the total amount of general purpose grants to which the State Territory is entitled under Section 9 of the Act in respect of the year were allocated among local governing bodies in the State/Territory on a per capita basis.

4. Other Grant Support

Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach.

5. Aboriginal Peoples and Torres Strait Islanders

Financial assistance shall be allocated to councils in a way which recognises the needs of Aboriginal peoples and Torres Strait Islanders within their boundaries.

The difference between standardised expenditure and standardised revenue is the 'standardised deficit'. This becomes the net standardised deficit after adjustment for specific purpose payments and any special allowances. It should be noted that the total net standardised deficit normally exceeds the total of grant funds available. Accordingly, the final step in determining grant entitlements is to proportionately adjust the individual net standardised deficits to account for the shortfall.

Specific purpose payments are treated by either the 'inclusion' or 'deduction' approach. The 'inclusion' approach recognises funds received by councils as contributing to normal expenditure for the purpose of calculating expenditure standards. They are treated as a source of revenue and subsequently deducted from a municipality's standardised deficit. Using the 'deduction' approach, funds are

excluded from expenditure and revenue data prior to the determination of expenditure standards. The deduction approach is employed where;

- a council is effectively acting as an agent of the State or Commonwealth Governments and the specific purpose payment is a reimbursement of costs incurred; or
- grants for a particular service are received by only a relatively small number of councils, and the service is generally provided only where grants are received.

Equalisation therefore occurs on the basis of 'net' expenditures where this particular approach to the treatment of specific purpose payments is adopted.

A full explanation of the operation of the model is provided below, with a mathematical representation of the Commission's distribution model illustrated in Appendix 1.

It must be noted that no matter how sophisticated the Commission's methodology might become, there is always the need for the Commission to exercise broad judgement as it considers the many and varied issues which confront it each year as it goes about its task of grant assessments.

Calculation of standardised revenue

A council's revenue capacity, or standardised revenue, is determined by multiplying the rateable assessed annual value (AAV) of properties in the municipality by the average rate charged across the State. The Commission uses AAV data and adjustment factors supplied by the Office of the Valuer-General, rate revenue information contained in the ABS local government finance statistics and exempt AAV information supplied by councils in their annual submissions to determine standardised revenue.

The net rateable AAV for each council is determined and then adjusted using the Valuer-General's adjustment factors so that all figures are expressed in terms of a common valuation year. Total net adjusted AAV for the State is divided by the total rate revenue raised by all councils to yield a State average rate in the dollar. Standardised revenue for each council is then the product of its net adjusted AAV and the State average rate levied per dollar of AAV. The final standardised revenue for each council used in the base grant assessments is the relevant three-year averaged standardised revenue.

Calculation of standardised expenditure

In general, the cost of providing council services varies depending upon the number of residents. Therefore, to determine the standard expenditure that is 'required' to provide a service, the Commission multiplies the State average expenditure per person by the number of residents in each municipality.

Many councils face a range of unavoidable cost pressures in providing services. This means that they cannot provide a service at the standard level of expenditure. This is recognised by the Commission through the application of council-specific disability factors, which represent these unavoidable cost pressures, to standard expenditure to determine the standardised expenditure for each council. This method of estimating standardised expenditure is applied to all expenditure categories except the road category.

The Commission uses a modified version of the Mulholland asset preservation model to assess standardised road expenditure, based on each councils' road assets. The fundamental basis of this Model is that, in statistical terms, a kilometre of road has an 'expected life', assuming it is appropriately constructed and maintained. At the end of this period, it will require re-construction followed by a new cycle of maintenance in order to preserve it at an acceptable standard. The 'expected life', or durability, of a kilometre of road maintenance work will clearly differ depending upon both the type of activity (sealing, re-grading) and the type of road (urban sealed, urban unsealed, rural sealed, rural unsealed) involved. The same argument holds with respect to road re-construction work.

Performance standards define, for each road type, the length of road requiring re-construction, re-grading or re-sealing each year in order to preserve the existing road asset. For example, if the seal on a 10km stretch of road has an expected life of 30 years, then, on average, 300m will need to be sealed each year to maintain the road at the current standard. In this case, the performance standard is approximately 0.03, or 3%. Average costs per kilometre are estimated for each road type and activity combination, for both 'city' and 'rural' councils, based on cost data provided by councils. For any given council, specific disabilities may increase or decrease the average cost of undertaking a given activity.

The model recognises 'Climate', 'Drainage', 'Material', 'Soil', 'Terrain', and 'Traffic' disabilities in road re-construction and 'Climate' and 'Traffic' disabilities in road maintenance. The need for different sub-base depths is incorporated within the workings of the model. The model used by the Commission recognises an additional 'Cost' disability factor in both re-construction and maintenance activities which serves to capture elements of disabilities not otherwise accounted for in the model. The model also makes an allowance for additional bridge-related maintenance, by converting bridge areas to equivalent road lengths (which includes multiplication by ten to recognise the greater cost per equivalent area) and adding these lengths to the road lengths used in the model.

Hence in assessing 'road' expenditure needs for a given council, performance standards are applied to each category of road (urban sealed, urban unsealed, rural sealed, rural unsealed) to determine the length of road to be maintained in a given year and the length to be re-constructed in that year in order to preserve the existing road structure. The relevant disability factors and costs per kilometre are then applied to each of these figures and the whole is summed to yield standardised 'road' expenditure for that council.

An explanation of the types of expenditure that comprise each expenditure function is set out in Table 2 on the following page.

Application of council-specific disability factors

Disability factors are used to reflect unavoidable relative cost disadvantages councils face in providing services. A range of factors have been developed to account for differences between councils in the demand for a service as well as variations in the per unit cost of supplying that service.

A factor is calculated for each municipality by comparing its demand or supply disadvantage with the State average. The council which demonstrates the least relative disadvantage for the class of disability concerned is assigned the minimum factor of 1.00. All other councils are compared to this council to determine their relative disability factors.

Table 2: Description of expenditure functions

Expenditure function	Explanation of expenditure function
General administration	Legislative, executive, financial and fiscal affairs relating to general purposes only ie. not solely related to any one of the purposes listed below.
Health, housing and welfare	Nursing homes and other services for the aged, community health services, health inspections; family and child welfare; housing services.
Protection of the environment	Household and other garbage services, urban storm water drainage, street cleaning, flood mitigation and other protection of the environment.
Community and regional development	Planning and building services, street lighting, public conveniences, shopping malls, cemeteries and crematoria.
Recreation and culture	Public halls and civic centres, swimming pools, parks and playing grounds, sports assistance and promotion; libraries and other cultural services.
Water	Provision of water services.
Sewerage	Provision of sewerage services.
Roads	Re-construction and maintenance of roads and bridges.
Law, order and public safety	Fire protection, animal control and other public order and control.
Other	Expenditure on items not elsewhere classified. Includes: saleyards and markets; tourism and area promotion; aerodrome operations; communications; and natural disaster relief.

The following disability factors have been carefully considered by the Commission and a method adopted to quantify them:

- Scale
- Isolation
- Population Growth
- Worker Influx
- Unemployment
- Tourism
- Climate
- Dispersion
- Regional Responsibility
- Population Decline
- Absentee Population
- Age Profile
- Day-trippers
- Equivalent Tenements.

Table 3 on the following page indicates the disability factors that are applied to each expenditure category.

An outline of the approach developed by the Commission to quantify each of the above-mentioned factors is provided below. The 'climate' disability factor is not specifically dealt with as the Commission continues to use broad judgement in determining this factor.

Table 3: Application of disability factors to expenditure standards

Expenditure Category	Disability Factors	
General Administration	Scale (high) Dispersion Isolation Regional Responsibility Worker Influx	Absentee Population Population Decline Population Growth Tourism
Health, Welfare and Housing	Scale (medium) Dispersion Isolation Unemployment	Absentee Population Population Decline Population Growth
Protection of the Environment	Scale (medium) Dispersion Tourism Worker Influx	Absentee Population Climate Day-tripper Population Growth
Community and Regional Development	Scale (medium) Dispersion Isolation Regional Responsibility Population Growth Tourism	Absentee Population Age Profile Climate Day-tripper Population Decline
Recreation and Culture	Scale (medium) Dispersion Isolation Regional Responsibility Population Growth Tourism	Absentee Population Age Profile Climate Day-tripper Population Decline
Water	Dispersion Population Growth Tourism Climate	Absentee Population Population Decline Worker Influx Equivalent tenements
Sewerage	Dispersion Population Growth Tourism Climate	Absentee Population Population Decline Worker Influx Equivalent tenements
Law, Order and Public Safety	Scale (low) Dispersion Isolation	Age Profile Population Decline Population Growth
Other	Scale (low)*	

* From the 1999-00 assessments, both Flinders and King Island councils receive the Scale (high) factor for expenditure classified to *Other*.

(i) *Scale*

The scale disability accounts for the diseconomies of small scale that councils face in providing some services. Diseconomies occur where the cost per person of a certain activity is greater for councils with a small population than those with larger ones. For example, each council requires a general manager whether the municipal population is 1,000 or 100,000. The cost per person of the general manager is therefore much greater for smaller councils than for larger ones.

The scale factor was introduced for the 1996-97 assessments, at the same time as per capita averages were implemented in place of regressions to estimate standard expenditure. The previous regression equations contained an 'implicit' scale allowance which estimated that standard expenditure per person was greater for smaller councils than larger ones. The new per capita approach does not contain such an allowance, so an explicit factor has been determined according to the relationship between population and expenditure. Different expenditure categories show varying degrees of diseconomy, so three scale categories have been developed - high, medium and low. The application of these to the different expenditure categories is detailed in Table 3 on the previous page.

(ii) *Population Dispersion*

The dispersion disability relates to the additional costs incurred in servicing a widely scattered population within a municipality. The Commission recognises that associated costs arise from the need to both duplicate services and incur greater travelling and communication costs than would otherwise be the case.

This disability factor is determined according to: the total area of the municipality relative to population (population density); the number of population centres (for which a minimum level of service is provided); and the total road length within the municipality.

(iii) *Isolation*

This factor recognises the increased costs which arise from geographical isolation. Such costs are associated with attracting staff to remote areas, communicating with relevant bodies, travelling and the supply of necessary construction and maintenance materials.

This disability factor is calculated according to the distance between a municipality's main centre and the closest major regional population centre, and the distance from Hobart, the main administrative and political focus within the State.

(iv) *Regional Responsibility*

A disability is recognised by the Commission for those authorities (host municipalities) which provide particular services for the residents of surrounding municipalities, without there being a counter-balancing use of services in surrounding municipalities by residents of the regional centre, or any offsetting cash contribution for the use of those facilities.

The Commission recognises the fact that certain towns and cities throughout the State act as regional focal points for the provision of some services. The expenditure categories which cover these services are General Administration, Community and Regional Development and Recreation and Culture.

Assessing the extent to which responsibilities are exercised involves making use of a regression equation to predict the relationship between the population served and the level of expenditure. The resulting equation is used to estimate the population which on average could be effectively serviced by the particular level of expenditure by a municipality. The disability factor is then calculated having regard to the magnitude of this 'implied population' relative to that of the host municipality and the relative level of responsibility of each regional centre to that of other regional centres.

It is important to note that levels of responsibility are relative to the size of the regional centre. Therefore, while a regional centre may effectively service a small surrounding

population, if the surrounding population is large relative to the size of the 'host', a relatively high degree of responsibility will be recognised.

(v) *Population Growth / Population Decline*

The Commission recognises that a local governing body faces certain expenditure disabilities as a result of not being able to continually change staff numbers and the scale of infrastructure in response to fluctuations in population levels. Such changes typically require planning and implementation horizons of several years or more. As a consequence, councils are often faced with excess or inadequate capacity in certain service areas depending on whether they are faced with rapid population decline or growth. Both circumstances are believed to confront councils with added expenditure burdens.

The disability factors are determined by comparing the average annual rate of population growth/decline for a particular municipality over a five year period, against the average rate of population growth/decline for either growing or declining councils in the State as a whole.

As foreshadowed in the 1997-98 Annual Report, the Commission has determined that it will only allow growth and decline factors for councils that experience significant levels of population change. Accordingly, as from the 1999-00 assessments, a threshold of 2% for both population growth and decline has been implemented. This initiative is responsible for much of the change in these disability factors evident in this report (see Appendix 11) as compared to those in the previous report.

(vi) *Worker Influx*

This disability factor reflects the additional costs imposed on those municipalities which have significant daily net influxes of non-resident workers. It is felt that this effect is likely to have an impact which is in excess of the more general effect of regional responsibility.

Consideration is given for potential worker influx for the major population centres in the State. Municipalities outside these main centres are unlikely to have sufficient commercial or industrial development relative to their surrounding regions to cause any net influx of non-resident workers which impose a significant cost on the municipality.

Determination of this factor involves estimating, from Census data provided by the ABS, both the number of residents working outside the municipality and the number of non-residents working within the municipality. The difference, or the net worker inflow, is then used to derive a disability factor in relation to actual total population. Factors are now allocated to Hobart, Glenorchy, Launceston and Burnie. All other municipalities in the study areas had either a negative or zero net influx of non-resident workers.

(vii) *Absentee Population*

Allowance is made by the Commission for the additional population which is not captured in the Census statistics but which nevertheless must be serviced. Specific reference is made here to those municipalities which have a significant number of holiday residences.

The calculation of this disability factor is based on the proportion of dwellings in each municipality which were unoccupied at the time of the 1996 Census.

(viii) Age Profile

A disability factor based on the proportions of residents aged 0-5 years, 15-25 and over 65 has been calculated by the Commission. This disability factor reflects the additional costs associated with having a higher than average proportion of the population in these groups. For example, additional costs may be incurred in the provision of health and welfare services for infants and retirees, or in the provision of sporting facilities for people under 25.

(ix) Unemployment

A disability factor reflecting the level of unemployment within a municipality has been calculated by the Commission using data from Centrelink. This disability factor has been calculated to capture the costs to councils of having a higher than average proportion of working-age residents unemployed. For example, additional expenditure might be incurred in the provision of recreation/leisure facilities or welfare programs as a result of the need to cater for unemployed residents.

(x) Tourism

The Commission recognises that councils generally incur additional costs as a result of tourist influx through increased use of council resources and infrastructure. A disability factor that seeks to recognise these costs has been determined on the basis of the equivalent number of tourist beds in all establishments ranging from motels to registered camping grounds in each municipality.

(xi) Day-tripper

Significant numbers of day-trippers who make use of council facilities are recognised as increasing council costs. Details of the number of tourist attractions and an index of visitor frequency have been combined with a factor representing the distance from major population centres and the population of those centres, to determine a relative disability. Municipalities close to large population centres receive higher factors.

(xii) Equivalent tenements

The use of population to estimate standard water and sewerage expenditure does not recognise expenditures incurred in providing water and sewerage services to non-residential establishments. Therefore, a factor has been developed to recognise the cost of providing these services to commercial properties. This has been done by dividing the total value of serviced commercial properties by the modal residential assessed annual value in each water and sewerage district to determine the number of residential 'equivalent tenements'. A disability factor is recognised for councils with greater than one thousand equivalent tenements.

IDENTIFIED LOCAL ROAD FUND DISTRIBUTION

The national principle governing the distribution of road grants (Section 12 payments under the Commonwealth Act) is shown in the box below:

National principle for the distribution of road grants

Identified Road Component

The identified road component of the financial assistance grants should be allocated to local governing bodies as far as practicable on the basis of the relative needs of each local governing body for roads expenditure and to preserve its road assets. In assessing road needs, relevant considerations include length, type and usage of roads in each local governing area.

To accord with this principle, while ensuring that the grant distribution reflects the particular needs of Tasmanian councils, the road grants are distributed in the following manner:

Road preservation component - 66.5% of funds

- based on the relative road expenditure needs of each council as determined using the Mulholland asset preservation model;

Bridge expenditure component - 28.5% of funds

- based on relative bridge deck areas (including concrete and wooden bridges but excluding culverts);

Special needs, or 'betterment' component - 5% of funds

- allocated to councils with an above average proportion of rural unsealed roads, based on rural unsealed road lengths.

6 - ISSUES REVIEWED FOR THE ASSESSMENTS

The Commission re-commenced work on methodological issues for the 1999-00 assessments, consideration having been suspended in the previous year due to uncertainty surrounding the review of council boundaries.

Many councils made representations to the Commission during the course of the 1999-00 assessments regarding council-specific issues related to the Commission's methodology. The Commission considered all the points raised by individual councils as a part of its grant assessment procedure, and wishes to thank councils for their comments and input. While the issues raised are too numerous to list, a number of issues of more general relevance were considered by the Commission during the 1999-00 grant assessments, as discussed below.

(i) Review of the "Mulholland" Asset Preservation Model

During 1999-00, the Commission conducted a partial review and update of the Mulholland-based road needs assessment model. This Model was first used in the

base grant assessments in 1994-95 and in the road grant assessments in 1996-97. While the disability factors were reviewed and refined in 1995-96, no other components of the methodology, such as the average cost estimates, had been updated or reviewed since the model was introduced. Accordingly, after some five years of operation, the Commission decided that the Model components should be reviewed and relevant information updated.

The review was conducted using regional “peer groups” of council engineering staff, with a private consultant (*CSL Engineers*) employed as a facilitator. This same method was utilised for the review of disability factors which took place during 1995, and found to be successful and acceptable to all parties. All councils were invited to participate in the regional meetings, and a total of 23 out of 29 attended.

The review focussed on four aspects of the Mulholland Model:

1. Definitions of roads and bridges considered in the Model

Council engineers were asked to comment on precise definitions proposed in the original Terms of Reference;

2. Review of performance standards

Comments were sought on the performance standards (derived from the estimated useful lives) for the 13 different ‘activities’ encompassed by the Mulholland Model;

3. Review of the application of existing disability factors

Comments were sought both on the suitability of the disability factors used in the Model, and their application to the reconstruction and maintenance of sealed and unsealed roads. The actual factors assigned to each council were not subject to review; and

4. Re-calculation of State-average cost estimates for each activity

Each council was asked to complete a detailed questionnaire on the unit costs of reconstructing and maintaining different road types. This information was to be used to update the average costs which are a fundamental aspect of the cost per kilometre calculations produced by the Mulholland Model.

The discussions of the three regional peer groups formed the basis of the final recommendations, which were presented to the Commission in a report by CSL Engineers in February 1999. Copies of this report were supplied to all councils prior to the 1999 hearings and visits program.

In summary, the following recommendations were made:

1. The suggested definitions for roads and bridges to be accepted, with minor amendment;
2. Minor change to the application of the existing disability factors, with an increase in the number of factors applied to road maintenance. None of the factors were to be removed or altered, or new factors introduced;
3. Replacement of all average costs with updated estimates. The new estimates contained significant increases for unsealed roads in particular; and
4. Revisions to 5 out of the 8 performance standards, most notably those for the reconstruction of sealed and unsealed roads.

Recommendations 3 and 4 were of particular concern to the Commission, due to the unanticipated scope of the changes they entailed for the relevant parameters in the Mulholland Model. When testing was conducted, these changes were found to have significant impacts on the distribution of the ILRF grants. Subsequent discussions with the facilitator on the deliberations underlying his recommendations led to a number of concerns with the review process and the Model's structure. These concerns cast some doubt on the wisdom of implementing the recommendations without further investigation. As a result, the Commission resolved to suspend the implementation of all recommendations until the 2000-01 assessments.

Having received agreement from participating councils during the 1999 hearings and visits, the Commission has commenced a supplementary review in which a consultative committee of six council engineers will endeavour to resolve the outstanding issues. The members of this committee have been chosen to ensure an adequate representation of councils both on a regional and urban/rural basis. This supplementary review is discussed in more detail in Section 8, *Issues For Future Assessments*.

(ii) The Distribution of "NRTC funds" to councils

In 1996 the Tasmanian Parliament passed a number of amendments to transport legislation designed to bring the State into line with agreed national transport reforms, as developed by the National Road Transport Commission (NRTC). These reforms primarily relate to the increase in load and length limits on heavy vehicles, and the introduction of higher (and nationally consistent) registration charges for these vehicles. A consequence of these reforms was that road tolls could no longer be levied by local government in Tasmania. Whilst not applied universally and consistently by councils, road tolls were an important source of revenue in some instances, and the State government accepted that an alternative arrangement was required to compensate local government for this lost income. The increased revenue flowing to the State Government from the higher registration fees (known as 'NRTC funds') provided a solution to this matter.

Since 1996-97, the State Government has distributed a share, totalling approximately \$1.5 million per annum, of the 'NRTC funds' to councils to supplement their road maintenance programs. The present distribution regime is regarded as an interim measure and is based primarily on past road toll collections. It is understood that the State Government is seeking to put in place a more appropriate and long term revenue sharing arrangement, and it will be requesting that the State Grants Commission make recommendations to the Treasurer on an alternative method of distributing the NRTC funds. Accordingly, the Commission undertook an extensive investigation and discussion of the matter during 1998-99.

At present, the Commission is not empowered to make formal recommendations to the Treasurer on any matter other than the distribution of Financial Assistance Grants. Therefore, it will be necessary for the *State Grants Commission Act 1976* to be amended in order for the Commission to recommend the distribution of NRTC funds to the Treasurer.

The Commission's investigations focussed initially on its own statistical and technical resources. However, having found that these resources alone were not sufficient to devise an allocation method superior to that already used, it determined that further alternatives needed to be explored. Accordingly, as part of the review of the 'Mulholland' Asset Preservation Model, the Commission requested that the peer groups of council engineers give an indication of whether they were aware of any relevant objective information, and to determine attitudes to alternative methods for distributing the NRTC funds to councils. It is evident that little or no objective data are available, however several options for distribution were put forward, and these

were detailed in the final report from CSL Engineers on the Mulholland Review outcomes. Based on these options and further discussion with CSL Engineers, the Commission formulated a plan of action.

During the 1999 hearings and visits, council views were sought on the proposed course of action, which involved both short and long term elements. In the short term, (relating to the 1999-00 distribution of NRTC funds, at a minimum), the Commission favours a low cost option based on the lengths of major or 'collector' roads, that is, those council roads carrying most of the heavy vehicle traffic burden. From discussions with council staff, it is apparent that they are well aware of which roads are relevant in this regard.

A methodology has yet to be established for distributing NRTC funds in the longer term. The Commission is investigating several alternatives for quantifying the incidence of heavy vehicle traffic on council roads across Tasmania. By necessity, some compromise will need to be reached between the goal of accuracy and equity on the one hand, and the cost of any solution on the other. Cost is an important concern given that the quantum of funds to be distributed is relatively small. It will be necessary to hold discussions with Tasmanian local government representatives in order to determine how any costs associated with the establishment of a new distribution methodology might be met.

(iii) Review of expenditure categories and disability factor weightings

During the past year the Commission has undertaken investigations in relation to the expenditure categories and disability factors used in its equalisation model.

Work on expenditure categories focussed on the scope for the number of categories to be reduced from the current total of eleven. It was proposed that a reduction may make the model simpler to understand both in terms of presentation and discussions with councils. Following detailed analysis and discussion of this matter, the Commission decided that a substantial reduction in the number of categories was not worthwhile considering the technical difficulties of doing so and the marginal benefit to be gained.

Despite the decision that there be no substantial reduction in categories, the number of expenditure categories used for the 1999-00 assessments was in fact reduced by one. Changes made by the ABS in its compilation of council financial data (as used by the Commission) meant that *Street Lighting* could no longer be maintained as a separate category. The Commission and ABS discussed the necessity for modifications to ABS data prior to the assessments, and agreement was reached on the scope and nature of these modifications. Although no longer explicitly identified, expenditure on street lighting is still included in standardised expenditure under the *Community and Regional Development* category.

The review of disability factors during 1998-99 concentrated on the suitability of the *weightings* assigned to each factor. The rationale for disability factors, and their method of calculation, has been detailed earlier in this report. The way in which the factors are structured creates a range of values for each factor across councils (see Appendix 11 of this report). Each range has a lowest value of 1.00, but the highest value varies considerably depending on the factor in question, with extremes of 1.04 (*Age profile*) and 5.00 (*Scale - high*). Such a variation is produced by a process of weighting each factor, which has been done deliberately by the Commission in an attempt to reflect the relative importance of different disabilities to council expenditure requirements.

As part of the continuing process of refining its methodology, the Commission decided that it was appropriate to review the suitability of the weighting regime presently applied to certain disability factors in the equalisation model. The particular factors under review are absentee population, dispersion, population growth, population decline, tourism and worker influx.

The review process has been assisted by an assessment provided by councils on the relative importance of these disability factors to their expenditure requirements. The Commission requested that councils complete a questionnaire in which they were asked to assign a 'score' (ranging from zero to ten) on the significance of each disability in adding costs to the undertaking of different council functions. Completed questionnaires were received from 25 councils, and these were discussed during the hearings and visits. These discussions enabled the Commission to seek clarification of responses made by councils and for various related issues to be debated.

This having been done, the Commission is now in a position to complete its review of the weightings assigned to these six factors and establish the degree to which they accurately reflect the true impact of the disabilities on council expenditure. It is anticipated that council views on the outcomes arising from this process will be sought during the 2000 hearings and visits.

(iv) Recognition of council support for medical practitioners

During the 1999 assessments, the Commission received representations from a number of councils concerning the necessity for them to provide direct financial support in order to attract and retain the services of general practitioners within their boundaries. The Commission considered this to be a genuine expenditure disability which, if possible, should be allowed for in the equalisation process. Having established that the existing framework of the equalisation model could not readily accommodate this particular matter, it was decided that a special allowance would be added to the standardised deficit of each of the relevant councils prior to calculation of their final base grant. It was determined that the allowance should be \$20,000 per doctor, which is intended to take account of the net recurrent cost faced by councils in this situation.

For the 1999-00 grants, special allowances were made in respect to Central Highlands, Glamorgan/Spring Bay, Huon Valley and Tasman. The appropriateness of this allowance will be reviewed on an on-going basis.

(v) 'Aerodrome disability' for island councils

Following representations on this matter over a number of years, the Commission determined that it would recognise an aerodrome disability on a limited basis in the 1999-00 grant assessments. It is considered a legitimate disability for the councils of Flinders and King Island, as they cannot avoid a heavy dependence on air transport and a requirement to maintain an aerodrome facility. Accordingly, expenditure on aerodromes has been included in the calculation of standardised expenditure for *Other*, and Flinders and King Island only have been awarded the *scale (high)* disability factor for this expenditure category.

7 - OUTCOMES OF THE 1999-00 ASSESSMENTS

Grant Recommendations

Following a major review during 1996, a number of significant changes were made to both the base and road grant distribution methodologies used for determining the 1996-97 grants. While improving the equity and transparency of the methodologies, the changes caused some significant grant shifts. Accordingly, the Commission recommended that the impact of the new methodologies be phased in over a period of three years in order to give councils some grant stability. This means that the phasing in process was completed with the 1998-99 grant distribution.

As the 1999-00 grants are not affected by major changes to methodology, these grants are the first for a number of years in which the inter-year movements in grants to each council are exactly as calculated by the Commission's models. There has been no necessity for these initial calculations to be phased in or for grant changes to be 'capped' in order to dampen their volatility between years.

Base grants

Given the absence of any phasing adjustments, the movements in base grants in 1999-00 for individual councils are considerably smaller than those observed in recent years. The maximum decrease was 5.4%, and the maximum increase 7.9%, compared to the corresponding figures of -25.8% and 17.3% for the 1998-99 grants.

The factors influencing movements in the 1999-00 grants are:

- 1) changes in relative needs due to differential growth rates of net AAV, which are particularly affected by the timing of council revaluations;
- 2) population growth differentials;
- 3) changing council disability factors, reflecting changes in the underlying data used to calculate the factors; and
- 4) the awarding of special allowances to councils, such as those for support of general practitioners in rural areas.

ILRF (road) grants

All councils will receive increased ILRF grants in 1999-00, with the greatest grant gain being 5.7%, and the smallest 1.1%. The variations are due to relative changes in total road lengths and bridge deck areas, together with changes in eligibility for the so-called 'betterment' allowance. This is payable to those councils with an above-average proportion of unsealed rural roads, as determined by the information supplied by councils (current as at March 1999).

Total grants

When the two grants are combined, the net effect for all but one council is a grant variation of less than 5% from the previous year. Only four councils experienced a decrease in 1999-00, and three of these were larger urban councils, which continues the general trend seen since the new methodology was introduced. However, the largest fall in total 1999-00 grant entitlements was just 2.2%, compared to a maximum fall of 10.5% in 1998-99.

8 - ISSUES FOR FUTURE ASSESSMENTS

Mulholland Model - supplementary review

As in the original review of early 1999, the terms of reference for this review covers four main issues. Three of these relate to the operation of the Mulholland Model, whilst one pertains to the bridge funding component of the ILRF grant distribution. The consultative committee has been asked to consider and make recommendations on the following matters:

- 1) the recognition of road rehabilitation/partial reconstruction activity by councils, and if necessary, how this should be incorporated in the Model;
- 2) the standardisation of on-costs and overhead costs by councils in their estimates of average unit costs;
- 3) the recognition of table drains in the calculation of costs for work on rural roads, and appropriate definitions; and
- 4) the suitability of bridge deck area as the sole determinant of council bridge asset preservation responsibilities.

It is anticipated that the review will be completed in November 1999. The recommendations will be considered by the Commission and any modifications to the existing methodology will be discussed with councils during the assessments for grants relating to 2000-01.

Disability factor weightings

As mentioned in Section 6, during 1998-99 the Commission collected a considerable quantity of information from councils concerning the impacts of different disability factors on their expenditure requirements. The Commission intends to analyse this information in detail and determine whether or not the weightings on factors will need to be adjusted to optimise the accuracy of the standardised expenditure calculations. Councils will be notified of any modifications to their factors and the reasons why this has been done.

Based on the questionnaires completed by councils as part of the review exercise, the Commission will seek to verify whether the present application of disabilities to the different expenditure categories is appropriate.

Disability factor updates and reviews

During 1999-00 the Commission intends to update and review the *equivalent tenements* disability factor, and update the serviced population centres component of the *dispersion* disability factor. The method of calculating the *cost* disability factor in the Mulholland Model will also be reviewed and updated if necessary.

The Commission also proposes to investigate the feasibility of using a single disability factor for measuring relative social disadvantage, which may allow the total number of factors in the equalisation model to be reduced. It is anticipated that the new single factor would be based on the ABS measure *Social and Economic Indexes for Areas (SEIFA)*, which is derived from Census data.

Depreciation

Although investigations into the inclusion of depreciation in the grant assessments were not advanced during 1998-99, the Commission still regards this as an important issue and intends to resume work on it in the coming year. As detailed in the previous Annual Report, depreciation has become particularly relevant as all councils have now valued their assets and report on depreciation, with the information collected and published by the Australian Bureau of Statistics. Further, the Commonwealth Grants Commission included depreciation in its assessments of State requirements for the first time in 1999-00, which may provide a suitable model for how this matter can be accommodated in an equalisation process.

9 - GENERAL OBSERVATIONS

Application of Grants

As has been the case in the past, the grants for 1999-00 are of a general nature and may be used for recurrent or capital expenditure purposes or to support revenue requirements. They may be applied in whatever manner a council sees fit, subject only to the provisions of the Tasmanian *Local Government Act 1993*.

Interstate Conference

The Western Australian Local Government Grants Commission hosted the annual Conference of State Grants Commissions in Busselton, WA from 20 to 22 October 1998. As is the normal recent practice, the Conference included reports by each Commission on its activities during the year and a session in which officers of the Commonwealth Office of Local Government provided their views on the current state of arrangements in relation to local government funding. Overseas perspectives on equalisation for local government grants were received from government representatives of South Africa, Japan and the Philippines.

10 - RECOMMENDATIONS

In accordance with Section 3(2) of the *State Grants Commission Act 1976*, the Commission has proposed the payment of grants as indicated in Table 4.

The Commission's recommendations of financial assistance for councils for 1999-00 were conveyed to the Treasurer on 13 July 1999, and his acceptance thereof was advised to the Chairman by letter dated 26 July 1999.

11 - CONCLUSION

Attached to this Report are appendices which contain information used for the grant assessments. Also appended are details of the hearings conducted by the Commission during 1999 and some statistical tables relating to local government activities in Tasmania, which are presented for the benefit of interested persons reading this Report.

The Commission wishes to express its appreciation to all local governing bodies throughout the State for their co-operation and assistance during the year.

During the year, Mr M. J. Wallace resigned as a member of the Commission. The Commission would like to thank Mr Wallace for his valuable contribution to its deliberations and activities, and for his support of the Commission whilst Director of the Inter-Government Financial Policy Branch within Treasury. Following Mr Wallace's departure, the Commission welcomed Mr R.C. Close as the new nominee of the Secretary of the Department of Treasury and Finance.

1998-99 also saw the resignation of the Commission's Secretary, Mr Rick Inglis. The Commission wishes to record its sincere appreciation of his professional and dedicated service throughout his three year tenure as Secretary.

The Commission also acknowledges the support given by the Secretary of the Department of Treasury and Finance, Mr D.W. Challen, the staff of the Economic and Financial Policy Division generally and the Commission's Secretary, Mr David Hope.

I.G. Inglis
CHAIRMAN

L.J. Mooney
MEMBER

B.A. Southorn
MEMBER

R.C. Close
MEMBER

David Hope
SECRETARY

September 1999

TABLE 4
RECOMMENDED GRANTS FOR 1999-00

<i>Council</i>	<i>Base Component</i>	<i>Identified Local Road Component</i>	<i>Total Grant</i>	<i>Total Per Capita Base Grant</i>
	\$	\$	\$	\$
Break O'Day	662,847	792,699	1,455,546	114
Brighton	745,927	308,528	1,054,455	58
Burnie	983,449	740,865	1,724,314	50
Central Coast	1,178,250	922,150	2,100,399	56
Central Highlands	601,056	791,684	1,392,741	239
Circular Head	812,390	912,942	1,725,332	96
Clarence	1,058,413	764,165	1,822,577	22
Derwent Valley	546,525	489,244	1,035,769	56
Devonport	776,923	594,305	1,371,228	31
Dorset	798,038	1,080,111	1,878,148	108
Flinders	367,860	363,969	731,829	389
George Town	554,860	362,622	917,482	81
Glamorgan/Spring Bay	364,618	417,366	781,984	88
Glenorchy	615,832	791,473	1,407,305	14
Hobart	649,124	835,258	1,484,383	14
Huon Valley	932,169	1,016,514	1,948,683	69
Kentish	629,603	657,036	1,286,639	115
King Island	350,958	399,728	750,686	194
Kingborough	959,583	789,531	1,749,114	34
Latrobe	400,119	321,909	722,028	50
Launceston	1,538,090	1,533,217	3,071,307	24
Meander	1,048,256	1,084,758	2,133,014	61
Northern Midlands	1,128,984	1,190,216	2,319,200	96
Sorell	600,817	477,875	1,078,692	55
Southern Midlands	711,312	1,219,117	1,930,429	127
Tasman	261,661	216,127	477,788	117
Waratah/Wynyard	942,615	741,810	1,684,425	68
West Coast	722,789	333,328	1,056,116	122
West Tamar	1,013,831	529,640	1,543,471	51
			<i>State average:</i>	
TOTAL	21,956,899	20,678,186	42,635,085	47

APPENDIX 1

MATHEMATICAL FORM OF THE EQUALISATION MODEL

The balanced budget distribution model is of the following general form:

$$G_i = \frac{E_i - R_i - SPP_i}{\sum_{i=1}^{29} (E_i - R_i - SPP_i)} \times G$$

- G_i is the equalisation grant for council i ;
 E_i is the 'expenditure need' of council i (or standardised expenditure);
 R_i is the standardised revenue for council i ;
 SPP_i is specific purpose payments treated by the 'inclusion' approach for council i ; and
 G is the total amount made available by the Commonwealth for distribution amongst all councils in Tasmania in any year.

For each council, E_i , R_i and SPP_i are calculated for the three most recent years for which data is available. The average of these three values is taken to determine the final values for use in the grant allocations.

The **standardised expenditure** component for council i , E_i , is the sum of the 'expenditure needs' of a common range of ' n ' municipal functions. That is:

$$E_i = e_{i1}(1) + \dots + e_i(n)$$

$e_i(n)$ is the standardised expenditure of council i on function n and is given by:

$$e_i(n) = es_i(n) \times da_i(n)$$

$es_i(n)$ is the standard expenditure on function n for council i , and is given by:

$$es_i(n) = EX(n) / P \times p_i$$

- P is the total population of the State
 $EX(n)$ is the total State expenditure on function n , net of specific purpose payments treated by the 'deduction' approach
 p_i is the total population of council i

$da_i(n)$ is the cumulative disability allowance for function n for council i and is given by:

$$\left(\sum_{k=1}^{15} df(k) - 14 \right)$$

$df(k)$ are disability factors

The **standardised revenue** for council *i* is the product of the net total value of rateable property and a standard rate in the dollar. That is:

$$R_i = AAV_i \times r_s$$

AAV_i is the total value of the rate base in council *i*, net of unrateable properties;
r_s is the standard rate in the dollar calculated as the average rate in the dollar collected across all councils; and
R_i is the standardised revenue.

APPENDIX 2

EXAMPLE OF THE APPLICATION OF DISABILITY FACTORS

To demonstrate the application of disability factors, consider a local government authority with a standard expenditure of \$100,000 in a particular expenditure category and disability factor values of:

Isolation	1.03
Scale	1.05
Population Growth	1.02
Tourism	1.08

The cumulative disability factor is calculated as:

$$(1.03 + 1.05 + 1.02 + 1.08) - 3 = 1.18$$

Standardised expenditure is then calculated simply by multiplying the standard with the cumulative disability factor as follows:

$$\$100,000 \times 1.18 = \$118,000$$

The general method of calculating standardised expenditures and an explanation of how disability factors are determined are detailed in Section 5 of this Report.

APPENDIX 3

TOTAL GRANTS PROVIDED IN 1998-99 *

<i>Council</i>	1	2	3	4	5
	<i>Recommended base grant 1998-99</i>	<i>Recommended road grant 1998-99</i>	<i>Base grant adjustment 1998-99</i>	<i>Road grant adjustment 1998-99</i>	<i>Total grant provided 1998-99</i>
	\$	\$	\$	\$	\$
Break O'Day	639,348	767,284	-1,138	-3,129	1,402,364
Brighton	691,476	299,756	-1,231	-1,223	988,778
Burnie	1,033,645	719,465	-1,840	-2,934	1,748,336
Central Coast	1,183,158	912,504	-2,106	-3,722	2,089,834
Central Highlands	574,112	780,744	-1,022	-3,184	1,350,650
Circular Head	781,164	873,366	-1,391	-3,562	1,649,577
Clarence	1,118,400	745,509	-1,991	-3,041	1,858,876
Derwent Valley	519,216	471,868	-924	-1,924	988,235
Devonport	799,164	580,722	-1,423	-2,368	1,376,094
Dorset	773,326	1,062,095	-1,377	-4,332	1,829,713
Flinders	347,806	358,802	-619	-1,463	704,525
George Town	550,123	354,854	-979	-1,447	902,550
Glamorgan/Spring	349,771	409,631	-623	-1,671	757,109
Glenorchy	609,115	773,845	-1,084	-3,156	1,378,719
Hobart	643,012	813,876	-1,145	-3,319	1,452,424
Huon Valley	908,755	1,000,408	-1,618	-4,080	1,903,464
Kentish	601,867	643,129	-1,072	-2,623	1,241,302
King Island	347,267	394,045	-618	-1,607	739,087
Kingborough	989,051	753,116	-1,761	-3,072	1,737,335
Latrobe	400,234	317,525	-713	-1,295	715,752
Launceston	1,445,857	1,497,322	-2,574	-6,107	2,934,498
Meander	1,041,799	1,061,286	-1,855	-4,328	2,096,902
Northern Midlands	1,102,503	1,164,372	-1,963	-4,749	2,260,164
Sorell	608,920	466,202	-1,084	-1,901	1,072,136
Southern Midlands	683,134	1,192,298	-1,216	-4,863	1,869,354
Tasman	250,686	213,012	-446	-869	462,383
Waratah/Wynyard	964,967	702,009	-1,718	-2,863	1,662,394
West Coast	738,985	326,008	-1,316	-1,330	1,062,348
West Tamar	1,025,491	512,860	-1,826	-2,092	1,534,433
Total	21,722,350	20,167,913	-38,674	-82,254	41,769,335

* The final grant entitlement for 1998-99 was \$41,769,335 based on actual inflation for the year, whereas the recommended entitlement was \$41,890,263. Consequently, the 1998-99 recommended grants have been scaled down by the amounts shown in Columns 3 and 4 to reflect 'actual' final grant entitlements. The overpayment of \$120,928 is to be recouped by adjusting the quarterly instalments in the 1999-00 financial year as specified in the Commonwealth Local Government (Financial Assistance) Act 1995.

APPENDIX 4

POPULATION OF LOCAL GOVERNMENT AREAS

<i>Council</i>	<i>Estimated Resident Population as at 30 June 1998</i>
Break O'Day	5,825
Brighton	12,830
Burnie	19,665
Central Coast	21,122
Central Highlands	2,512
Circular Head	8,493
Clarence	49,158
Derwent Valley	9,844
Devonport	24,667
Dorset	7,400
Flinders	946
George Town	6,823
Glamorgan/Spring Bay	4,164
Glenorchy	44,117
Hobart	46,502
Huon Valley	13,494
Kentish	5,468
King Island	1,810
Kingborough	28,260
Latrobe	7,947
Launceston	63,237
Meander	17,289
Northern Midlands	11,816
Sorell	10,878
Southern Midlands	5,590
Tasman	2,244
Waratah/Wynyard	13,954
West Coast	5,937
West Tamar	19,893
TOTAL	471,885

Source: Australian Bureau of Statistics (ABS):
Population Statistics Tasmania, Cat. No. 3204.6.

APPENDIX 5

LENGTH OF LOCAL GOVERNMENT ROADS AS AT 21 MARCH 1999

<i>Council</i>	<i>Urban Sealed</i>	<i>Urban Unsealed</i>	<i>Rural Sealed</i>	<i>Rural Unsealed</i>	<i>Total Roads</i>	<i>Bridge Deck Areas</i>
	km	km	km	km	km	m2
Break O'Day	52.59	40.26	129.02	332.95	554.81	6,749.0
Brighton	70.35	4.60	37.78	38.19	150.92	1,529.0
Burnie	114.20	0.17	159.51	71.78	345.66	2,804.8
Central Coast	126.29	1.37	394.58	139.83	662.07	5,817.0
Central Highlands	8.67	5.83	77.68	654.56	746.74	4,312.0
Circular Head	34.86	1.14	218.09	521.48	775.57	5,225.4
Clarence	234.99	5.00	109.59	62.47	412.04	1,159.0
Derwent Valley	32.00	4.40	65.84	228.87	331.10	4,411.0
Devonport	162.07	0.34	68.12	14.56	245.09	1,065.0
Dorset	38.30	11.71	196.39	523.63	770.03	8,660.0
Flinders	4.41	5.08	66.76	305.09	381.35	1,539.0
George Town	34.72	2.82	108.24	138.29	284.07	2,224.0
Glamorgan/Spring Bay	48.94	24.44	76.85	197.97	348.20	2,536.1
Glenorchy	234.21	1.68	35.56	14.68	286.12	2,416.0
Hobart	283.05	7.93	0.00	0.00	290.98	4,320.0
Huon Valley	23.66	10.05	134.40	579.55	747.66	8,522.0
Kentish	18.26	1.99	215.69	249.35	485.29	5,110.0
King Island	7.74	12.81	35.83	365.03	421.41	993.0
Kingborough	107.53	0.00	128.63	272.78	508.93	3,511.0
Latrobe	42.63	9.22	116.63	113.10	281.58	1,887.5
Launceston	349.74	1.26	124.97	240.47	716.44	4,330.0
Meander	109.43	13.07	431.99	256.33	810.81	8,446.2
Northern Midlands	79.20	14.69	465.52	413.24	972.65	8,621.5
Sorell	29.25	42.05	84.63	177.50	333.42	3,651.9
Southern Midlands	30.21	16.51	155.21	643.07	845.00	10,702.8
Tasman	1.36	4.72	44.58	156.38	207.04	1,146.0
Waratah/Wynyard	65.99	6.59	184.44	280.52	537.54	4,826.0
West Coast	67.76	17.01	14.91	76.31	175.99	2,557.3
West Tamar	71.32	5.11	185.37	185.25	447.05	2,861.5
TOTAL	2,483.73	271.84	4,066.78	7,253.20	14,075.55	121,934

Source:

State Grants Commission Local Road Lengths, updated in 1999 to reflect additions, deletions and changes in road status

APPENDIX 6

MUNICIPAL PROPERTY VALUATIONS AS AT 1 JULY 1998

<i>Council</i>	<i>Land Value</i>	<i>Capital Value</i>	<i>Assessed Annual Value</i>	<i>Year of last Revaluation</i>	<i>Assessed Annual Value Adjustment Factor*</i>
	\$	\$	\$		
Break O'Day	169,307,970	398,617,269	21,481,518	1995	1.02
Brighton	126,152,250	436,926,200	32,806,668	1994	1.05
Burnie	338,482,447	1,094,237,000	83,199,182	1996	1.00
Central Coast	367,386,560	1,008,338,160	61,790,342	1994	1.05
Central Highlands	162,023,650	305,222,850	13,613,480	1996	1.00
Circular Head	276,026,950	596,074,050	31,791,144	1995	1.05
Clarence	1,046,563,825	2,697,464,190	173,363,286	1995	1.00
Derwent Valley	135,220,100	444,936,050	30,797,932	1998	1.00
Devonport	407,429,870	1,245,851,170	96,211,662	1997	1.00
Dorset	256,837,300	530,125,000	27,008,471	1998	1.00
Flinders	43,400,650	88,120,900	3,921,857	1994	1.03
George Town	100,075,150	371,572,850	22,842,566	1994	1.00
Glamorgan/Spring Bay	209,265,374	423,834,629	22,227,163	1994	1.00
Glenorchy	637,321,355	2,104,975,460	178,482,685	1993	1.05
Hobart	1,764,303,459	4,971,940,530	353,686,913	1996	1.00
Huon Valley	265,836,375	691,952,940	40,300,835	1994	1.00
Kentish	139,917,050	312,565,300	16,035,859	1995	1.05
King Island	110,719,350	201,486,600	10,368,942	1998	1.00
Kingborough	652,924,500	1,666,852,290	94,669,013	1997	1.00
Latrobe	214,420,790	533,214,490	30,433,891	1997	1.00
Launceston	1,000,834,650	3,540,629,125	270,900,439	1997	1.00
Meander	321,032,850	928,774,050	54,189,781	1994	1.05
Northern Midlands	274,021,650	708,885,700	38,779,378	1994	1.00
Sorell	224,348,100	565,322,600	36,468,282	1998	1.00
Southern Midlands	212,525,060	421,524,500	19,721,730	1995	1.00
Tasman	101,212,480	202,002,500	10,535,600	1994	1.00
Waratah/Wynyard	287,712,700	716,081,550	42,328,633	1998	1.00
West Coast	26,827,745	174,166,195	18,447,577	1997	1.00
West Tamar	308,433,150	963,629,650	56,611,697	1995	1.00
TOTAL	10,180,563,360	28,345,323,798	1,893,016,526		

Source:

Office of the Valuer-General, Tasmania

* These factors, provided by the Valuer-General, are used by the Commission to bring all AAV estimates to a common base year.

APPENDIX 7

RATE REVENUE RECEIVED BY LOCAL GOVERNMENT 1997-98

<i>Council</i>	<i>Ordinary Services</i>	<i>Water and Sewerage</i>	<i>Total Rate Revenue</i>
	\$	\$	\$
Break O'Day	1,684,000	1,249,000	2,933,000
Brighton	2,324,000	1,852,000	4,176,000
Burnie	7,734,000	4,356,000	12,090,000
Central Coast	5,590,000	3,367,000	8,957,000
Central Highlands	1,019,000	215,000	1,234,000
Circular Head	3,110,000	935,000	4,045,000
Clarence	12,712,000	9,900,000	22,612,000
Derwent Valley	2,367,000	1,960,000	4,327,000
Devonport	9,388,000	6,165,000	15,553,000
Dorset	1,705,000	892,000	2,597,000
Flinders	371,000	86,000	457,000
George Town	2,515,000	1,302,000	3,817,000
Glamorgan/Spring Bay	1,503,000	1,182,000	2,685,000
Glenorchy	11,386,000	13,926,000	25,312,000
Hobart	27,063,000	8,478,000	35,541,000
Huon Valley	3,998,000	1,935,000	5,933,000
Kentish	902,000	440,000	1,342,000
King Island	812,000	256,000	1,068,000
Kingborough	6,861,000	6,180,000	13,041,000
Latrobe	2,084,000	1,997,000	4,081,000
Launceston	23,078,000	17,359,000	40,437,000
Meander	4,116,000	2,169,000	6,285,000
Northern Midlands	3,199,000	1,566,000	4,765,000
Sorell	3,483,000	1,091,000	4,574,000
Southern Midlands	1,434,000	624,000	2,058,000
Tasman	888,000	0	888,000
Waratah/Wynyard	3,706,000	2,324,000	6,030,000
West Coast	1,691,000	1,115,000	2,806,000
West Tamar	3,656,000	3,361,000	7,017,000
TOTAL	150,379,000	96,282,000	246,661,000

Source:

*Australian Bureau of Statistics (ABS):
Government Finance Statistics, Tasmania Cat. No. 5501.6,
and unpublished data.*

APPENDIX 8

STANDARDISED REVENUE AND SPECIFIC PURPOSE PAYMENTS 1999-00 ASSESSMENTS*

<i>Council</i>	<i>Standardised Revenue</i>	<i>Specific Purpose Payments Treated by Inclusion</i>
	\$	\$
Break O'Day	2,780,256	732,881
Brighton	4,362,478	254,007
Burnie	10,113,364	690,323
Central Coast	8,099,950	873,309
Central Highlands	1,662,613	759,683
Circular Head	4,140,523	798,266
Clarence	22,312,372	742,391
Derwent Valley	3,970,150	464,191
Devonport	12,295,558	622,790
Dorset	3,405,530	1,040,320
Flinders	493,091	399,823
George Town	2,773,124	358,183
Glamorgan/Spring Bay	2,956,685	486,474
Glenorchy	23,786,945	711,546
Hobart	41,399,055	821,668
Huon Valley	5,171,955	930,543
Kentish	2,080,421	590,197
King Island	1,248,235	491,724
Kingborough	11,951,715	889,190
Latrobe	3,903,849	319,747
Launceston	34,654,585	1,813,296
Meander	7,192,603	1,073,922
Northern Midlands	4,825,994	1,279,301
Sorell	4,566,108	479,347
Southern Midlands	2,521,937	1,240,548
Tasman	1,301,732	264,257
Waratah/Wynyard	5,200,425	698,123
West Coast	2,209,001	310,354
West Tamar	7,256,749	488,596
TOTAL	238,637,000	20,625,002

* *These are three-year averages.*

APPENDIX 9

STANDARD EXPENDITURE, 1999-00 ASSESSMENTS

<i>Council</i>	<i>General Administration</i>	<i>Health Housing & Welfare</i>	<i>Protection of the Environment</i>	<i>Recreation & Culture</i>
	\$	\$	\$	\$
Break O'Day	611,132	94,877	331,822	487,296
Brighton	1,346,064	208,973	730,863	1,073,306
Burnie	2,063,161	320,301	1,120,220	1,645,095
Central Coast	2,216,023	344,032	1,203,218	1,766,982
Central Highlands	263,547	40,915	143,096	210,144
Circular Head	891,046	138,333	483,805	710,490
Clarence	5,157,431	800,679	2,800,293	4,112,360
Derwent Valley	1,032,787	160,338	560,765	823,509
Devonport	2,587,948	401,773	1,405,159	2,063,542
Dorset	776,374	120,530	421,542	619,054
Flinders	99,250	15,408	53,889	79,139
George Town	715,838	111,132	388,673	570,785
Glamorgan/Spring Bay	436,868	67,823	237,203	348,343
Glenorchy	4,628,552	718,572	2,513,132	3,690,651
Hobart	4,878,776	757,418	2,648,993	3,890,170
Huon Valley	1,415,728	219,788	768,688	1,128,854
Kentish	573,677	89,062	311,485	457,431
King Island	189,897	29,481	103,107	151,417
Kingborough	2,964,909	460,295	1,609,835	2,364,118
Latrobe	833,763	129,440	452,702	664,814
Launceston	6,634,535	1,029,996	3,602,305	5,290,153
Meander	1,813,882	281,601	984,870	1,446,328
Northern Midlands	1,239,680	192,457	673,100	988,479
Sorell	1,141,270	177,179	619,667	910,010
Southern Midlands	586,477	91,049	318,435	467,637
Tasman	235,430	36,550	127,830	187,724
Waratah/Wynyard	1,463,989	227,281	794,892	1,167,335
West Coast	622,883	96,701	338,202	496,666
West Tamar	2,087,082	324,015	1,133,208	1,664,168
TOTAL	49,508,000	7,686,000	26,881,000	39,476,000

STANDARD EXPENDITURE, 1999-00 ASSESSMENTS continued

<i>Community & Regional Development</i>	<i>Law, Order and Public Safety</i>	<i>Sewerage</i>	<i>Water</i>	<i>Other</i>
\$	\$	\$	\$	\$
284,050	28,910	292,674	595,085	119,812
625,642	63,676	644,637	1,310,720	263,895
958,944	97,599	988,058	2,008,987	404,481
1,029,993	104,830	1,061,264	2,157,835	434,449
122,495	12,467	126,214	256,627	51,668
414,153	42,151	426,726	867,649	174,689
2,397,141	243,975	2,469,919	5,022,008	1,011,110
480,033	48,856	494,607	1,005,668	202,477
1,202,862	122,424	1,239,381	2,519,994	507,365
360,854	36,727	371,809	755,988	152,207
46,131	4,695	47,531	96,644	19,458
332,717	33,863	342,818	697,041	140,339
203,053	20,666	209,218	425,396	85,648
2,151,321	218,956	2,216,636	4,507,016	907,424
2,267,624	230,793	2,336,469	4,750,669	956,480
658,021	66,972	677,999	1,378,554	277,552
266,642	27,138	274,737	558,614	112,469
88,263	8,983	90,943	184,911	37,229
1,378,071	140,256	1,419,909	2,887,057	581,268
387,528	39,442	399,293	811,870	163,458
3,083,689	313,850	3,177,311	6,460,326	1,300,695
843,081	85,807	868,677	1,766,253	355,610
576,195	58,644	593,689	1,207,129	243,038
530,455	53,988	546,560	1,111,302	223,745
272,591	27,744	280,867	571,077	114,978
109,426	11,137	112,749	229,248	46,156
680,453	69,255	701,112	1,425,548	287,014
289,512	29,466	298,302	606,527	122,116
970,062	98,730	999,514	2,032,280	409,171
23,011,000	2,342,000	23,709,622	48,208,024	9,706,000

APPENDIX 10

STANDARDISED EXPENDITURE, 1999-00 ASSESSMENTS

<i>Council</i>	<i>General Administration</i>	<i>Health, Housing & Welfare</i>	<i>Protection of the Environment</i>	<i>Recreation & Culture</i>
	\$	\$	\$	\$
Break O'Day	1,350,840	170,720	551,657	899,884
Brighton	1,863,874	275,123	869,519	1,299,077
Burnie	3,200,660	391,689	1,470,127	2,310,719
Central Coast	2,770,126	414,998	1,373,819	2,136,290
Central Highlands	774,509	89,195	307,614	481,125
Circular Head	1,621,776	212,048	694,420	1,130,497
Clarence	5,302,718	850,655	2,917,852	5,018,201
Derwent Valley	1,637,008	223,404	735,572	1,156,862
Devonport	3,493,430	465,295	1,638,337	2,603,187
Dorset	1,448,967	188,786	617,478	984,982
Flinders	546,770	53,759	174,406	278,042
George Town	1,326,547	175,593	562,936	877,845
Glamorgan/Spring Bay	1,143,073	125,540	481,164	748,687
Glenorchy	5,193,834	773,234	2,794,275	4,288,158
Hobart	8,131,153	809,000	3,968,689	4,709,006
Huon Valley	2,092,407	302,003	984,926	1,536,289
Kentish	1,150,814	143,552	476,954	743,267
King Island	606,583	67,552	207,463	358,079
Kingborough	3,251,644	502,994	1,741,408	2,692,287
Latrobe	1,483,207	195,161	659,346	1,014,738
Launceston	8,528,092	1,147,096	4,303,445	6,832,924
Meander	2,568,913	370,496	1,242,097	1,925,234
Northern Midlands	1,899,368	262,280	875,262	1,383,637
Sorell	1,900,581	266,138	883,539	1,343,373
Southern Midlands	1,163,250	149,313	473,303	748,483
Tasman	722,673	80,776	282,738	459,534
Waratah/Wynyard	2,115,169	293,691	994,574	1,529,826
West Coast	1,415,830	171,520	576,170	970,188
West Tamar	2,674,040	389,598	1,299,256	2,015,066
TOTAL	71,377,853	9,561,209	34,158,346	52,475,484

STANDARDISED EXPENDITURE, 1999-00 ASSESSMENTS continued

<i>Community & Regional Development</i>	<i>Law, Order and Public Safety</i>	<i>Sewerage</i>	<i>Water</i>	<i>Other</i>	<i>Roads</i>
\$	\$	\$	\$	\$	\$
524,553	34,728	369,516	751,325	119,812	3,239,377
757,246	65,680	648,694	1,318,969	263,895	1,882,292
1,174,334	102,977	1,242,867	2,498,011	404,481	4,855,990
1,245,267	113,252	1,130,589	2,296,376	434,449	5,142,399
280,453	15,023	187,052	380,327	51,668	3,690,134
658,979	49,957	486,451	989,085	174,689	4,509,866
2,685,451	250,123	2,612,277	5,301,240	1,011,110	5,681,059
674,348	52,110	525,411	1,068,301	202,477	1,868,751
1,421,198	128,256	1,408,884	2,842,972	507,365	4,354,825
574,157	42,132	419,709	853,381	152,207	4,515,989
162,074	6,294	58,562	119,072	97,289	1,862,131
511,706	37,064	373,333	759,087	140,339	2,046,775
436,418	23,295	316,700	643,936	85,648	2,065,775
2,284,483	226,381	2,596,093	5,124,917	907,424	5,412,751
2,835,637	238,074	4,091,423	7,835,651	956,480	5,025,765
895,520	72,064	753,063	1,531,179	277,552	3,974,790
433,258	29,154	307,889	626,021	112,469	2,912,866
208,728	12,353	106,306	216,148	111,687	2,270,139
1,569,364	146,128	1,507,814	3,070,066	581,268	4,560,389
591,502	44,092	455,592	926,340	163,458	1,850,637
3,736,292	334,267	4,182,680	8,169,623	1,300,695	10,621,200
1,122,241	99,779	994,546	2,023,723	355,610	5,427,472
806,538	64,442	649,522	1,320,652	243,038	6,205,526
783,067	62,135	659,307	1,340,547	223,745	2,149,526
436,299	31,210	303,609	617,318	114,978	4,658,595
267,867	13,242	164,949	335,386	46,156	1,053,196
891,752	74,765	759,219	1,543,696	287,014	3,655,970
565,533	37,469	406,754	827,039	122,116	1,682,543
1,174,604	106,734	1,059,111	2,153,457	409,171	3,139,481
29,708,869	2,513,182	28,777,920	57,483,845	9,858,290	110,316,205

APPENDIX 11

DISABILITY FACTORS, 1999-00 ASSESSMENTS

<i>Council</i>	<i>Absentee Population</i>	<i>Unemp- loyment</i>	<i>Age Profile</i>	<i>Worker Influx</i>	<i>Climate</i>	<i>Day- tripper</i>	<i>Dispersion</i>	<i>Isolation</i>	<i>Popu- lation Decline</i>
Break O'Day	1.12	1.09	1.01	1.00	1.00	1.03	1.04	1.16	1.00
Brighton	1.00	1.11	1.00	1.00	1.00	1.00	1.01	1.02	1.00
Burnie	1.02	1.08	1.01	1.16	1.00	1.04	1.01	1.03	1.00
Central Coast	1.01	1.06	1.01	1.00	1.00	1.02	1.02	1.05	1.00
Central Highlands	1.19	1.08	1.00	1.00	1.02	1.03	1.10	1.08	1.03
Circular Head	1.04	1.03	1.01	1.00	1.02	1.02	1.04	1.13	1.00
Clarence	1.01	1.04	1.01	1.00	1.00	1.08	1.01	1.00	1.00
Derwent Valley	1.01	1.07	1.00	1.00	1.00	1.06	1.03	1.03	1.00
Devonport	1.01	1.08	1.02	1.06	1.00	1.03	1.01	1.02	1.00
Dorset	1.06	1.05	1.01	1.00	1.00	1.03	1.04	1.09	1.00
Flinders	1.09	1.06	1.00	1.00	1.00	1.00	1.06	1.28	1.00
George Town	1.06	1.09	1.01	1.00	1.00	1.02	1.01	1.07	1.00
Glamorgan/Spring Bay	1.14	1.09	1.01	1.00	1.00	1.03	1.03	1.09	1.00
Glenorchy	1.01	1.06	1.02	1.07	1.00	1.02	1.00	1.00	1.00
Hobart	1.02	1.05	1.03	1.40	1.00	1.03	1.00	1.00	1.00
Huon Valley	1.05	1.09	1.00	1.00	1.00	1.05	1.04	1.03	1.00
Kentish	1.02	1.10	1.00	1.00	1.00	1.04	1.02	1.06	1.00
King Island	1.07	1.00	1.00	1.00	1.02	1.00	1.03	1.35	1.00
Kingborough	1.02	1.02	1.00	1.00	1.00	1.05	1.03	1.00	1.00
Latrobe	1.04	1.06	1.01	1.00	1.00	1.04	1.01	1.03	1.00
Launceston	1.01	1.07	1.03	1.11	1.00	1.03	1.02	1.01	1.00
Meander	1.01	1.03	1.01	1.00	1.00	1.02	1.03	1.05	1.00
Northern Midlands	1.02	1.05	1.01	1.00	1.00	1.06	1.05	1.04	1.00
Sorell	1.07	1.06	1.00	1.00	1.00	1.03	1.03	1.02	1.00
Southern Midlands	1.03	1.08	1.00	1.00	1.00	1.03	1.04	1.09	1.00
Tasman	1.17	1.11	1.00	1.00	1.00	1.13	1.02	1.11	1.00
Waratah/Wynyard	1.03	1.03	1.01	1.00	1.00	1.02	1.03	1.04	1.00
West Coast	1.05	1.06	1.00	1.00	1.05	1.02	1.05	1.18	1.04
West Tamar	1.03	1.02	1.00	1.00	1.00	1.01	1.02	1.06	1.00

DISABILITY FACTORS 1999-00 ASSESSMENTS continued

<i>Council</i>	<i>Popu- lation Growth</i>	<i>Tourism</i>	<i>Regional Responsibility</i>			<i>Scale</i>			<i>Equivalent Tenements</i>	
			<i>Gen Admin</i>	<i>Comm & Region. & Cult Devel.</i>	<i>Recreat.</i>	<i>High</i>	<i>Medium</i>	<i>Low</i>	<i>Sewerage</i>	<i>Water</i>
Break O'Dav	1.00	1.11	1.00	1.00	1.00	1.79	1.39	1.00	1.00	1.00
Brighton	1.00	1.00	1.00	1.00	1.00	1.36	1.18	1.00	1.00	1.00
Burnie	1.00	1.02	1.14	1.01	1.19	1.17	1.08	1.00	1.05	1.03
Central Coast	1.00	1.03	1.00	1.00	1.00	1.14	1.07	1.00	1.01	1.01
Central Highlands	1.00	1.14	1.00	1.00	1.00	2.40	1.70	1.00	1.00	1.00
Circular Head	1.00	1.04	1.00	1.00	1.00	1.57	1.28	1.00	1.00	1.00
Clarence	1.00	1.01	1.00	1.00	1.10	1.00	1.00	1.00	1.03	1.03
Derwent Valley	1.00	1.02	1.00	1.00	1.00	1.49	1.24	1.00	1.00	1.00
Devonport	1.00	1.03	1.14	1.02	1.10	1.08	1.04	1.00	1.03	1.02
Dorset	1.00	1.03	1.00	1.00	1.00	1.65	1.32	1.00	1.00	1.00
Flinders	1.00	1.08	1.00	1.00	1.00	5.00	3.00	1.00	1.00	1.00
George Town	1.00	1.02	1.00	1.00	1.00	1.69	1.35	1.00	1.00	1.00
Glamorgan/Spring Bay	1.00	1.35	1.00	1.00	1.00	2.01	1.51	1.00	1.00	1.00
Glenorchy	1.00	1.01	1.03	1.00	1.10	1.00	1.00	1.00	1.08	1.05
Hobart	1.00	1.05	1.20	1.12	1.08	1.00	1.00	1.00	1.28	1.18
Huon Valley	1.00	1.02	1.00	1.00	1.00	1.33	1.17	1.00	1.00	1.00
Kentish	1.00	1.08	1.00	1.00	1.00	1.83	1.41	1.00	1.00	1.00
King Island	1.00	1.06	1.00	1.00	1.00	2.69	1.85	1.00	1.00	1.00
Kingborough	1.00	1.01	1.00	1.00	1.00	1.03	1.02	1.00	1.00	1.00
Latrobe	1.06	1.03	1.00	1.00	1.00	1.61	1.30	1.00	1.00	1.00
Launceston	1.00	1.03	1.11	1.08	1.16	1.00	1.00	1.00	1.15	1.10
Meander	1.07	1.02	1.00	1.00	1.00	1.22	1.11	1.00	1.00	1.00
Northern Midlands	1.00	1.02	1.00	1.00	1.00	1.40	1.20	1.00	1.00	1.00
Sorell	1.10	1.00	1.00	1.00	1.00	1.44	1.22	1.00	1.00	1.00
Southern Midlands	1.00	1.02	1.00	1.00	1.00	1.82	1.41	1.00	1.00	1.00
Tasman	1.06	1.22	1.00	1.00	1.00	2.50	1.75	1.00	1.00	1.00
Waratah/Wynyard	1.00	1.02	1.00	1.00	1.00	1.32	1.16	1.00	1.00	1.00
West Coast	1.00	1.17	1.00	1.00	1.00	1.78	1.39	1.00	1.00	1.00
West Tamar	1.00	1.01	1.00	1.00	1.00	1.16	1.08	1.00	1.00	1.00

APPENDIX 12

MULHOLLAND MODEL DISABILITY FACTORS

<i>Municipality</i>	<i>Urban Sealed Roads</i>						<i>Urban Unsealed</i>	
	<i>Climate</i>	<i>Drainage</i>	<i>Material</i>	<i>Soil</i>	<i>Terrain</i>	<i>Traffic</i>	<i>Climate</i>	<i>Traffic</i>
Break O'Day	0.98	0.99	1.01	0.93	1.05	0.99	0.98	0.99
Brighton	0.94	1.01	1.05	1.01	1.06	0.98	0.94	0.96
Burnie	1.00	0.99	1.00	0.97	1.09	1.02	1.00	0.96
Central Coast	1.00	0.99	1.00	0.94	1.05	1.01	1.00	0.97
Central Highlands	0.95	1.00	1.06	1.05	1.02	0.96	0.95	0.96
Circular Head	1.00	0.99	1.00	0.76	1.04	0.99	1.00	0.96
Clarence	0.94	1.00	0.96	1.01	1.09	0.98	0.94	0.96
Derwent Valley	0.95	1.00	1.02	0.94	1.01	0.97	0.95	0.96
Devonport	1.00	0.98	1.00	1.05	1.05	1.02	1.00	0.96
Dorset	0.99	0.99	1.04	0.97	1.07	0.99	0.99	0.96
Flinders	0.96	1.01	0.99	0.73	1.02	0.99	0.96	1.00
George Town	1.00	0.99	1.10	1.15	1.03	0.98	1.00	0.96
Glamorgan/Spring Bay	0.96	0.99	1.03	0.95	1.07	0.97	0.96	0.96
Glenorchy	0.94	1.00	0.92	1.00	1.11	1.03	0.94	0.99
Hobart	0.94	0.99	0.91	1.01	1.11	0.98	1.01	0.96
Huon Valley	0.98	1.03	0.97	0.99	1.01	0.96	0.99	0.96
Kentish	1.00	1.00	1.00	1.00	1.03	1.00	1.00	0.96
King Island	1.04	0.98	1.00	0.94	1.07	0.99	1.04	0.97
Kingborough	1.00	1.00	0.90	1.08	1.07	0.98	1.00	1.00
Latrobe	1.00	1.00	1.00	0.85	1.01	1.01	1.00	0.97
Launceston	0.97	1.00	1.00	1.12	1.10	0.99	0.97	0.99
Meander Valley	1.00	0.99	0.98	0.84	1.05	0.98	1.00	0.96
Northern Midlands	0.95	1.02	1.02	1.04	1.01	0.99	0.95	0.96
Sorell	0.95	0.99	1.02	1.07	1.06	1.00	0.95	0.97
Southern Midlands	0.95	1.01	1.03	1.06	1.07	0.98	0.95	0.97
Tasman	0.95	0.99	1.07	1.02	1.10	0.96	0.95	0.96
Waratah/Wynyard	1.01	1.02	1.00	0.93	1.03	1.01	1.00	0.96
West Coast	1.07	0.99	1.00	1.06	1.04	0.98	1.07	0.97
West Tamar	1.00	0.98	1.01	0.98	1.08	0.98	1.00	0.98

MULHOLLAND MODEL DISABILITY FACTORS continued

<i>Rural Sealed roads</i>						<i>Rural Unsealed</i>		<i>Cost Factor</i>
<i>Climate</i>	<i>Drainage</i>	<i>Material</i>	<i>Soil</i>	<i>Terrain</i>	<i>Traffic</i>	<i>Climate</i>	<i>Traffic</i>	
0.98	0.99	1.01	1.03	1.04	0.98	0.98	0.98	0.98
0.94	1.00	1.05	1.07	1.05	0.98	0.94	0.98	1.02
1.02	0.99	1.00	1.06	1.08	1.04	1.01	1.00	1.11
1.01	0.99	1.00	0.99	1.12	1.00	1.01	0.98	1.01
0.98	1.00	1.06	1.02	1.12	0.97	1.00	0.97	0.95
1.04	0.99	1.00	0.99	1.12	1.01	1.04	0.99	0.97
0.94	1.00	0.95	0.96	1.09	0.98	0.94	0.96	1.06
0.95	1.00	1.01	1.00	1.05	0.96	0.95	0.96	1.01
1.00	0.99	1.00	1.04	1.07	1.01	1.00	0.99	1.07
1.00	0.99	1.02	1.02	1.10	1.01	1.00	0.99	0.97
0.96	0.99	0.99	1.00	1.05	1.00	0.96	0.99	0.97
1.00	0.97	1.10	1.12	1.08	0.98	1.00	0.97	1.00
0.96	0.99	1.03	1.02	1.06	0.96	0.96	0.96	0.98
0.95	0.99	0.95	1.00	1.16	1.01	0.95	0.99	1.11
1.00	1.00	1.00	1.00	1.09	1.00	1.00	1.00	1.02
1.01	1.00	0.97	1.01	1.06	0.97	1.01	0.97	0.98
1.03	0.99	1.00	0.95	1.15	1.01	1.01	0.98	0.96
1.03	1.02	1.00	1.04	1.00	0.99	1.03	0.97	0.98
1.01	0.99	0.90	1.03	1.14	0.98	1.00	0.96	1.04
1.00	1.00	1.00	0.92	1.05	1.01	1.00	0.98	1.00
0.99	1.00	1.04	1.04	1.10	1.00	0.99	0.99	1.08
1.01	1.00	0.99	1.02	1.09	0.99	1.01	0.97	0.98
0.95	1.02	1.03	1.07	1.05	1.01	0.95	0.98	0.98
0.95	1.00	1.04	1.12	1.07	1.00	0.95	0.98	1.02
0.95	1.00	1.07	1.04	1.13	1.03	0.95	1.00	0.96
1.00	1.00	1.07	1.04	1.10	0.97	0.98	0.97	0.97
1.03	1.00	1.00	1.00	1.12	1.01	1.03	1.00	0.97
1.07	1.00	1.00	1.00	1.09	0.97	1.07	0.99	1.01
1.00	0.99	1.01	1.02	1.05	0.98	1.00	0.97	1.01

APPENDIX 13

REPRESENTATION AT COMMISSION DISCUSSIONS IN 1999

Wednesday 21 April 1999

Flinders Council

Clr L Mason, Mayor
Mr L Connors, General Manager
Mr A Bickford, Finance and Administration Manager

George Town Council

Clr L Archer, Mayor
Mr D Cameron, Deputy Mayor
Mr R Hetherington, General Manager

Launceston City Council

Mr R Campbell, General Manager
Mr M Tidey, Corporate Services Manager
Mr G Brayford, Technical Services Manager

Thursday 22 April 1999

Dorset Council

Clr Y Thorne, Mayor
Mr T Ransom, General Manager
Mr J Martin, Corporate Services Manager
Ms B Jennings, Community and Development Officer

Break O'Day Council

Clr R Legge, Mayor
Clr N Fevre
Clr M Osborne
Clr J Collins
Clr S Salter
Mr T Berriman, Acting General Manager
Mr C Commene, Finance and Administration Manager
Mr C Murray, Community Development Officer

Friday 23 April 1999

Glamorgan/Spring Bay Council

Clr C Arnol, Mayor
Clr C Johnstone, Deputy Mayor
Clr R Parker
Mr G Reid, General Manager
Mr D Ewington, Technical Services Manager

Monday May 3 1999

Northern Midlands Council

Clr K Von Bibra, Mayor
Clr M Barnes, Deputy Mayor
Mr G Monson, General Manager
Ms M Bricknell, Finance Manager
Mr H Galea, Technical Services Manager

Meander Valley Council

Clr G Hall, Mayor
Mr P Ranson, General Manager
Mr M Salter, Executive Officer Financial Services
Mr I Howard, Manager Technical Services

Tuesday May 4 1999

Burnie City Council

Ald D Currie, Mayor
Mr R Harder, Technical Services
Mr S Imms, Corporate Services

Circular Head Council

Clr R Hine, Mayor
Clr M Weldon, Deputy Mayor
Clr R Dunn
Clr J Oldaker
Clr W Schoemaker
Clr J Smith
Mr P Arnold, General Manager
Mr P West, Manager Corporate Services
Mr K Hughes, Manager Engineering Services

Wednesday May 5 1999

Central Coast Council

Clr B Robertson, Deputy Mayor
Mr A Mott, General Manager
Ms S Ayton, Financial Services Manager
Mr B Eberhardt, Engineering Services Manager
Mr J McNamara, Environmental Services Manager
Mr T Hill, Land-Use Planning Manager

Devonport City Council

Ald M Binks, Mayor
Mr D Sales, General Manager
Mr J Howard, Manager Technical Services

King Island Council

Clr D Brewster, Mayor
Clr G Barrett, Deputy Mayor
Mr John White, General Manager
Mr G Langley, Director Corporate & Financial Services
Mr G Conley, Director Works & Engineering Services
Mr D Luck, Building Surveyor/Engineer

Kentish Council

Clr R Gee, Mayor
Mr G Atkins, General Manager
Ms R Franklin, Director Corporate Services
Mr T Wynd, Business Units Director
Mr L Edsell, Development Services Director

Latrobe Council

Clr B Campbell, Mayor
Mr G Atkins, General Manager
Ms R Franklin, Director Corporate Services
Mr T Wynd, Business Units Director
Mr L Edsell, Development Services Director

Wednesday May 12 1999

Sorell Council

Clr K Degrassi, Mayor
Clr John The Duke of Avram, Deputy Mayor
Clr B Dean
Clr K Ward
Mr B Inches, General Manager
Mr A Bryce, Manager Financial Services
Mr M Melton, Manager Engineering Services
Mr T Hocking

Tasman Council

Clr N Noye, Mayor
Clr P Wilson
Clr K Noye
Mr G Burgess, General Manager
Mr B Chandler, Administration & Finance Manager

Thursday, May 13 1999

Brighton Council

Mr G Dodge, General Manager
Mr R Sanderson, Deputy General Manager, Manager Corporate and Physical Services

Hobart City Council

Ald B Fisher
Mr B Armstrong, General Manager
Mr T Horacek, Financial Services Manager
Mr L Parker, Director Transportation Services

Derwent Valley Council

Clr T Morris, Mayor
Mr S Mackey, General Manager
Ms W Plunkett, Manager Financial Services

Central Highlands Council

Clr G Ashton-Jones, Mayor
Clr D Flint
Clr G Parsons
Ms L Eyles, Acting General Manager

Friday May 14 1999

Clarence City Council

Ald Cathy Edwards, Mayor
Ald Jock Campbell, Deputy Mayor
Mr R Howlett, General Manager
Mr F Barta, Corporate Treasurer
Mr John Stevens, Group Manager Asset Management

Southern Midlands Council

Clr C Howlett, Mayor
Clr D Manning, Deputy Mayor
Mr T Kirkwood, General Manager
Mr N Marstrand, Engineering/Building Surveyor