

**Shire of Dalwallinu**  
**Submission**  
**to**  
**The Economic Regulation Authority**  
**Inquiry into Microeconomic Reform in Western Australia**  
**Draft Report**

The Shire of Dalwallinu is one of the largest grain producing Shires in WA. Its administration centre is the town of Dalwallinu that is a strategically located on Great Northern Highway and provides agricultural, mining, tourist and national highway services, including emergency services. It is located on the northern boundary of the Wheatbelt Development Commission (WDC) and adjoins the southern boundary of the Mid West Development Commission (MWDC).

This Submission focuses on section 4.2.4 Royalties for Regions of the Draft Report.

**Country Local Government Fund (CLGF)**

The Shire of Dalwallinu has received allocations from the regional group (\$1,687,378) and individual local government (\$1,753,209) allocations of the CLGF.

Regional Component

The Shire does not share a community of interest with all of the land within its neighbouring Shires. However it does share a community of interest with a portion of the adjoining Midwest Region. The area along National Highway 95 to Paynes Find has had a continuing community of interest after the land was transferred to the Shire of Yalgoo in 1964.

The Shire generally concurs with integrated whole-of-state planning in the 4.2.4.2 Submissions. The Shire's experience has been that the regional component is inefficient in terms of identifying projects and the use of Councillor and administration resources when compared to a direct allocation to a particular Shire. With respect to projects that cross Regional Development Commission boundaries, similar difficulties have been experienced in identifying projects that are economic drivers within the funding criteria. If a suitable project is found, the acquittal process is difficult as each Development Commission requires that a different acquittal process is followed.

Local Component

The Shire supports the local component when it can be demonstrated it is linked to projects that are economic drivers. RfR projects such as the Dalwallinu Discovery Centre, a project with multi-functional uses that includes commercial activities; and 9 new residences, as part of a community, Shire and government agency Regional Repopulation Project ([http://www.dalwallinu.wa.gov.au/Assets/Regional Repopulation Pilot Project Report - FINAL.pdf](http://www.dalwallinu.wa.gov.au/Assets/Regional_Repopulation_Pilot_Project_Report_-_FINAL.pdf)) enhance economic development and population growth.

The Shire supports the allocation of all of the CLGF direct to individual Shires who are directly responsible and accountable. Integrated Strategic Plans, prepared by each local government, provide the forward planning that was previously documented in the Forward Capital Works plans. Where there is sustainable and verifiable economic development within a local government, a direct allocation would provide greater benefits for regional Western Australia.

The Shire suggests more flexibility in the funding criteria to include projects that are not necessarily infrastructure with ongoing maintenance obligations, but include projects such as road reconstruction. This would assist the continuing expansion in the growth of the grains industry.

### Conclusion

The distorted demographics of Western Australia need challenging. The Federal Electorate of Durack covers over one sixth of Australia, and 75% of the population reside in metropolitan Perth. This needs priority attention. RfR linked to whole-of-state planning to address the economic development and population imbalance is supported. The allocation of RfR funding to individual Local Governments, to achieve this objective, can be effective and efficient when applied to local projects.