

The Chairman
Mr Lyndon Rowe
Economic Regulation Authority
Level 4, Albert Facey House, 469 Wellington Street,
Perth WA 6000

Dear Mr. Rowe

The Shire of Kondinin strongly opposes recommendation four (4) of the Economic Regulation Authority's (ERA) Draft Report 'Inquiry into Microeconomic Reform in Western Australia' handed down to the West Australian State Government.

Recommendation 4 states:

4. Repeal the Royalties for Regions legislation, or restrict regional funding to an amount determined annually as part of the Budget process and guided by appropriate cost benefit analysis on a project-by-project basis.

The Shire of Kondinin's strong view, which view is shared by all neighbouring local governments in this region, is that Royalties for Regions in its existing form including the CLGF Individual and Regional Grants, be retained. The Royalties for Regions funding to regional Western Australia has allowed for significant improvement to amenities in country towns, which has enormous benefits in attracting people to our areas and for the benefit of those already living in regional country areas.

The royalties are derived from regional Western Australia from our resource industry and it is entirely appropriate and fitting that at least 25% of those royalties collected by the State Government go back to regional WA, where it is much needed.

I am well aware that all members of all Country Zones of WALGA, which represents approximately 100 local governments across regional Western Australia oppose the ERA recommendation (4) above and strongly support the retention of the Royalties for Regions CLGF and continued funding to local government. Surely this level of opposition from all regional local governments in Western Australia ought to be listened to.

Yours faithfully

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