

13th June 2023



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Local Government Board
HOBART TAS 7001

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Dear Sir or Madam,

Re: Consultation on the future of local government review – Stage 2 Interim Report

Thank you for the opportunity for the Tasmanian Minerals, Manufacturing and Energy Council (TMEC) to provide feedback on the Local Government Review – Stage 2 Interim Report.

TMEC's membership base represents an important wealth creating sector within the Tasmanian economy. The combined minerals and manufacturing sector employs 24,287 people and contributed \$2.93B in exports as of the 12 months to March 2023. Most of our members are based in regional areas of Tasmania and therefore provide critical employment opportunities away from public funded employers. Minerals exports alone account for 63.2% of Tasmania's commercial exports and is the foundation stone of many regional communities with 6,791 direct jobs.

TMEC wishes to commend the Local Government Review Board for the transparency and clarity it continues to provide. Gaining engagement by the community in the journey is far more complex than gaining supporters and detractors when the final report is submitted. My prediction is many in the community will be in uproar when decisions are made in time and complain about being surprised, which is not reflective of the effort made to engage people from all quarters. The process to date serves as an exemplar.

TMEC will offer comments only on the most relevant of the proposed reforms.

Reform Outcome 3 - The community is engaged in local decisions that affect them.

The relationship a major employer and or a developer has with the representative body of the local community is a critical success factor in the sustainability of economic and social development. Just like community members who may seek the ability to instantly connect with their elected local representatives or Council staff, businesses also value the ability to understand community sentiment via Council. Councils should be an authoritative voice which represents the range of community members views – even when this could be in contrast with the position the Council takes.

As consolidation of boundaries and shared services are inevitable (and appropriate), ensuring these mechanisms remain intact and functioning is a critical consideration in the design of a new model.

Reform Outcome 5 - Regulatory frameworks, systems and processes are streamlined, simplified, and standardised.

TMEC acknowledges the Minister’s decision to determine the role of Local Government in assessing complex planning development applications has been removed from the scope of the Local Government review. As per previous comments, TMEC is concerned with the current situation and the level of unpredictability it creates for industries TMEC represents. It is vital Council, as the voice of the community remains a key stakeholder, which should still occur in an externally appointed panel, and therefore remains consistent with one of the five key principles – “Preserve and enhance local voice”.

Reform Outcome 6 - Councils collaborate with other councils and State Government to deliver more effective and efficient services to their communities.

The amenity and access to essential services – health, education and childcare is a key determinant in the attract and recruitment phases of employing people in this sector. The ability for Local and State Governments to collaborate and avoid gaps occurring is an important consideration in the reform process.

Reform Outcome 7 The revenue and rating system efficiently and effectively funds council services.

TMEC welcomes further scrutiny of how the ratings system is being applied. It is entirely evident industrial and mining ratings are determined by an assessment of capacity to pay rather than cost of services to host the business in the LGA. This may be driven by Council’s sense of inequity in how payments made by businesses go the state and what flows back to the host community is questionable. Tasmania needs to have a sensible discussion about the total cost of doing business, when it comes to the combined cost imposts applied by both local and state governments from that business being present in its locality.

TMEC appreciates the opportunity to provide feedback on the local government review – Stage 2 Interim Report and looks forward to continuing this engagement through any ongoing consultation.

Please do not hesitate to contact me should you require further clarification.

Yours sincerely,



Ray Mostogl
Chief Executive Officer