

Douglas Shire Economic Review Summary 2014-2019

**CANDIDATE BRIEFING FOR PROSPECTIVE INCOMING COUNCILLORS BASED
ON FACTUAL PROFESSIONALLY PREPARED DATA**

Douglas Shire Council Post De-amalgamation

Negative Growth and Recession

2014 -2019

TWO LIES DON'T MAKE A RIGHT

“CPI only rate increases” (2013)

“The foundations are set for future generations to enjoy the benefits of a strong and capable Douglas Shire” (2020)

- De-amalgamation has failed to achieve its financial and economic objectives and the Council has exclusively targeted our 9400 ratepayers to fill the Council's failed financial shortfall.
- The Council has lost its way and our economy is in deep recession and has been, and still is one, of the worst performing Council's in Queensland.
- There is no credibility in the Council's claims of growth and prosperity. It never happened and the Council's 2020-22 financial forecasts show no change with negative growth and more significant rate gouges to survive.

The De-amalgamation Council was voted in during 2013 based on a lie that the new Council would only require CPI only rate increases to achieve “Financial Sustainability”

As we head into a new election the Mayor's re-election platform is based on a “bigger” lie that we have a prosperous economy and a dynamic future and have achieved Financial Sustainability

The Mayor has embarked on a feel-good fake news election agenda claiming the Shire has excelled and has outperformed all targets and we are all on the verge of new prosperous horizon. No where is this evident in an analysis of the Shire's current key economic indicators. There is no growth plan in the Council's 2020-22 budget forecasts and it

cannot maintain break-even operating status without Double CPI rate increases over the coming two years taking another \$12 mil of above 2014 CPI rate imposts from ratepayers.

WE CANNOT AFFORD ANOTHER TERM OF THE INCUMBENT COUNCIL

- **Economic growth** (Gross Regional Product) value, has shrunk by **6.5%**. This represents a **\$51 million loss** in the value of the Shire’s product activity.
- **673 Jobs**, representing 11 % of our workforce in the Shire, have been lost.
- **The annual level of Building approvals** for the 2018/2019 year fell to **52%** in that financial year compared with those of the 2014/15 post de-amalgamation levels impacting on growth and jobs.
- **Rates, Levies and Charges from ratepayers** has risen by over 28% which is over 3 times promised CPI benchmark levels (8.3%) . Incoming mayor promised to keep rates increases to around “CPI only” levels This did not happen and by the end of this financial year **will have collectively gouged ratepayers an additional \$22 mil** over and above their CPI only promise, to cover the financial shortfall. This action has severely damaged our economy ‘s liquidity facilitating job losses and recession.
- Council’s **Operating Revenue** and Expenses since de-amalgamation have incurred **total losses of \$11.4 million**.
- The Mayor promised us CPI only rate rises when elected in 2014. She is claiming her efforts have finally led to Financial Stability. This is a false statement. **The Shires “rate payers” have singularly financed the supposed 2020 balanced budget with a massive \$22 million (above CPI) contribution due to Julia’s false 2014 “CPI only” rate increases commitment. This will also take a further \$12million in 2021 and 2022 increasing the collective total 2014 CPI only rate rise gouge to around \$34million.**

Collectively, this means that since De-amalgamation there is \$84 million less being generated and spent in the community by our businesses and residents, and consequently has been a significant contributor to our Shire’s loss of jobs, closure of businesses and seriously declining recessed economy.

JULIA’S COLLECTIVE ECONOMIC DAMAGE BILL 2014- 2019

DECLINE IN GROSS REGIONAL PRODUCT	-\$51.0 MIL
DOUGLAS SHIRE CUMULATIVE OPERATING LOSSES	-\$11.4 MIL
ABOVE PROMISED CPI RATE REVENUES	-\$22.0 MIL
TOTAL	-\$84.4 MIL

Fake News and Self Denial

Extracts from local press articles and Mayoral press releases

- “The Council had **outperformed all predictions** with a **remarkable financial record** under her watch and was debt free”
- also **delivered reasonable Rates & Charges**, increased infrastructure maintenance and record capital works”
- “The foundations are set for future generations to enjoy the benefits of **a strong and capable Douglas Shire**”
- We have done it. We promised we would give the people of Douglas Shire **a financially Sustainable local government and we have delivered.**

“We’ve done this while **State, National and Global economies are struggling**”

This analysis reveals that Douglas Shire Council’s performance post de-amalgamation has been by far the worst FNQ Council performer in all key aspects of economic management. The damage has been serious and needs addressing urgently.

The problem we appear to have today is that the Mayor, and a majority of Councillors who had control of the destiny of the Shire (and are seeking re-election), are in complete self-denial that we have a problem and are pursuing a spin fake news campaign to tell us the de-amalgamation was successful and we are on the brink of a new horizon.

We can’t re-amalgamate to solve the problem. Clearly the group which perpetrated the de-amalgamation can’t be trusted, nor recognise the damage done and certainly have no plan to address their \$84 million blunder. Most of us agreed with the de-amalgamation, but it was sold to us misleadingly and, with hindsight, on what appears to have been over zealous financial analysis to suit what now appear to have been minority political agendas at that time.

The only Councillor who has appeared to recognise some of these issues was Cr Michael Kerr. He has spoken up about his concerns and as such has gained a large momentum of support to run for Mayor in the coming elections and to recognise and address the urgent need to restore economic and jobs growth balance to our Shire’s Economy.

This report provides empirical and indisputable financial data to enable all prospective councillors assess for themselves the magnitude of the damage inflicted within the Shire by the economic demise post-de-amalgamation and highlight the seriousness of the situation and the need for change to turn it around.

QUESTIONS YOU NEED TO CONSIDER

1. DO YOU UNDERSTAND THE VERACITY OF THE ECONOMIC DATA PROVIDED IN THIS REPORT DEMONSTRATING THAT THE DSC POST DE-AMALGAMATION HAS BEEN ONE OF THE WORST PERFORMING COUNCIL'S IN FNQ (FRQROC)?

Yes

No

2. DO YOU BELIEVE THAT CHANGE IS REQUIRED TO PROVIDE TO RESTORE GROWTH AND PROSPERITY TO THE SHIRE'S ECONOMY?

Yes

No

3. DO YOU BELIEVE THE FAILED QANTAS CARBON CREDITS SCHEME, PROPOSED BY THE MAYOR LAST YEAR, WAS A GOOD IDEA? WOULD YOU HAVE SUPPORTED IT?

Yes

No

4. ARE YOU, OR HAVE YOU EVER BEEN A MEMBER/SUPPORTER OF THE DOUGLAS SHIRE SUSTAINABLE GROUP (DSSG)?

Yes

No

5. DO YOU BELIEVE THAT COUNCILLOR CANDIDATES SHOULD BE INDEPENDENT OF VESTED MINORITY FRINGE POLITICAL GROUPS AND PROVIDE BROAD NON-PARTISAN SERVICE TO THE COMMUNITY FREE OF PERSONAL POLITICAL BIASES?

Yes

No

6. DO YOU BELIEVE THAT THE COUNCIL'S 28% (3 X CPI) INCREASE IN RATES REVENUE POST DE-AMALGAMATION AND BUDGETED FORECASTS OF A FURTHER 9% (DOUBLE CPI) INCREASE BETWEEN 2019- 22 ARE FAIR AND REASONABLE?

Yes

No

7. DO YOU BELIEVE THAT THE BUDGETED 17% CUT IN REPAIRS AND MAINTENANCE DURING CURRENT YEAR (2019/20), AND THE FREEZING OF ANY INCREASE GROWTH IN EXPENDITURE FOR 2020-2022 PERIOD, IS RATIONAL, OR REASONABLE AND IN THE BEST INTERESTS OF THE SHIRE'S ABILITY RESTORE GROWTH?

Yes

No

CANDIDATE BRIEFING DATA

**SUPPORTING
ECONOMIC DATA ANALYSIS AND SUMMARY
COMMENTS**

ATTACHED