

media release

Tuesday, 16 February 2016

Local councils running a surplus, says Mosman Mayor

Mosman Mayor Peter Abelson has called upon the NSW Government to stop referring to councils as "losing \$1 million a day" and use updated figures showing councils are now running a surplus.

The report released this month by LG Solutions analysed NSW councils' 2014/15 financial data compared with the 2013/14 financial year and found that the total operating surplus of all councils combined had significantly improved.

Cr Abelson, a noted economist, said that the NSW Government could in fact take credit for the financial reform that had already occurred in the sector.

"These figures show that overall councils were running an operating surplus of over \$0.5 million a day in 2014/15, compared with the \$1 million a day loss in 2013/14 that the NSW Government keeps rolling out," Cr Abelson said. "It should not continue referring to the false mantra that councils are losing \$1 million a day when we are making an operating surplus."

Cr Abelson said that a major reason for the announced deficit in 2013/14 was a change in accounting practices, which was quite appropriate, but that it was "absurd" to argue that the previous year's results indicated that councils generally lacked financial capacity.

"Councils in low income and low density areas struggle to provide services and balance budgets," he said. "But this has nothing to do with the size of the council. There is no such evidence."

Cr Abelson also raised concerns about the NSW Government's claim that there had been four years of consultation on proposed local government amalgamations.

"This is simply not true and most especially it is not true for the last minute proposal of the merger of Manly with Mosman and southern Warringah for which there has been no public consultation prior to release of the merger proposal on 6 January this year," he said.



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