

Council looks at \$40m debt

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FACING a dire need for infrastructure, the cash-strapped Cassowary Coast Council could double its debt to \$40 million and ask the State Government for subsidies of up to \$30 million.

Mayor and accountant Bill Shannon said the decision was needed.

He said the council had chosen not to apply for further amalgamation dollars, due to be lodged yesterday, but he said the council made other submissions.

"We're saying that \$1 million was given to us very early in the piece (for amalgamation costs)," he said.

"We are looking to recover money in the applications we have put with our financial projections, corporate plan and information that has gone to Queensland Treasury and the Department of Local Government, pointing out the difficulties the council is in."

Mr Shannon said the State Government was aware the council had a "massive" infrastructure backlog.

This involves about \$180 million worth of projects from the former Johnstone and Cardwell shires, including upgrading old pumps at the Innisfail water treatment plant, the Innisfail sewer-

Tablelands lodges state claim

ONE of three Far Northern councils applied for extra amalgamation dollars from the State Government under its Treasury guidelines due yesterday.

Tablelands Mayor Tom Gilmore said his council had lodged a claim of about \$5 million.

"We've of course spent more than that, but because of these very strict guidelines from Treasury, we eliminated some of that money we have spent," he said.

Cairns Regional Council chief

executive officer Noel Briggs said a submission for an additional claim of about \$1.68 million was made by the council after it received \$550,000 from the State Government for some of the up-front costs.

However, he said no submission was lodged on the Queensland Treasury template.

"In formal discussions with Queensland Treasury, they looked at our initial submission and our chances of getting additional funds were not high," Mr Briggs said.

age treatment plant and Cardwell sewerage.

"We've put a claim for \$55 million worth of water and sewerage work that is absolutely essential," Cr Shannon said.

"It (the debt) really depends on what terms of subsidies that can give us."

Cr Shannon said the council could double its debt to \$40 million, depending on whether it could get State Government subsidies, of between 40 per cent and 60 per cent for each project, of about \$30 million. "We're talking about long-

term assets just like people borrow to buy their house," he said.

"I think it's better to use these hard times and low interest rates to take on some debt and do some work."

Facing huge infrastructure projects last year, the council announced it had lifted its minimum general rate by 7 per cent.

Rates and fees collectively rose 10.5 per cent for former Johnstone Shire residents and 12 per cent for former Cardwell Shire Council residents based on the council's minimum residential rates.