



INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES COMMITTEE

Members present:

Mr J Pearce MP (Chair)
Mr GJ Butcher MP
Mr MJ Hart MP
Mrs BL Lauga MP
Mr LL Millar MP

Staff present:

Ms E Pasley (Research Director)
Ms M Westcott (Principal Research Officer)

PUBLIC BRIEFING—EXAMINATION OF LOCAL GOVERNMENT AND OTHER LEGISLATION AMENDMENT BILL 2015

TRANSCRIPT OF PROCEEDINGS

MONDAY, 20 APRIL 2015

Brisbane

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Committee met at 2.32 pm

CHAIR: I declare open this public briefing for the committee's examination of the Local Government and Other Legislation Amendment Bill 2015. Thank you all for being here this afternoon. My name is Jim Pearce. I am the member for Mirani and chair of the committee. The other committee members here today are Michael Hart, the deputy chair; Glenn Butcher, the member for Gladstone; Lachlan Millar, the member for Gregory; and we have on the line Brittany Lauga, the member for Keppel. Shane Knuth was with us but he has just had to head off, so we let Shane go.

This briefing is being broadcast live via the Parliamentary Service's website and a transcript will be made by parliamentary reporters and published on the committee's website. For the benefit of Hansard, can I please request that representatives speak clearly into the microphone. This briefing is a formal committee proceeding and, as such, you should be guided by schedules 3 and 8 of the standing orders, a copy of which has been provided. The aim of the briefing today is for the committee to gather preliminary information in relation to the bill.

BLAGOEV, Mrs Bronwyn, Director, Policy, Legal and Corporate Support, Department of Infrastructure, Local Government and Planning

CARROLL, Mr Frankie, Chief Executive Officer, Queensland Reconstruction Authority

CLARKE, Mr Peter, Senior Policy Adviser, Office of the Deputy Premier and Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade

CUMMING, Ms Kelli, Senior Manager, Customer Services, Safety and Regulation, Department of Transport and Main Roads

FRAINE, Dr Graham, Deputy Director-General, Customer Services, Safety and Regulation, Department of Transport and Main Roads

HAWTHORNE, Ms Josie, Manager Legislation, Policy, Legal and Corporate Support, Department of Infrastructure, Local Government and Planning

JOHNSTON, Mr Stephen, Acting Director-General, Department of Infrastructure, Local Government and Planning

PARTON, Ms Kathy, General Manager, Interface Management, Queensland Reconstruction Authority

CHAIR: I now welcome representatives from the Department of Infrastructure, Local Government and Planning, the Department of Transport and Main Roads and the Queensland Reconstruction Authority. Would there be any opening statements?

Mr Johnston: I thank the committee for the opportunity to brief the committee on the Local Government and Other Legislation Amendment Bill 2015. If it pleases the committee, Mr Chairman, I will ask Mrs Blagoev to outline briefly the objectives of the bill. Please feel free to ask questions as each objective is addressed.

Mrs Blagoev: The bill proposes amendments to the Local Government Electoral Act 2011, the Heavy Vehicle National Law Act 2012 and the Queensland Reconstruction Authority Act 2012. The objective of the amendment to the Local Government Electoral Act is to remove the starting position that it is the chief executive officer of a local government who is the returning officer for a particular election. Currently, section 9 of the Local Government Electoral Act states—

The chief executive officer of the local government for which an election is to be held is the returning officer for the election.
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Currently, section 9(3), however, allows a CEO to opt out of being the returning officer provided they issue what is called a withdrawal notice by the stated nomination date. Clause 3 of the bill requires instead for the Electoral Commission to appoint the returning officer. The person appointed by the Electoral Commission under the bill cannot be a minor, a member of a political party, or a chief executive officer of a local government for which the election is to be held. The only exception to that is that the bill proposes that the Electoral Commission can appoint a CEO as the returning officer where the CEO is the only person in the community who is reasonably capable of performing the role.

Clause 20 of the bill provides for transitional arrangements to apply where, if before the amendments come into force, a CEO is the returning officer. Under the bill, the transitional requirements state that the CEO will continue to have that role as a returning officer. Similarly, anyone appointed by the CEO to carry out electoral duties will continue in that role.

The remainder of part 2—clauses 4 to 18—are consequential to the clause 3 amendment. For example, clause 5 of the bill seeks to remove reference to a CEO appointing an assistant returning officer. Instead, under the bill it will be the Electoral Commission that would appoint an assistant returning officer. Similarly, it is proposed to omit sections 12A and 12B dealing with a CEO returning officer who appoints persons to assist with electoral duties. Again, it will be up to the Electoral Commission to do that.

Similarly, current section 24A of the Local Government Electoral Act requires a CEO who is a returning officer to prepare a written plan. The plan is then approved by the Electoral Commission, if satisfied with the plan. It is proposed to remove this provision entirely. With the proposed change under clause 3, it is deemed that that provision is no longer required, because it will be the Electoral Commission that appoints the returning officer. It will also be the Electoral Commission that has the power of direction over those persons appointed to that role.

Further, clause 25 of the bill omits part 11 of the Queensland Reconstruction Authority Act to continue the QRA Act after 30 June 2015. The QRA Act establishes the Queensland Reconstruction Authority and provides for other measures to assist with the rebuilding and recovery of Queensland communities affected by disaster events. When the QRA Act was assented to on 21 February 2011, a two-year sunset clause expired the act on 22 February 2013. However, on 11 December 2012 the QRA Act was extended to 30 June 2014 and, again, it was further extended to 30 June 2015.

The bill also seeks to amend the Heavy Vehicle National Law Act 2012. I will ask Dr Graham Fraine to address these proposed amendments, if it pleases the committee.

CHAIR: Certainly.

Dr Fraine: Thank you, Chair. Thank you, members. I am here to discuss specifically part 3, clause 23, in regard to the bill. That is as stated in regard to the national heavy vehicle registration scheme. Effectively, what we are doing here is seeking to disapply section 15DA of the Acts Interpretation Act in regard to the commencement and arrangement of the national heavy vehicle registration scheme and, as such, looking to allow the registration scheme to apply either on 1 July 2018 or at a date prior to that by proclamation if the scheme is ready to go.

Just by way of background to this particular piece in the bill, there has been work conducted on the national heavy vehicle registration scheme for a couple of years now in regard to an initial business case and initial policy work. As the explanatory notes to the bill point out, currently the registration scheme is intended to commence post 30 August this year. As sometimes happens with national regulatory systems, some of the policy issues and the system issues surrounding the creation of a national heavy vehicle scheme have proved somewhat complex—and I am certainly happy to take questions on those—to the extent that, while all parties around the country are still working assiduously towards the creation of the national scheme, if it were to come into play post 30 August this year, quite simply, there is not a scheme to operate. That obviously would create some quite difficult circumstances for industry, let alone state and territory governments. The amendments that we are looking to make in this bill are to provide for the scheme to be in place, as mentioned, by 1 July 2018 or indeed at a date earlier than that. Thank you.

CHAIR: Where are the other jurisdictions at with regard to their legislation?

Dr Fraine: Two parts I will come to in answering that question. Earlier this year all ministers around the country voted to approve the change of date for the scheme. Effectively, in terms of where each state and territory is at currently, the National Heavy Vehicle Regulator is in operation in all states and territories with the exception of Western Australia and the Northern Territory. Indeed,

the legislation in those states and territories other than those two is in place. The situation we have with this amendment is to effectively prevent that automatic kick-over in those jurisdictions so that the registration scheme would operate there from post August this year.

CHAIR: So it is pretty important that this amendment passes the parliament so that it can be in a similar position ready to go. Is that what you are saying?

Dr Fraine: Yes, certainly, Chair. As I mentioned briefly, the impacts for both state and territory governments, but importantly for the end user, being the heavy vehicle industry, of having two systems in operation—so both a state and a national system—when, in fact, the national system really does not exist in a state ready to go would be difficult at best.

CHAIR: What consultation have you done with regard to preparing for the amendment, knowing how the community feels about it?

Dr Fraine: We have discussed this with the heavy vehicle industry in Queensland, as have other states and territories with their respective state organisations in the lead-up to the vote earlier this year. I think the industry would prefer that there was a scheme ready to go and to move to at this point, but they understand some of the policy complexities that are being worked through. Their preference, if it is not ready to go, is that there be a specific date aimed for, which is effectively what we are looking to put through with this amendment. So as I mentioned, their preference, first of all, is to have something. They understand the need for a delay at this point. Their second preference is that we have a specific target date to hit, which is where the July 2018 is looking to take us. That is based on the work done by states, territories and the National Transport Commission along with the regulator themselves.

CHAIR: Given that it is a national scheme, does that impact on the collection of registration fees and other moneys relevant to a national system?

Dr Fraine: As it currently stands, each state and territory will collect their own and will continue to, at least up until a scheme is ready to go. At that point, there may be implications on individual states and territories in terms of how the collection is done and who ultimately collects the dollars—so whether it is a state and territory or whether it is the regulator themselves. Certainly, the intent with the national heavy vehicle registration system is to still see that individual states and territories are getting, from a financial perspective, the benefits of the registration paid by their industry.

CHAIR: We have to try to keep the feds' hands out of the tin, haven't we?

Dr Fraine: Indeed, Chair.

CHAIR: We might come back to that.

Dr Fraine: Certainly.

CHAIR: We will go to the amendment to the Queensland Reconstruction Authority Act 2011. Brittany, do you have any questions that you want to ask? You have done a pretty good job up there with the cyclone. Do you have any issues that are relevant?

Mrs LAUGA: No, thank you, Jim. I think that is pretty well explained.

CHAIR: How many times has the Queensland Reconstruction Authority been extended since it was established in 2011?

Mrs Blagoev: Three times.

CHAIR: Do we need a disaster to actually continue having this authority in place? Why do we need to keep going, given what we are doing now?

Mr Carroll: Chair, it is a good question. The Queensland Reconstruction Authority was actually instigated because of Cyclone Yasi and the floods in 2011. Unfortunately, Queensland continues to have many disasters, just as we have seen Marcia hit Rockhampton, Livingstone, Banana and the North Burnett. We continue to do that work. It takes approximately two years to recover from each disaster under the National Disaster Relief and Recovery Arrangements, which is the Commonwealth scheme. From a cost point of view, it is shared 75 per cent by the Commonwealth and 25 per cent by the state. We administer those schemes. We are still actually rebuilding after 2013, which is due to be complete in June this year. We have 2014, which we will work on, and then 2015. Those disaster works continue, and that is why we have seen an extension of the QRA Act since 2011 those three times.

CHAIR: I cannot understand why, if this is the third time it has been extended—

Mr Carroll: It is.

CHAIR: Why can it not be locked in?

Mr Carroll: Effectively, that is what this amendment does: it locks it in.

Mrs Blagoev: The amendment seeks to remove the expiration date entirely.

CHAIR: Having a look at what happened around Rockhampton and other communities the last time, is there any sort of audit being done on the way it is being managed? My question is really about the way people are paid for assistance under the scheme, under the plan or under the program.

Mr Carroll: Chair, there is multiple relief that is available to individuals, primary producers, businesses and councils. It is mainly driven by the Commonwealth rule book, the NDRRA determination of 2012. Unfortunately, that is the rule book that we play by, because the Commonwealth set those rules. Unfortunately, the state is limited in what it can do and cannot do in relation to those relief arrangements. The administration is done by the state, but it is based on the rules under the NDRRA.

In relation to your question about review, I understand that a review is being done. As I understand it, that is the responsibility of the IGEM, the Inspector-General for Emergency Management. I know that he is focusing on the Callide Dam review at the moment.

CHAIR: I am sure Brittany would agree that all of the government agencies that were involved up there have done an outstanding job. The work they have done has been brilliant, as is the cooperation that we have had. Understanding some of it, I think there is a real need for an audit to be done.

Mr HART: Mr Carroll, how many staff does the authority have? Do you know how many staff you had in 2012?

Mr Carroll: In 2012 we had about 120, from memory. We have about 98 at the moment, but it fluctuates a lot depending on the need or what is required, Deputy Chair.

Mr HART: What is the budget of the authority and what was it in 2012?

Mr Carroll: From memory it is around the \$30 million mark, but I cannot be totally sure on that.

Mr HART: \$30 million in 2012?

Mr Carroll: Yes.

Mr HART: Do you know what it is now?

Mr Carroll: \$30 million is the operating budget for this year. It is still the same.

Mr BUTCHER: If the act is changed, will the staffing stay the same? Will we have to ramp it up or down?

Mr Carroll: The structure of the organisation and the bill allow for the ability to ramp up when required and ramp down when not required. The ability in the bill is specifically aimed at doing that. There would be a core staff and then we take in contractors as we require.

Mr BUTCHER: When events happen?

Mr Carroll: Yes. To give you an idea, we had about 50 per cent of our staff deployed at the time of disaster, working on disaster related activities.

Mr HART: And you do a great job.

CHAIR: Is local government happy with the extension?

Mr Carroll: The LGAQ have commented that they are happy.

CHAIR: Do you have a good working relationship with them?

Mr Carroll: We do indeed.

CHAIR: I am sure you do, as long as you keep giving.

Mr MILLAR: Mr Carroll, in regard to the Reconstruction Authority, what sort of correlation do you have with the Queensland Rural Adjustment Authority? We talk about floods and we talk about cyclones. Is there a role to play with drought? Currently we have a drought in Western Queensland. The word 'reconstruction' has been thrown around there. Is there any correlation between the Queensland Rural Adjustment Authority and the Queensland Reconstruction Authority on drought?

Mr Carroll: As the member would be well aware, the Queensland Reconstruction Authority and the Queensland Rural Adjustment Authority are two different organisations. The Queensland

Rural Adjustment Authority administers the loans that occur to those primary producers, small businesses and not-for-profit organisations. For the Rural Adjustment Authority to administer those loans, the QRA has to collect the information with local councils to activate the assistance on category B, category C and category D that is available to those. The Rural Adjustment Authority do a good job. They are in the community making sure that the right people get those loans.

In relation to your question on drought, under the Commonwealth Natural Disaster Relief and Recovery Arrangements, drought is not defined as a natural disaster relief and recovery arrangement under that determination. You would have to see a change at the Commonwealth level to put drought into that NDRRA determination.

Mr MILLAR: Let's hope so.

CHAIR: Are there any more questions on that particular issue?

Mrs LAUGA: I had thought you were talking about the heavy vehicle stuff initially, but I realise that you are now talking about the Reconstruction Authority. I want to add that I am fully supportive of the continuity of the QRA. I saw firsthand the work that they did post Cyclone Marcia and continue to do and the collaboration between the state and the federal governments with regard to the NDRRA funding. Also, the reconstruction work that the QRA did a couple of years ago with the floods at Grantham was a huge success. The QRA won state and—correct me if I am wrong, Frankie—national Planning Institute of Australia awards for the way in which it conducted that reconstruction there.

Mr Carroll: That is correct.

Mrs LAUGA: I want to put my weight behind supporting the continuity of the organisation and thank them for the work they have done in my region and continue to do in my region and across Queensland.

CHAIR: Thank you, Brittany. Mr Carroll was nodding with a big smile on his face. You said the right thing, thank you, Brittany. Are there any other questions on that issue?

Mr BUTCHER: Would there be any funding implications, if it is extended? Can we guarantee that it will be \$30 million or would you be looking to go for more? How are we going to go with funding, moving forward with this authority?

Mr Carroll: That is under consideration with the Treasury department at the moment.

Mr BUTCHER: Can you see it needing more? You said it was \$30 million for 2012 and for 2015.

Mr Carroll: It is very hard to say. If you leave the operation as it is today, yes, \$30 million should be sufficient. But, again, it depends on the number of disasters we have. If we have another disaster like we have seen with the floods with Yasi, the amount of resources that you would have to apply to that is a lot greater than the resources we are applying at the moment.

CHAIR: We will move on to questions about local government.

Mr HART: Mrs Blagoev, can you give us a bit of a history lesson on the changes that we are making here? How long has the CEO been the returning officer?

Mrs Blagoev: It is a good question. The amendments to allow the CEO to be the returning officer were debated and passed towards the end of last year. To date, we have not had a by-election or a fresh election where we have had the CEO as the returning officer.

Mr HART: These are very recent changes—six or eight months—and they have not been tested?

Mrs Blagoev: That is correct.

Mr HART: Why are we making the changes?

Mrs Blagoev: The change is as a result of government policy. It is a change we have been asked to implement.

Mr HART: And the new government's policy is to undo the previous government's work?

Mrs Blagoev: The policy that we have been asked to implement is for the Electoral Commission to appoint the returning officers.

Mr HART: What sort of impact do you think this will have on the cost situation of local governments running local government elections?

Mrs Blagoev: I have some information that I can provide to you in relation to the information that the department holds. One thing I will say is that the costing is a little bit of a grey area. For example, the ECQ commissioned a report back in 2012 that said that the overall cost of conducting local government elections was \$12.35 million, which equates to \$4.50 per elector. The ECQ report does cite the figures published on the LGAQs website. The average cost for electors in the 2004 elections was \$6.10, based on seven local government costings. We are expecting that the cost of elections may decrease. The Electoral Commissioner has said that they are expecting it to decrease as a result of some streamlining of processes internally.

Mr HART: Do we know how much it costs per person to run a state election?

Ms Hawthorne: Not per person. That is not available on ECQ's website. There is not a breakdown per person as yet, but there is a combined total.

Mr HART: What changes are being made in the ECQ since the previous government changed to a CEO being a returning officer? Have there been any staff movements, any cutback in budgets et cetera?

Mrs Blagoev: That is information that we are not aware of.

Mr HART: Has the government looked at what sort of impact this will have on the ECQ going forward? Will they need a bigger budget, more staff, anything like that?

Mrs Blagoev: No.

Mr HART: So this is purely a policy driven decision?

Mrs Blagoev: That is correct. The policy behind it is not so much the costing but more a concern regarding the potential for a conflict of interest for a CEO who acts as a returning officer.

Mr MILLAR: I have one question—I not sure who to ask, but probably you, Bronwyn—in regard to costings, so that I am clear. Which is the more cost-effective way: what is currently in place, which is going to be changed—the CEO—or a returning officer being consulted out or contracted out? What is the cheapest and more cost-effective way?

Mr Johnston: That is a question we probably cannot answer because the last time councils ran the election with their CEOs as returning officers was 2004. So both the 2008 and 2012 elections were run by the Electoral Commission of Queensland. Because, as Bronwyn has already indicated, the previous legislation has never actually been tested, we do not have any comparative figures.

Mr MILLAR: Would you have a rough idea? You have not got the evidence in front of you, but would it be having a CEO or having someone from the Electoral Commission?

Mr Johnston: The CEOs were paid an allowance to act as the returning officers based on a schedule of fees that the LGAQ produced in 2000 and 2004. But we do not have any visibility of the balance of those costs from the councils themselves. A lot of those costs tended to be not so much hidden but, for instance, the use of the shire hall was not a direct cost that you could look at because it was a council asset and they used it for voting purposes, whereas when the Electoral Commission runs elections for councils all those sorts of costs are fully taken into account. We cannot compare apples with apples. It has now been 11 years since councils ran elections, so that would also distort any comparison.

Mr HART: My understanding is that the previous change was made because the local government authorities thought that having CEOs as the returning officers would make it cheaper for them to run an election rather than having the ECQ run it. What was changed between mid last year and now?

Mr Johnston: Nothing has changed but that was a position that was put forward by the LGAQ, that enabling councils to have their CEOs act as returning officers would reduce their costs.

Mr HART: From reading their submission, it does not appear as though they have changed their mind, although they are supportive of the changes that are being made here. But they want some feedback on how to cut their costs. Does the department talk to the LGAQ about reducing their costs? If so, what sorts of ideas have they put forward?

Mr Johnston: We have had a preliminary meeting with the LGAQ to discuss that issue and we have undertaken to have a joint meeting with the Electoral Commission to look at options that may be available to do that.

Mr HART: When was that meeting?

Mr Johnston: The meeting with the LGAQ was probably two weeks ago and we are scheduling a meeting with Walter van der Merwe—

Mr HART: This is a pretty sudden sort of thing then if the meeting was only two weeks ago.

Mr Johnston: That was our first meeting with the LGAQ to catch up on a number of matters including the costs of elections.

CHAIR: When we have a look at the removal of the mandate, what is the value in it? Why are we doing it?

Ms Hawthorne: Because it is government policy. We are just implementing what the government has decided.

CHAIR: So you are not able to give me any idea what the benefits might be?

Mrs Blagoev: As indicated earlier, one of the underlying grounds for the amendment is the issue of potential conflict of interest between a CEO and, for example, a current mayor or councillor. That is really the underlying policy intention other than the issue of costs.

Mr HART: Do we have any history that there have been those sorts of issues in the past?

Mrs Blagoev: No.

Mr MILLAR: The Diamantina shire or the Boulia shire are unlikely to get a contractor out where they may use their CEOs. Is there anything in these changes to the legislation that would suggest that those councils—the councils that I represent that are quite large but sometimes there are only 800 people; there are not many people who are going to vote—can continue to use their CEO?

Mrs Blagoev: The bill contemplates that the Electoral Commissioner can appoint a CEO of a local government where he or she is the only person reasonably capable of doing that. In the past—I think it was the 2012 elections—there were 12 CEOs who were retained by the Electoral Commissioner for that purpose.

Mr HART: What is in place to stop those CEOs from having the same conflict of interest that we are saying bigger councils may have?

Ms Hawthorne: They are under the authority of the—

Mr HART: Government policy.

Ms Hawthorne: No—well, yes. They are under the authority of the Electoral Commission. As the legislation now stands, the CEO is the returning officer and then they have to take steps to withdraw from that, whereas the situation that the bill proposes is that the Electoral Commissioner may appoint a CEO if the CEO has the experience and qualifications to perform that role. So that is the sort of fetter, I guess, or protection around that.

Mr HART: Since the previous change was made, do we know whether any of the local governments have started training people to be returning officers or training staff to run elections? Has any money been spent in this area?

Mr Johnston: No, we are not aware of that. I would suggest from discussions I have had with the Electoral Commissioner that that was scheduled for later this year in the lead-up to the 2016 election.

Mr HART: So the ECQ were going to run that training, were they?

Mr Johnston: They were going to do that training in conjunction with the department. Each local government CEO that was going to be the returning officer had to submit to the ECQ an operational plan on how the election was to be conducted.

Mr HART: When were they due?

Mr Johnston: The training probably would have commenced around July-August.

Mrs LAUGA: I was just wondering what the situation is in other states and territories and if a similar policy applies elsewhere.

Mrs Blagoev: New South Wales councils have a choice as to who provides their elections. In 2012, 92 per cent of councils chose the New South Wales Electoral Commission. Similarly in Victoria, the Victoria Electoral Commission's *Report on conduct of the 2012 local government elections* states that the VEC provided election services to 78 of the 79 councils.

Mr HART: Do we know what size those councils were?

Mrs Blagoev: I am not aware. It would vary.

Ms Hawthorne: I think New South Wales have a lot more local government areas than we do.

Mrs LAUGA: To me this appears as a way in which local government elections can be conducted with a higher degree of integrity and accountability. Is this the ECQ's view that this is a way in which integrity and accountability can be improved in the running of local government elections?

Mr Johnston: In discussions I have had with the Electoral Commissioner he certainly favoured retaining the ability for him to appoint the returning officers rather than the CEOs being the returning officers as the default position.

CHAIR: Have you had feedback from all of the local governments with regard to this process or are you only talking to the LGAQ?

Mr Johnston: Primarily we talk to the LGAQ about any proposed legislative amendments rather than individual councils.

CHAIR: That is the consultation process.

Mr Johnston: Yes.

CHAIR: So you do not see a need to do a run around and talk to individual councils.

Mr Johnston: I think that should be the role of LGAQ. You will get some disparate views I think according to the size of the councils. But the way in which the amendments are proposed I think, as Bronwyn pointed out, still gives the Electoral Commissioner the ability to take into account those smaller rural and remote councils where the CEO maybe the better option.

Mr MILLAR: Has that been expressed by the LGAQ?

Mr Johnston: I have not seen what the LGAQ's response is to the bill.

Mr MILLAR: Would it be worthwhile the Department of Infrastructure, Local Government and Planning ground-truthing some of that by maybe looking at some councils in the western areas and regional areas just to see what their point of view is on this?

Mr Johnston: Yes, we could—that would be a decision of the Deputy Premier as to whether she wanted that to occur. But primarily we use their peak body as the organisation we use for consultation, particularly around legislation.

Mr MILLAR: I guess they have Western Queensland forums in LGAQ as well as the northern forums, so they probably all feed into that anyway.

Mr Johnston: They do. They have ROC forums as well as their summit and their annual conference, so there is plenty of opportunity for these views to be funnelled in.

Mr MILLAR: Yes, I agree.

Mr HART: The consultation with the LGAQ was two weeks ago.

Ms Hawthorne: There was consultation on the bill prior to its introduction.

Mr HART: It was introduced more than two weeks ago. When did the consultation take place?

Ms Hawthorne: The consultation on the bill took place before the bill was introduced. Steve was talking about the consultation with the LGAQ in relation to costs that happened after Easter.

Mr HART: So the LGAQ were consulted before the bill was introduced.

Ms Hawthorne: Yes.

CHAIR: In terms of the data or statistics you gave us out of New South Wales and Victoria with regard to the number of councils who had chosen to have their election run by the Electoral Commission, have we done anything like that up here to get any feedback?

Mrs Blagoev: No, not formally.

CHAIR: I just see it as a positive thing myself. Are there any other questions relevant to what we have just been talking about?

Mrs LAUGA: I have one more. I just wondered about the rural and remote councils who will have the opportunity to apply to have their CEO run their local government election. On what criteria will the ECQ determine that application?

Mrs Blagoev: Under the legislation the councils do not apply to have the CEO be the returning officer. It would be a matter completely at the discretion of the Electoral Commissioner as to when they would appoint a CEO as a returning officer.

Mrs LAUGA: So I guess a council would have to express interest or make contact with the ECQ to express interest in the CEO being appointed the returning officer.

Mrs Blagoev: I would have thought that as part of the process in determining who in the local community could be a returning officer there would need to be that form of consultation.

Mrs LAUGA: Sure.

Mr MILLAR: So it is about the capacity to be a returning officer. That is basically what it comes down to.

Mrs Blagoev: That is correct.

Mr HART: Most local government areas would have a state returning officer.

Ms Hawthorne: Yes.

Mr HART: And those people would be capable of being a returning officer. So it is not likely to happen; is that what we are saying?

Mrs Blagoev: In 2012 there were 12 CEOs who were returning officers.

Mrs LAUGA: Does the Electoral Commission undertake an assessment of the suitability of that CEO to take on that position as returning officer in terms of whether there are any conflicts of interest, like being members of political parties et cetera?

Mrs Blagoev: Yes. The ECQ cannot appoint a CEO as a returning officer if they are a member of a political party.

Mr HART: How do we determine that?

Ms Hawthorne: They would have to do a check.

Mr HART: So they are asked whether they are a member of a party.

Ms Hawthorne: The legislation prohibits them from being a returning officer, so they would need to state that they are a member of a political party which would prohibit them from being a returning officer.

Mr HART: The issue is only whether they are a member at that time.

Ms Hawthorne: Yes.

Mr HART: So they can have been last week and they can be again next week but they cannot be this week?

Ms Hawthorne: Whilst they are performing the role of returning officer they cannot be a member of a political party.

Mr BUTCHER: That would be the same for the CEO of a local government as well.

Ms Hawthorne: That is correct.

CHAIR: Are there any recognised difficulties with regard to appointing an RO in those smaller communities or smaller shires?

Mrs Blagoev: Not that we are aware of. The fact that there were 12 in 2012 does suggest that in communities there is an issue in otherwise finding someone who is reasonably capable of performing the role.

Mr MILLAR: What is the break-up of that? Is it Indigenous councils or rural councils or a combination?

Ms Hawthorne: Yes. It is a combination of Indigenous and small rural communities.

Mr BUTCHER: Basically what you are trying to say is that for most of the communities in Queensland the last local government election was run by the Electoral Commission.

Ms Hawthorne: That is correct.

Mr HART: This change was not brought in until 2014.

Mr BUTCHER: Yes.

CHAIR: Do we have any more questions?

Mr MILLAR: I have just one more. Would the committee—and I am directed by the chair on this—be able to get a cost comparison? Is there any way of getting a comparison of what it would cost for a CEO to do it and what it would cost for it to be contracted out? I know that you said it would not be comparing apples with apples.

Mr Johnston: When you say 'contracted out'?

Mr MILLAR: With the change going to the Electoral Commission or keeping it with the CEO, is there a way that this committee could see what the likely cost of this would be on Queensland taxpayers?

Mr Johnston: I would suggest not. LGAQ may be able to come up with some hypothetical figure but, as I said, because it is 11 years since the councils ran their own election it would be very hard to compare.

Mr HART: If we didn't do this until after the next election, we would have those figures, wouldn't we?

Mr Johnston: Partially, the only differential being where the Electoral Commission did not appoint the returning officer but the council CEO acted as the returning officer.

Mrs Blagoev: In such a case we are probably still not going to get the full visibility because, as Stephen said, the costs are not actually costed when a CEO is the returning officer—for example, the use of council owned facilities.

Mr MILLAR: But surely after the election is done councils would have a budget allocation to say, 'This is what it cost us.' Then if we add up all those council budgets of all those costs we would have a comparison of what we had previously, wouldn't we?

Mr Johnston: I think partially we would have, remembering that the Electoral Commission of Queensland maintains a local government electoral unit. There are fixed costs, regardless of how many elections are held, that the ECQ passes on to councils each year by way of invoice. So there are costs that are incurred to maintain rolls, IT equipment and that sort of thing.

Mr MILLAR: To pick up on Michael Hart's question, if we kept the current situation where the CEOs currently did the election, we would have a real identification of what it would cost prior to the last election. So you could say that it does cost less or it doesn't cost less.

Mr Johnston: I am not confident you would get that picture.

Mr MILLAR: Can I ask why? Apart from councils not renting out their halls and all that, you would have a rough idea, wouldn't you?

Mr Johnston: A number of councils may choose to let the Electoral Commission run the election—so opting out rather than opting in. It would depend on the size of the councils that chose to do that. For instance, if the larger councils still chose to use the Electoral Commission to run their elections and the smaller ones didn't, I am not sure you are going to get an accurate picture.

Mr HART: Is that likely to happen? That did not happen before, did it?

Mr Johnston: They have never had that opportunity before. I have no way of knowing what councils will choose to do.

Mr HART: They always ran their own elections before.

Mr Johnston: To 2004.

Mr HART: Yes.

Mr Johnston: But we have never faced the scenario where they have had an opportunity to make a choice one way or another.

Mr HART: In New South Wales and Victoria they give them the choice. Was that ever considered?

Mr Johnston: In New South Wales they have had the choice since 2012. Prior to that the Electoral Commission in New South Wales ran the elections.

Mr HART: Did we ever consider giving councils the choice in Queensland?

Mr Johnston: That is a policy decision.

Mr HART: Okay.

CHAIR: Having the Electoral Commission run it would significantly reduce the cost for a local government, or does a local government have to pay the Electoral Commission?

Mr Johnston: Local governments have to pay the Electoral Commission. The current situation is they pay an annual account to the Electoral Commission to maintain the local government electoral unit. They then pay for the actual cost of running the election based on the cost of the number of electors et cetera.

Mr HART: Do we know how much it would typically cost the Brisbane City Council to run the election?

Mr Johnston: I haven't got Brisbane City's figures.

Mr HART: Do you have any council's figures?

Mrs Blagoev: No. All I have is the ECQ ones.

Mr Johnston: We can provide that to the committee.

Mr HART: What about the overall figure for the whole state?

Mr Johnston: No, I would need to take that on notice.

Mr HART: Can you provide that?

Mr Johnston: We can get that from the Electoral Commission.

Mrs Blagoev: I have the 2012 ECQ report—the cost of running local government quadrennial elections. The overall cost was approximately \$12.35 million. What we do not have is a break-up.

Mr MILLAR: But if it is \$4.50 per elector?

Mrs Blagoev: Yes.

Mr MILLAR: Couldn't you times the elected by the local council area?

Mr Johnston: The formula is a bit more complicated than that. There is a fixed component and then a cost per elector.

Mr HART: Can you take that on notice and provide us with that information?

Mr Johnston: If I can get that information from the Electoral Commission, I will provide that to the committee.

CHAIR: All done?

Mr BUTCHER: Yes.

CHAIR: I am a bit upset that a couple of people did not get a chance to say anything. Do you want to say something now? You wander all the way up here and you don't get asked a question. There being no further questions, we will close the briefing. The committee would appreciate it if answers to any questions taken on notice could be provided by close of business on Friday the 24th. Thank you all for being here for the briefing. I declare this briefing closed.

Committee adjourned at 3.20 pm

Queensland Reconstruction Authority

For reply please quote: QldRA/IM/MB – QRAOUT/15/1609

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11 MAY 2015

Mr Jim Pearce MP
Chair
Infrastructure, Planning and Natural Resources Committee
Parliament House
BRISBANE QLD 4000

Dear Mr Pearce

Thank you for the opportunity to present to the Infrastructure, Planning and Natural Resources Committee on 20 April 2015 regarding the *Local Government and Other Legislation Amendment Bill 2015*.

During that hearing, in response to your question asking if there was an audit being done on way the distribution of disaster assistance was being managed, I stated:

"I understand that a review is being done. As I understand it, that is the responsibility of the IGEM, the Inspector-General for Emergency Management."

While that statement was truthful and to the best of my understanding at the time, I have subsequently learned that while the IGEM is involved in the review of the distribution of disaster assistance following Tropical Cyclone Marcia, the review is being led by the Department of Communities, Child Safety and Disability Services, with input from many agencies and organisations, including IGEM.

I appreciate this opportunity to clarify my statements and provide the committee with the most accurate and up-to-date information.

Should you wish to discuss this matter further, please contact me on 07 3008 7204 or by email at Frankie.carroll@qldra.org.au.

Yours sincerely



Frankie Carroll
Chief Executive Officer