



Speech by

**PHIL REEVES**

**MEMBER FOR MANSFIELD**

---

Hansard 11 November 1999

**COMMUNITY SERVICES LEGISLATION AMENDMENT BILL**

**Mr REEVES** (Mansfield—ALP) (3.02 p.m.): I rise to support the Community Services Legislation Amendment Bill 1999. The Community Services Acts commenced operation in 1984 and ushered in a new regime for Aboriginal and Torres Strait island councils throughout Queensland. I expect that these significant amendments will be the last changes to the Acts before the completion of a review process that is currently being led by the Aboriginal Coordinating Council in conjunction with the Department of Aboriginal and Torres Strait Islander Policy and Development.

I congratulate the Minister on her proposal to introduce a new provision in the legislation that enables the Governor in Council to appoint a financial controller for Aboriginal and Torres Strait island councils. Most members would appreciate that the dismissal of a council, which would cause social disruption in a community, is not a step that can be taken lightly. The consequences of such a decision are that both the community and the council members lose self-esteem and confidence, and there is a general detrimental impact on the community and its residents.

The new legislative arrangements will allow the Governor in Council to appoint a financial controller in certain defined circumstances. The beauty of that arrangement is that the council itself will be able to remain in place while the decisions about its financial affairs are being made by a person with the necessary expertise and qualifications to make informed judgments about financial matters. Most of us would be aware that there are many councillors, both in Aboriginal and Torres Strait island councils and in mainstream local government councils, who do not have a total understanding of the financial affairs of council. That is not surprising given the complex array of financial issues that are facing councils on a daily basis. In the case of Aboriginal and Torres Strait island councils, this problem is often exacerbated by isolation and the fact that many of the mature councillors did not have access to the educational opportunities that are available to young people today—opportunities such as training in the use of computers, which assist in modern financial account keeping.

It is also true that in some exceptional circumstances councillors who are making decisions about financial matters do so to the detriment of the community and are not easily dissuaded from taking inappropriate financial decisions. At times, they are the recipients of poor advice. In such cases, it is the people of the community who suffer. This amendment will allow the Government to act in a way that protects the interests of these residents without having to dismiss the council. In many cases, councils recognise the need for expert financial advice and seek that advice from a competent source without the need for State Government intervention. In extreme cases, however, it may be necessary for the Government to act through the appointment of a financial controller who can ensure that the decisions of councillors do not cause the council to become insolvent. Such occasions should be rare.

The legislation will also give the Minister the power to introduce appropriate accounting standards. These standards will have the force of law and thus must be met by both Aboriginal and Torres Strait island councils. Passage of the amendment will give the Minister the necessary authority to deal with one of the issues identified in the recent Auditor-General's report. That issue was the making of loans by councils. The Government does understand that there are specific reasons why councils have been making loans or grants for welfare-related purposes. Nevertheless, I am advised by the Minister that she wants to discuss the development of a well-regulated framework for the making of such grants or loans with Aboriginal and Torres Strait island councils. It would seem appropriate for the

accounting standards to more clearly define the circumstances under which such loans might be made and the process under which such loans would be repaid. We would expect those circumstances to be quite specific and limited to welfare-related matters. That process would be a prelude to the Minister's ultimate desire of having a situation in which it is no longer necessary for councils to make such loans at all. In many cases those types of grants or loans are made from the council's own revenue, which often comes from liquor outlets or other enterprises. In the case of one community, individuals contribute a weekly sum from their pay to form a community fund from which loans are made.

One option that the Minister will ask the Aboriginal Coordinating Council to consider in its process of reviewing the Act is that another community-based organisation more clearly aligned to the provision of welfare be given the capacity to make decisions about assistance for emergency welfare purposes. As members would be aware, mainstream councils do not generally make loans or grants for welfare-related purposes, but there are other community-based organisations that can assist people who are facing genuine emergencies.

I am pleased that the Minister has supported the Aboriginal Coordinating Council in its request to review the Community Services (Aborigines) Act 1984. It is now 15 years since that Act commenced and it is timely that it be subjected to a thorough review. The consequences of that review may well be that there will be totally new legislation governing the operations of Aboriginal and Torres Strait island councils. The review process will not involve going right back to day one as though nothing has occurred in the past 15 years. The process would involve consideration of previous work, including that undertaken by the Legislation Review Committee in 1991, the reports of the parliamentary Public Accounts Committee— which the member for Mackay just mentioned—and the many other reports relating to the communities. I would hope that the review processes see those recommendations of the review committee that have not yet been implemented being thoroughly considered and evaluated in the context of the circumstances that apply in 1999.

We now have 20 councils and eight of their nine controlled entities achieving unqualified audit reports. That is a far cry from only seven councils achieving unqualified status in 1995. Of course, unqualified audits are only part of the story. This Government is on about better administration, social justice and a fair deal for all. It is my belief that amendments currently before the House will significantly assist the Aboriginal and Torres Strait island councils in the administration of their communities. I commend the Bill to the House.

---