



Speech by

**Hon. V. LESTER**  
**MEMBER FOR KEPPEL**

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Hansard 11 November 1999

**COMMUNITY SERVICES LEGISLATION AMENDMENT BILL**

**Hon. V. P. LESTER** (Keppel—NPA) (12.52 p.m.): The Opposition is pleased to see the introduction of legislation designed to bring Aboriginal and Torres Strait island councils more into line with local government authorities and which will improve the financial accountability of these councils. In recent years, the financial performance of Queensland's 31 Aboriginal and island councils has improved considerably. I note that, for the year 1997-98, 20 out of the 31 councils received unqualified audits—up from only nine two years earlier. However, there is obviously still quite a bit more to be done.

This Bill will go some way towards helping to enhance that result. In the Minister's second-reading speech, she pointed out that the current provisions in the Community Services Act concerning intervention by the State in the affairs of Aboriginal and Torres Strait island councils do not reflect the imperatives, due process, or natural justice. The Opposition agrees that this Bill will address those shortcomings by basing the new provisions on those contained in the Local Government Act 1993 that relate to the intervention by the State in local governments.

The Opposition supports most of those provisions of the Bill that provide for the appointment of financial controllers to Aboriginal and island councils. I note that the adoption of these provisions was recommended by the parliamentary Public Accounts Committee in its report No. 42, *Aboriginal Councils and Torres Strait Island Councils—Review of Financial Reporting Requirements*. The ability of the State to appoint financial controllers through the Governor in Council is necessary and prudent. It is a measure that will allow the implementation of controls over expenditure by Aboriginal or island councils that are or may be at risk of insolvency. In this manner, the State, through those controllers, will have the ability to help the particular council to regain financial security and reduce the possibility of dissolution—a sort of halfway step to appointing an administrator.

The Opposition supports the limited power of veto afforded to the financial controller to revoke or suspend a resolution or order of a council if that expenditure has not been provided for in the budget, or will result in the wrongful expenditure of grant money, or if it is deemed that the expenditure will lead to insolvency. However, the Opposition is concerned that the trigger points provided in the Bill for the appointment of a financial controller by the State may not be as clear and strong as they could be. The Opposition believes that it is in the interests of all parties concerned, that is, the State, the Minister, the Aboriginal and island councils, and the community, that the early warning signs of financial mismanagement are detected and then acted upon. I believe that all members would agree that it is far better to nip the problem in the bud than to allow the situation to deteriorate or become untenable. I understand that the Minister has actually accepted some of these points and no doubt she will comment on them later on. I would appreciate that very much. However, the Opposition does not have complete confidence that the proposed amendments, as they stand, will provide that early warning, and accordingly we will be moving an amendment.

As with any elected Government or council authority, Aboriginal and island councils have a responsibility to ensure that the expenditure of taxpayers' money is undertaken in a transparent and accountable manner. To date, existing accounting standards have only been a guide. This Bill will give the Minister the power to set accounting standards to enhance the financial accountability of Aboriginal and island councils. The Opposition supports these amendments, but tied to bringing accountability standards for Aboriginal and island councils in line with the standards required of local government is the extension to those councils of the power to amend their budget within the bounds of that budget.

To date, I understand that Aboriginal and island councils have been denied the ability to amend their budgets except in emergencies. I also understand that, in practice, this requirement has not always been observed. The provisions in this Bill will now bring Aboriginal and island councils into line with local government authorities, giving them the ability to amend their budgets within the bounds of that budget. These provisions, together with the imposition of accounting standards, will enhance the financial accountability of these councils. The Opposition supports this move.

Finally, the Community Services Legislation Amendment Bill contains provisions by regulation for the declaration of part of the State as a council area and for the subsequent establishment of a new Aboriginal and island council. Although the Opposition does not envisage that these provisions will be used often, they are necessary to bring about accountability and to accommodate community wishes.

The Old Mapoon community in the Gulf Country has long wanted to establish its own council to reflect its identity as a community in its own right. Despite having the support of both the Local Government Association of Queensland and the Cook Shire Council, the Goss Government failed to accede to the Old Mapoon community's request. The former Borbidge Government, and particularly the former Minister for Families, Youth and Community Care, the member for Beaudesert, acknowledged the Old Mapoon community council's request and were proceeding to meet that request. I am pleased that the Beattie Government has proceeded with these provisions that will finally empower the Old Mapoon community to establish its own council.

As I mentioned previously, the Opposition does not envisage these provisions being used widely, nor would it advocate the establishment of new councils on an ad hoc basis. These provisions should not allow the automatic establishment of new councils. Agreement must first be reached between other councils, local government and the Local Government Association of Queensland. The Opposition supports these provisions.

In conclusion, the Opposition is largely supportive of the Bill. However, we will be moving some amendments that we believe will better achieve the goal of improved financial accountability for Aboriginal and island councils.

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