



Speech by

Hon. Andrew Fraser

MEMBER FOR MOUNT COOT-THA

Hansard Thursday, 19 April 2007

LOCAL GOVERNMENT AND OTHER LEGISLATION AMENDMENT BILL

Hon. AP FRASER (Mount Coot-tha—ALP) (Minister for Local Government, Planning and Sport) (8.09 pm), in reply: At the outset I formally table for the information of all members of the House the resupplied amendments which have been circulated to all members.

Tabled paper: Amendments to be moved by Mr Fraser during consideration in detail (re-supply) and explanatory notes (re-supply).

They amend the numerical order of the amendments which have been proposed and which were circulated to members in a timely fashion. I also table for the information of the House correspondence to the Scrutiny of Legislation Committee which has been incorporated into its deliberations.

Tabled paper: Copy of a letter, dated 16 February 2007, from the Minister for Local Government, Planning and Sport (Mr Fraser), to Ms Sullivan MP, Chair, Scrutiny of Legislation Committee, relating to the Local Government and Other Legislation Amendment Bill.

At the outset I thank all members of the House for their contributions to this debate. The one thing that all members in contributing to this debate have understood clearly is that this is significant and substantial reform before the House tonight. In that regard, it is my view that the debate has largely been, for the most part, conducted in a genuine and constructive manner by most members contributing to the debate. I want to acknowledge the way in which the debate has been conducted by members of the House.

I want to address a couple of the substantive issues that have been raised by members in their contributions to the debate. The member for Warrego in his contribution to the second reading debate raised an issue about the display of how-to-vote cards and I am pleased to be able to confirm that, with regard to that concern of his about an alignment with the way it works at a state level, the clause in fact mirrors the Electoral Act at a state level and in fact the process is largely envisaged to be exactly the same. In relation to the issue about the recording of conflicts of interest in council minutes, that is in direct response to recommendation 2 of the CMC from the Gold Coast inquiry.

I want to make mention of a number of other issues raised throughout the debate. The member for Gladstone raised issues about the transition committee. I am sure that the member for Gladstone has a copy of the local government reform document that was circulated to members, and I know that she referred to that during her speech. That sets out the proposed membership of transition committees. It will include a councillor for each affected council where a boundary realignment occurs. It will also include representation from unions and also from the community. One of the first tasks of that transition committee will be to employ a CEO for any new constituted council and then that interim CEO would also become a member of that committee as well as other representatives of staff from councils. That would be the proposed structure at that point and I hope that that clarifies that matter in some regard for the member for Gladstone.

Also, in relation to the member for Gladstone's contribution, I acknowledge and accept throughout this process that at every point in time there will be a degree of parochialism that will inform all of this consideration. I have to make the point that I made when we announced this package of reforms on Tuesday morning in this place, and that is in the end ratepayers are taxpayers. There is not a difference in the final analysis between who in the end would be footing the bill in any potential bailout of a council that

is facing imminent financial collapse. I think that that is the important point to keep in mind—that there is no division in the end between whether a council or the state government provides the bailout, because it is in fact the case that ratepayers are taxpayers.

The member for Callide in his contribution questioned the political motives behind this reform proposal by the government. Can I say in emphatic terms to the member for Callide again that governments do not embark upon difficult courses of action such as this which attend with it all sorts of difficult political situations for the government of the day unless it is absolutely necessary and unless it is the right thing to do. The suggestion that this proposal is being embarked upon for any other reason, quite frankly, is nonsensical in my view. More to the point, the experience—and it follows in logical terms—of having larger councils of scale that represent communities of greater capacity and greater number by definition has the potential for it to be, if you like, a more difficult proposition for the government of the day.

The member for Charters Towers raised issues about employment in councils. As I said in the House yesterday, on 16 March the same number of bins are going to need to be collected, the same number of dog registrations are going to need to be issued and the same number of development applications will need to be assessed. That work will continue, but what there will not be is the duplication at the top end of the council, which means that the resources within our councils will be able to be directed to what it is that councils are interested in in the first place—and that is the service of their communities and what council employees want to focus on.

The member for Mirani made a great store upon the notion that we were seeking councils to operate on a profit and loss basis and to make a profit. We are not. We do not want them to be a profit-making enterprise but we do want them to be an ongoing concern. We do not want them to hit the wall. We do not need them to make a quid. What we do need to do is make sure that they have a sustainable future for the benefit of their communities well into the future. The member for Gregory I think made a decent contribution to this debate, and his concern and his fundamental decency lay at the heart of his contribution.

In contradistinction, the member for Robina raised many questions about what he considered to be a preconceived outcome or the notion that there is in fact a preconceived outcome. The fact of the matter is that I am sure that if I was not tough enough at the start of this week then certainly at the end of this week I will be tough enough to cop any accusation from the member for Robina, and I suspect that by the end of this process I will be more than tough enough to cop any accusation from the member for Robina. While he thinks it might be politic of him in his circumstances to raise and to question the independence of the commission or the motives of the government in embarking on this, I say to him on behalf of the commissioners that we have appointed that Bob Longland is a man beyond reproach in my view who served with distinction in the Electoral Commission of this state—with distinction for all sides of politics. He will be an independent chair who is beyond reproach. I say to the member for Robina in the clearest terms: on behalf of the commission that we have appointed, I would counsel him very greatly against impugning his reputation or indeed every other member of the commission which reflects greatly the breadth of the political divide. In particular, the commission of course contains a former member for Robina—a man who was held in high regard, certainly by many members on this side of the House; probably more members on this side of the House than that side of the House. I say to the member for Robina that, if he wants to impugn me or the government, that is fair enough. But he should be counselled and cautioned about the notion that he should impugn the independence of the commission and the people who are on it.

I note that the member for Hinchinbrook is in the chamber. The member for Hinchinbrook suggested that I had been disingenuous in my undertakings to him during the issue of the Johnstone shire. Can I say that I was dismayed at the accusation that I was disingenuous and I suspect that the member for Hinchinbrook was in fact dissembling and was discombobulating in his contribution, because I undertook at his request to write to all members and residents of the Johnstone shire, which I did. We provided an email address and a 1800 number for them to be able to answer those concerns. I also said to him that the Triple S process was not going to be something that would be the subject of direction to the administrator, and it has not been. But at the end of the day all residents of the Johnstone shire are residents of Queensland, and this is a statewide issue. They along with everyone will be included in the breadth of this reform proposal before the House tonight.

The member for Beaudesert failed to see the urgency in the effort that was before us. Every single member of the government sees the urgency in this. We see the exact need and the timeliness of undertaking this reform. The member for Caloundra was another who drew into question the findings of the Auditor-General. I repeat what I said earlier today and the comments I have made to the member for Robina: the Auditor-General is another office holder in this state and anyone in this House who knows him and has worked with him would find it a surprising course of action for the member for Caloundra and indeed other members of the opposition to in any way suggest that anything that the Auditor-General says confirms that the Triple S process was going to provide the answers to this.

Let us be very clear about what the Auditor-General wanted. What the Auditor-General found in his report was a withering assessment of the state of the finances of local government across the state. What he wanted and what he foresaw was the need for reform, the need for greater scale, the need for the skills and capacity to be built into the sector. To suggest that the findings of the Auditor-General, painting as they do such a bleak picture of the finances of local government, require anything other than strong and decisive reform is fundamentally illogical and misses the point entirely.

The member for Southern Downs, the former Leader of the Opposition, made a contribution to the debate which I think was made with the greatest of sincerity and with conviction. The member for Southern Downs spoke from the experience of the Warwick shire, a shire amalgamated in the 1990s. The LGAQ had research commissioned with regard to the shires amalgamated in the early 1990s, and Warwick shire was one of those. I ask the member for Southern Downs to guess the percentage of people who strongly disagreed with that proposal and would like to see the situation returned today.

Ms Jones: How many?

Mr FRASER: Seven per cent! The member for Southern Downs placed great store in the fact that amalgamation had been to the detriment of the people of the Warwick shire. It was interesting to find that the Mayor of the Mackay City Council, an amalgamated shire, the Mayor of the Cairns City Council, an amalgamated shire, the Mayor of the Gold Coast City Council, an amalgamated shire, and the Mayor of the Ipswich City Council, an amalgamated shire, all came out in support of the action that the government is undertaking when it was announced on Tuesday of this week. I say to the member for Southern Downs and the people whom he purported to represent when he made his contribution to the debate that the facts speak for themselves. I believe that he should pay deference to the views of the mayors of those amalgamated shires who provide evidence that the course of action undertaken in the 1990s in relation to those areas was to the benefit of those shires.

The member for Cunningham should have consulted the member for Darling Downs before he made his contribution. The member for Darling Downs provided the House with a commentary about the situation facing the shires of Dalby and Wambo. The member for Cunningham, in his contribution, then suggested that all doughnut shires, which those two shires are, are the first ones that are ripe for amalgamation. That was in direct opposition to the contribution of the member for Darling Downs. I also pay particular regard to the contribution of the member for Nicklin, who I believe is absolutely correct in seeing this as a historic opportunity and the only way forward in dealing with this situation.

I thank all members of the government who contributed to this debate. I thank in particular and acknowledge those members who represent the areas on the Gold Coast and who made contributions about the sweeping reforms that are envisaged to be made to the Local Government Act arising out of the CMC inquiry. I say to those members who represent the Gold Coast—and indeed to every other resident and ratepayer in Queensland—that these reforms are aimed at making sure that they can have a level of confidence in the system of local government, the way in which it is conducted and in council elections. To the extent that that process has ever been drawn into question, these far-reaching reforms will provide a platform for increasing that transparency and confidence in the system of local government as we move forward. I also acknowledge the excellent contribution from the member for Aspley, who provided an incisive assessment of the politics of the situation. I want to acknowledge the way in which she contributed to the debate.

I also make reference to the member for Burnett. It would be remiss of me not to mention the member for Burnett. The member for Burnett referenced a clip in the *Bundaberg NewsMail* today and a photo of Councillor Mal Forman. However, the member for Burnett did not provide the House with a tabled copy of the clip or any commentary on the content of the article. It actually refers to a Burnett shire councillor, Rae Sousaari, who in the article is reported as saying—

... SSS reviews were the 'biggest waste of money'

...

'This way will also be far quicker, so I am all for the state government stepping in.

I table that article for the benefit of all members of the House.

Tabled paper: Copy article from the Bundaberg News Mail, dated 19 April 2007, titled 'Mixed views on changes'.

It is always a good idea to be fulsome in the way in which members reference these things. It is there in acute detail for all members of the House to witness. While I am tabling documents, I would also like to table a letter from the Mission Beach Community Association. Mission Beach is a case in point. It is referenced in the local government policy document. This settlement, of which the member for Hinchinbrook would be well aware, has grown up on either side of a council boundary. It is now a township and that boundary line goes straight through the middle of it. People are subject to different systems of local government depending on the side of the street they are on. There can be no greater and more stark example of why reform is needed. It has been an issue for the residents of Mission Beach since Adam was

a boy. This reform proposal meets with their full support, because it at last provides an opportunity, which is replicated across the state, and that is the fundamental inability of shires and adjacent shires to agree on the hard task of making a decision about where an amalgamation or a boundary change should be. I table that letter for the information of members of the House.

Tabled paper: Copy letter, dated 19 April 2007, from Allan Ogden, Secretary, Mission Beach Community Association, to the Minister for Local Government, Planning and Sport (Mr Fraser), relating to local government reform.

While I am tabling documents, much was made this week and during the debate about the fallacious suggestion, in my view, that the Triple S process was going to deliver anything. I table for the benefit of all members of the House all the letters that I have received from mayors across Queensland in response to my request to them to provide advice to me about the outcome of the Triple S process. They make for great reading. But I ask members not to embark on reading this wad of paper, this collection of letters from around Queensland, if they want to read a story about councils, shires and leaders standing up and saying in acute terms, in definite terms, in direct terms, the reform proposals that they were going to undertake and put to the people of Queensland, because they are not in here. Let me make it very clear that the reason we are undertaking this task is that we made an assessment, informed by these letters, of what was going to come out of the Triple S process, and nothing was going to come out of it. I table them for the benefit of all members of the House to be able to read and draw their own conclusions. There it is in writing, from mayors across the state of Queensland, about what they saw as being the prospects for the Triple S process.

Tabled paper: Bundle of letters from various mayors to the Minister for Local Government, Planning and Sport (Mr Fraser), relating to local government reform.

In summing up tonight, I want to make a couple of references. I would like to formally thank on the public record, as I have individually, the seven people who agreed to be part of the Local Government Reform Commission. As I alluded to earlier, I do not think that we could assemble a group of seven people who could better represent the views, or who would have the experience and the wisdom that will be required for the very considerable task indeed that lies before them. I have every confidence in their independence, I have every confidence in their ability to come up with a set of boundaries that will provide for a sustainable system of government and I have every confidence in their ability to undertake this task to the long-term benefit of the future of Queensland.

While paying gratitude, I also thank the members of my department and the members of my staff who have worked so hard on this process. It has been a difficult task. It has involved a lot of work and a lot of effort above and beyond the normal course of action. I want to pay particular regard to those members from the department and my staff who put in work above and beyond, because this was a necessary task to undertake. Some of them are here tonight. I want to say personally that I am grateful for their work and their contribution to this process. They have been part of a very significant reform that will have a long-term benefit for the future of Queensland.

In terms of staff and employment, there is this wild rumour circulating in local government—and I am sure that there will be many more before this process is completed—that all local governments will be dismissed after the boundaries are put into effect by this parliament. That is categorically not the case. Every council in Queensland will continue in office until 15 March—to the completion of their term—as they would have before this proposal was undertaken. I say again: every councillor will continue in office until 15 March, and I cannot be clearer than that.

There was some suggestion earlier in the day that the PricewaterhouseCoopers report, which was commissioned by the Australian Local Government Association, was not particularly relevant to the state of Queensland. I know that PricewaterhouseCoopers has put out a statement tonight. I would be glad to read part of that statement into the record. It states—

The PricewaterhouseCoopers national report did not specifically evaluate Queensland councils in isolation.

Why? Because they use national figures. What else has PricewaterhouseCoopers had to say tonight about its report? It said—

PricewaterhouseCoopers concurs with Premier Beattie's recent comments that the reports by Queensland Treasury Corporation, Queensland Auditor-General and PricewaterhouseCoopers are broadly consistent in finding that a significant proportion of councils have financial sustainability challenges.

PricewaterhouseCoopers has come to its own defence, as I am sure the Auditor-General would if he were directly challenged by any members opposite about what the findings of his report mean for the future of local government in Queensland.

Tonight all members in this parliament will be part of a historic occasion. Tonight is the night that we implement a reform process that will in fact secure the long-term future and long-term financial sustainability of a system of local government in this state. This debate has been strangely characterised by an absence of the shadow Treasurer and other members of the Liberal Party who have not contributed to this debate. This is one of the most significant economic reforms that a government could ever undertake. The Liberals, particularly Liberals from the Gold Coast and Brisbane, have not been in

attendance during this debate. We can all hazard a guess why—that is, in their heart of hearts they know this is the right thing to do. They would be under enormous pressure from people who have been advocating to them for a long time that this is the one course of action that can be undertaken to ensure local government sustainability into the future.

I have provided a list of the letters that mayors have sent to me. The member for Southern Downs sought to downplay the ability of amalgamations to provide for a secure and sustainable future. He spoke about shires across his electorate. We know that two shires that were in fact working towards an amalgamation proposal—Goondiwindi and Waggamba—are in his electorate.

I would like to close on this significant night tonight—the night that we set about securing the long-term sustainability of local government in Queensland—with a comment from Mayor Tom Woods, the mayor of Waggamba, who sees the benefits of amalgamation and has been leading in his community an attempt to undertake that amalgamation. I will read into *Hansard* a contribution from Councillor Tom Woods, urging the state government and urging myself as the minister to take charge of this situation. It is a contribution and a comment that could so easily be applied to the other side of the House. Councillor Woods wrote to me and said—

Quite frankly, nothing will change. You can't go all this way, have an obvious option stand out and then have it overturned by those who have limited understanding of the issues at hand.

Tonight is a night when this government is providing the political leadership and the political courage to set about securing the long-term sustainability of local government. I thank every member of the government whose resolution and support for this course of action is complete. This is the right thing to do. It is in the long-term interests of the future of local government. Anyone serious about local government, anyone serious about the long-term future of local government, would support this bill as the only course of action possible in the circumstances. I commend the bill to the House.