



Speech by

Howard Hobbs

MEMBER FOR WARREGO

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LOCAL GOVERNMENT AND OTHER LEGISLATION (INDIGENOUS REGIONAL COUNCILS) AMENDMENT BILL; LOCAL GOVERNMENT AMENDMENT BILL

Mr HOBBS (Warrego—NPA) (12.37 pm): I am pleased today to speak to the two bills before the House—the Local Government and Other Legislation (Indigenous Regional Councils) Amendment Bill and the Local Government Amendment Bill, which are being debated together. I want to give a summary of the whole horrendous episode of local government amalgamations in Queensland in order to clearly understand the problems that communities are facing but which the government does not seem to understand. I do not want to take the time of the House to go into a very long description of it because we have heard it all before. It is my intention to cover the points and make references to *Hansard* with regard to the previous debate. I also have a considerable number of amendments that I believe are very important to bring some sanity, some reason and some common sense into this local government debate in Queensland.

First of all, let me just summarise how this bill came into being and the problems associated with it. As members would recall, the Size, Shape and Sustainability process was well underway with councils. The government was very supportive of the Size, Shape and Sustainability process. In fact, the minister at the time in the February edition of the local government magazine said—

Importantly, there is no set agenda to force neighbouring councils into amalgamation or boundary changes. This is about councils getting involved and taking the pulse of their sustainability.

The minister said further—

If that becomes a clear option—

that is, council amalgamations—

a public referendum must be held.

The minister also said—

It is equally critical to understand that local government sustainability is not a matter unique to Queensland.

The minister said those words at a time when, as we have found out since, behind the scenes the government was beavering away to bring in large-scale council amalgamations across the state. Members can imagine the anger in the broader community when this situation became evident. The government was saying one thing but behind the scenes it was doing something entirely different. The deceit and the untruths were certainly borne out—

Mr PITT: I rise to a point of order. I find the terms being used by the shadow minister offensive and I ask them to be withdrawn.

Madam DEPUTY SPEAKER (Ms Darling): Order! Minister, you found the comments personally offensive. I thought they were more of a general nature. Member for Warrego, if you could keep your statements general, thank you.

Mr HOBBS: I will clarify the point. I will make it quite clear that I was referring to the previous minister; I was not referring to this minister. I am talking about what happened in February. So I am not referring to this minister, who has come to this portfolio since then. By the same token, this minister has not fixed the situation, but let us hope he can do something about it.

I also point out that local government is worth something like \$80 billion. Queensland Rail is worth about \$10 billion. So local government is a very big organisation. One would think that if a government was going to make any changes to local government it would get some professional advice or engage consultants to find out how to go about making those changes to ensure it did not make a mess of it. But guess what? There has been no cost-benefit analysis done. No professional, academic or consultancy studies have been done that come out in support of what the government is doing with forced council amalgamations. In fact, Dr Mark McGovern—and he is one of many people who have made statements about this issue—has written—

Having initially reviewed the available documents and your terms of reference, I am very disturbed to note ... Significant inconsistencies between the stated objectives and terms of reference.

Dr McGovern went on further to write—

Uncritical and often confused commentary in the documents on offer, with little or no recognition of practical realities, the academic literature or experiences elsewhere.

In fact, the real outcome is nowhere near what the government was expecting. There is much evidence in professional documentation that says that this amalgamation process is not going to go anywhere.

One of the main reasons for the council amalgamations that the then Premier gave at that time was that councils were going broke, the government had to do something about it and there was a report from Treasury in that regard. So what happened? The Local Government Association sent all the financial documentation of the councils that were regarded as being in the weak category to an international firm of receivers and administrators, McGrath Nichol. That firm viewed the financial information that had been supplied by those councils that fell into the weak category and came back with the view that none of those councils was insolvent or heading towards insolvency and that, even if they were, because of their reasonable financial position they had ample time in which to trade their way out of that situation or change their financial arrangements. Interestingly enough, McGrath Nichol also said that, in fact, the financial capability of those councils was higher than some of the major companies that are listed on the Australian Stock Exchange. So once again, we found that one of the main reasons given for council amalgamations was simply untrue.

Then when the communities and the councils wanted to have a say about what was happening—they wanted to exercise a democratic right that should exist—the government decided that they could not hold a poll. The government said that it would fine councils if they held a poll. In fact, the government said that it would even sack councils if they held a poll and legislation, which was drafted hastily by the previous minister, was introduced to that effect. That very poorly drafted legislation was challenged by the Local Government Association. Eventually the government tried to withdraw a clause in the legislation by putting in place a regulation. But it was an invalid regulation that tried to take that particular clause out of the legislation. That move also has been challenged and the matter will come before the Supreme Court fairly soon. At the end of the day, it was poor drafting that demonstrated little knowledge of local government.

The people were very angry. They were particularly so when they found out that on 27 May the first drafting instructions were given. We all understand that to a certain degree some work will be done immediately a process is commenced. However, version 1 and version 2 of the draft bill went far beyond what was reasonable at the time. We would also like to see the drafting instructions, but they have not been made available at this stage. But from what we have seen, quite clearly a lot of information was not provided in detail to the state transition committee. The Premier even said that Councillor Paul Bell was part of the process, but he has said that he was not part of it at all. In fact, the final draft of the legislation was seen by the Local Government Association only a couple of hours before it was introduced into the House. That move also breaches the government's protocol to ensure there is consultation in the process to ensure there is some understanding of where legislation is going. I am sure the government intention is to do that, but the reality is that, once again—and I would say this has been the fourth or fifth time it has happened over the past year and a half or two years—that protocol was breached.

It is important for members to understand the reason for the anger that exists out there. There is just simply no trust. I certainly hope that the new minister can fix that because, basically, the feeling of trust has broken down. The previous minister achieved one thing that no other minister has been able to: he got 99 per cent of councils totally opposed to him. I could use stronger words to indicate what the councils really thought of the previous minister, but I do not think they would be parliamentary. This minister would

know what I am getting at. It is very important that we head down the track of trying to improve the level of trust and cooperation, because local government is our third tier of government and it is important that, in a spirit of cooperation and understanding, government and local government can provide the services that our communities need.

Senate hearings into the council amalgamations were held in locations throughout Queensland. The result was that the councils should be able to hold plebiscites, and that will occur. So finally, 700,000 people throughout this state will get an opportunity to vote on whether they think these forced council amalgamations are warranted, necessary or fair.

Obviously, the time frame for the whole amalgamation process is far too short. Even in Victoria, when councils were amalgamated in a crash-and-burn manner, the process took two years. In Queensland, the process has taken a matter of months. Nothing has been done correctly. We know now that the reform commission that was put together did not even view in detail the submissions that were sent in. Sure, quite a few of them were standard submissions, but there were roughly 3,700 significant submissions. The commissioners were given a summary, or a version, of those submissions. I really do not think the commissioners did a fair job. From looking at the terms of reference that they were given, it seems to me that there was very little scope for them to come up with much more than what they did because they is what they were told to do. They really did not need to be there. All they were doing was legitimising a crooked process. That is the way I sum it up because that is what it was.

The community outrage obviously has been significant. There have been rallies and marches. There were thousands rallying here in Brisbane and around the countryside. They are still going on. I was at Clifton the other night and the hall was full. There is another one at Stanthorpe next Sunday. They are still going on. They will not give up. They will continue to object to this forced amalgamation process.

Everything will change. No-one should be afraid of change provided it is good change. At the end of the day, history has shown that there is no evidence at all to back this up. The government commissioned consultant Alan Morton to look at the benefits of amalgamation. He came back and said that there are virtually none. When we had amalgamations in the early nineties, rates went up slightly. That is the only conclusion he could come to. Nobody can come out officially and declare what benefits there will be across a wide range of services they provide—not just planning but efficiencies and services to the broader community. There are none. Obviously people are upset.

I have a letter here from the Clifton shire community group against forced amalgamations. I would like to table that letter.

Tabled paper: Copy of an 'open letter' to the Minister for Main Roads and Local Government from the Clifton Shire Community Group Against Forced Amalgamation headed 'Regarding: Royal Commission into Local Government Reform'.

It is self-explanatory, but it shows the anger in the broader community. That is just one example of good people who had a good shire, a financial shire—a small one but a good one; they were happy with it. That shire has now been forced to amalgamate into a larger one—the Toowoomba Regional Council. An interesting scenario is that Toowoomba city itself will be contributing about 80 per cent of the debt to that region, yet the smaller councils are supposed to be not financial, as the previous Premier said. But they are the ones that have the money in the bank.

Mr O'Brien: Assets.

Mr HOBBS: They have assets and they have money in the bank. If they are financial, why should they be the ones causing the problems? They were not the problem at all.

Let me summarise the issue of local transition committees. The membership of local transition committees also includes union officials. In the past, local government went through an election process in the same way that we do as members of parliament. That provides the community with an opportunity to elect people they want on their councils. We have a situation where there are three union officials on every transition committee. The community generally speaking do not want them there. They have no right to be there. Union membership in the majority of councils, particularly in the western councils, is probably down to almost zero or two per cent at the most—maybe 30 per cent maximum.

Mr Reeves: You just said 30 per cent down to two per cent!

Mr HOBBS: Between two and 30 per cent.

Mr Reeves: You have got no idea.

Mr HOBBS: In some cases there is one union member in a whole council. Maybe there could be two union members in a whole council.

Mr Gray: How do you know?

Mr HOBBS: I am telling members that is exactly what the situation is. Then it may get up as high as 30 per cent in some areas. I have nothing against having a union because I think it is essential for workers

to have somebody they can rely on as their advocates. I am not opposed to that, but I am opposed to the dictatorial takeover tactics that have been applied here. It is mainly to do with trying to prevent WorkChoices from spreading, which is what is happening in local government. More and more local governments across Queensland are taking out WorkChoices agreements, and they are happy with the arrangements. They make more money. They have more flexible times. That is the main reason why this is occurring.

Not only do we have three union officials on each local transition committee; some of those union officials are on up to 10 committees—some are on eight, six, five, four, three and two committees. That is quite extraordinary. A councillor could not be on eight or 10 councils, but here we have one person on that many committees. At the end of the day, having three union officials on each committee is because you do not trust your membership, you do not have the capability in your membership, or you just want total control. That has not gone down well at all. I am just passing on exactly what the community is saying.

Then there are the employment subcommittees, which the minister and I have talked about before. Even he agreed that when they first started they were out of control—not out of control but there was a misinterpretation by some unions. In one case up to 54 union members turned up to a transition committee employment subcommittee meeting. Let us hope that has been resolved. I am not entirely sure whether it has. I appreciate the fact that the minister did write to those transition committees on that issue. We will wait and see what happens.

At the end of the day, it is the community and the councillors who are elected that have the responsibility to determine how that council runs and to determine the employment arrangements. If those councils do not get it right, then they have to face their community, they have to face their workforce. That is what they should be doing. They should be going out there and doing that and then reporting back to their council workers: 'This is the arrangement that we have come to. Are you happy with that?' Say, for instance, 54 or 30 or even 20 union members turn up to a meeting. If that number of people were taken out of the workforce for any length of time—some of them would be grader drivers and truck drivers and probably key personnel—they would have to be replaced or work would slow down or stop for that period of time. That causes interruptions, it costs money and I do not think it is a sensible way to go about it. It could have been done in another way.

I refer members to the debate on the Local Government Amendment Regulation (No. 2) 2007. Rather than cover the same ground again, I refer to what I said in *Hansard* on 5 September 2007. I went into detail about the invalidity of that government regulation, and that is one of the reasons we are debating the Local Government Amendment Bill today. I am sure the government realises that it has a real chance of losing the case in the Supreme Court. That is why this bill is before the House today.

We are talking about two pieces of legislation today. The Local Government Amendment Bill removes the provisions which prevent local government from conducting polls about local government reform. Obviously we will be supporting this piece of legislation. However, I will be moving numerous amendments to this bill that we believe would be far better for local government, and those amendments will flow through to the master legislation.

The second bill we are debating here today, the Local Government and Other Legislation (Indigenous Regional Councils) Amendment Bill, is basically wiping out all of those island councils and replacing them with a regional council.

Mr O'Brien: No, it's not. It's not doing that at all. That is what the original bill did.

Mr HOBBS: Mate, you live up there. Of course you do not live there; you live in Cairns, a nice little squat there. They even hunted you off the island. They would not have you on the island. You landed there—

Madam DEPUTY SPEAKER (Ms Palaszczuk): Order! Member for Warrego, you will direct your comments through the chair, please.

Mr HOBBS: Through you, madam chair, the member for Cook went to one of the islands and they turned him around and said, 'Get out of here. Get on the plane and go.' I do not think he can make an accurate contribution with any support from his community.

Mr Wettenhall: He's back.

Mr HOBBS: I know he is back. He is probably too frightened to go back up there. That is the reason. The council of mayors have been down here to see us. We have been up there. We have talked to the people. There are numerous changes. We will be totally opposing this bill in every form simply because it does away with those individual councils. There is no need at all to do away with those councils.

Sitting suspended from 1 pm to 2.30 pm.

Mr DEPUTY SPEAKER (Mr Hoolihan): I acknowledge in the gallery the presence of students and teachers from St Peter Chanel Primary School at The Gap in the electorate of Ashgrove, which is represented in this House by Ms Kate Jones.

Mr HOBBS: As I was saying before the lunchbreak, this legislation has certainly caused a lot of problems in the community, and the Torres Strait is no exception. The member for Cook, who will be speaking in the debate, is a very strong supporter of this legislation. It is hard to understand that support. I have seen him at public meetings and the community is certainly not behind him on this particular issue.

Mr O'Brien: That is not true.

Mr HOBBS: The member says that it is not true. If that is the case, why were they abusing you at that public meeting that we went to—

Mr DEPUTY SPEAKER (Mr Hoolihan): I would ask the member to address his comments through the chair.

Mr HOBBS: As I said before, they kicked him off the island. I cannot understand how someone can go out and thumb their nose at their electorate. That is his choice.

The communities in the Torres Strait are located in one of the most remote areas of the state, which impacts greatly on their cost of living, their access to services and their employment opportunities. Unlike other communities in Australia, the individual Torres Strait Islander communities are culturally unique and diverse despite the relatively close proximity of the islands to each other. There is currently a deep sense of fear within the island communities. They fear the loss of their cultural heritage and also the devastating social, economic and environmental impacts that will arise as a result of amalgamating 15 unique communities into one centralised council administration.

Councils in the Torres Strait are responsible for far more issues and services in the community than other local governments in Queensland. The loss of local governance to a central administration far away will mean that leadership, Public Service and community controls will be lost and this will have a devastating social and cultural impact. The councils carry out many activities over and above those carried out by local councils on mainland Australia. There is community policing, alcohol management programs, community housing, immigration and quarantine controls, economic development and community enterprise development, employment programs such as the Community Development Employment Program—the CDEP—cultural heritage and land tenure and management issues. The island councils undertake an enormous number of functions. They like doing it, too. They are our front line, particularly in relation to immigration.

At the end of the day, we are very strongly opposed to what this government is doing. I make it quite clear to the people in the Torres Strait that when we get into government, the Queensland coalition will automatically reinstate the 17 Torres Strait island councils as individual local governments with a single joint local government central financial management and accountability system. This will enable the local councils to have the autonomy of decision making and retain a single central financial control arrangement. It can be done. I do not believe that the government is fair dinkum when it is trying to do away with councils in those regions.

Every morning here in parliament the Speaker makes a statement acknowledging the traditional owners of the land that we are standing on. The Aboriginal and Torres Strait Islander flag is displayed in the chamber. But the government is taking away the rights of those people. The way I see it, it is hypocritical.

The Queensland coalition will engage the 17 Torres Strait island councils to implement joint local government financial arrangements. The joint local government arrangement proposal will ensure the accountability that ratepayers demand and still allow for the independence of local councils to manage their community needs.

The DOGITs are important. The Torres Strait region will lose control of the management of its own issues. There will be community forums and meetings with the chairman, a particular person who is a member of the regional council. However, at the end of the day, they do not have that direct responsibility themselves; it has been taken away and given to someone else in another place. We will return the authority to manage the DOGITs to the Aboriginal and Torres Strait island councils. The identity of the trustees of the DOGITs is inextricably intertwined with the identity of the people of each island. The trusteeship of the DOGITs is currently with the island councils and this ensures that decisions made about the land are made by members of the community, not by someone who is on another island somewhere else.

Another very important factor is the community enterprises. This government is allowing the ownership of those enterprises to be taken away and given to another group to manage. The assets cannot be shifted, but the government is taking away what they have worked for all those years to make them more independent. I have never heard of anything so foolish. On the one hand the government wants people to manage their own affairs and businesses and, on the other, it is taking away their right to manage their own affairs. We would return those community assets to the island authorities. Community infrastructure should be owned by the island authority that has built and maintained it. Community

infrastructure is by and large situated on DOGIT land and the trustee of the DOGIT land should be the local authority. Therefore, it follows that community infrastructure should be owned by the local authority.

One of the most important aspects of this debate is that we need to have recognition of local government in the Australian Constitution. I understand that the federal coalition has made it quite clear that it would be prepared to have a constitutional debate on this issue.

Mr O'Brien: Why didn't it have one 11 years ago?

Mr HOBBS: Because as things evolve these things become apparent. It is only when governments like the one opposite come along and threaten the very livelihood of the people on these islands that this becomes necessary. Who would have dreamt that anyone would come in and take over all of the councils in this state the way this government has? No government in this nation has ever done that, and with such vehemence and without any compassion at all.

Mr DEPUTY SPEAKER (Mr Hoolihan): Perhaps we could get back to the Indigenous legislation.

Mr HOBBS: I am talking about what is happening in the Torres Strait. It does not matter whether it is mainland Australia or the Torres Strait; these people do not deserve this. They deserve to have some recognition in the Constitution and that process will be put in place by a coalition government. We will not just go and do it; we will ensure that there is a full discussion in relation to the way local governments should be recognised in the Constitution. We cannot just go out and say that we are going to do it; that would just be a glib statement. We need to understand exactly what it is the local communities want. Once we know what they want, we can set about putting that in place.

This legislation will impact on those communities in numerous ways. We do not believe the government has thought this through at all. I am sure the government thought it through, but it is doing it for all the wrong reasons. All the government is doing is adding a fourth tier of government by having community forums underneath a regional council.

This legislation does not really cater for the regional custom of community decision making. It does not cater for the clan system on Saibai Island, for instance. Where land has not been surveyed—which is the case on a lot of DOGIT land—has the cost of surveying the land been taken into account? Who will bear the cost? Who will look after the CDEP arrangements of each island on a day-to-day basis? That is a particularly important issue for the people up there, as are the public housing arrangements for each island on a day-to-day basis. There will be only one person who will be the so-called councillor for that region. I mentioned the immigration and quarantine arrangements before. There are numerous parts of this legislation which are of great concern.

As I said when I commenced my address, I will not use all of my time today for my speech because it is the last day of parliament for the year and I intend to make sure that my amendments are included—and there are about 49 of them altogether. They are important amendments and they will help make this legislation workable, because it is presently unworkable. We strongly oppose the Local Government and Other Legislation (Indigenous Regional Councils) Amendment Bill and we will be fighting it every inch of the way. We support the other piece of legislation, but we will be moving numerous amendments to it.