



Speech by
Jeff Seenev

MEMBER FOR CALLIDE

Hansard Tuesday, 22 May 2007

LOCAL GOVERNMENT REFORM

Mr SEENEV (Callide—NPA) (Leader of the Opposition) (11.31 am): This morning in this parliament we saw the very reason councils and communities right across Queensland are so angry and so frustrated. This morning it became very obvious that the Premier and his government are not interested in the detail, they are not interested in the facts, they are not interested in understanding the real situation facing councils and communities across Queensland; they are simply interested in the politics. As always, it is the politics that drives the Beattie Labor government. In the Premier's answers to the questions we asked, there was absolutely no understanding of the situation that confronts councils right across Queensland.

The truth—and councils know the truth—is that there is no imminent financial collapse facing any number of councils in Queensland. There are not a significant number of councils facing imminent collapse and anyone who takes the time to understand the information that was provided by the Queensland Treasury Corporation in the documents that the Premier has tabled, and to which he referred, can very quickly decide that for themselves. There are a number of categories. The one to which the Premier referred the most was this issue of liquidity. I think that category demonstrates best the lie that the Premier and the government like to make in this situation—

Mr DEPUTY SPEAKER (Mr English): Order! That word is unparliamentary.

Mr SEENEV: I withdraw. It best represents the misrepresentation that the Premier and the government tried to make about this situation. Obviously, a measure of liquidity is the ability of a council or an organisation to pay its bills. The 'very weak' category that the Queensland Treasury Corporation uses indicates that a council would have poor liquidity if it had less than three months of operating expenditure in its current account. That would mean that any council that did not have enough money to pay all of the bills that it was likely to expect in the next three months, without any further revenue, would be classed as being very weak. Many businesses in Queensland would love to be in a position to have enough money to pay all of the bills that they are likely to receive in the next three months.

Of course, that does not mean that that council, which is classed as being very weak, is in any grave danger of collapsing financially. Of course it does not. It means exactly what it says: it is an identification of their liquidity position. It means that they can continue to operate, but it is an identification of their liquidity position. To represent that 'very weak' categorisation as evidence of some sort of looming financial disaster is misrepresentation at its best.

The other issue that this morning the Premier just ignored completely was the issue of funding accumulated depreciation. Without realising it, in the very words that the Premier read out himself, he agreed with the point that we were trying to make. The major factor that led to the categorisations that were made by the Queensland Treasury Corporation is how councils fund their long-term depreciation on non-current assets. They are big words I know, and the government backbenchers might have a bit of trouble understanding them, but they do not mean that councils are going to collapse financially in the next month, or in the next year, or in the next two years. They mean that there is an issue about how they replace their assets in the long term. That does not mean that there is an imminent financial collapse. It

does not mean, as the Premier tries to make them mean, that there is some sort of financial calamity about to befall local governments in Queensland.

The other point I want to make in response to the insults and the ludicrous comments that the Premier makes to us when we ask very sensible questions about local government is this: I challenge the Premier to have a debate with me about local government accounting standards and local government financing any time he likes. I spent five years of my life steering a council through the transition to accrual accounting. I understand the elements of that process. I understand how that process is reflected in a council's financial statements. The Premier completely misrepresents the situation. If he wants to have a serious debate about it, then I am ready anywhere at any time. The Premier can get away with making cheap comments here in question time. He can get away with making cheap insults in response to questions, because he knows that I have to sit here and cop it. But any time the Premier wants to have a debate or a sensible discussion about it, then I am more than happy to participate in that.

The Premier is misleading the people of Queensland when he claims that he has to act because there is some looming financial disaster in local government. There are some long-term issues that have to be addressed by local government. Local government was addressing those issues through the Triple S process and councils deserve the right to determine their own future. Local communities deserve the right to have a say in their own destiny. They could have that say through determining the structure of their own local governments, which can then make local decisions for local people living in local communities. They do not need a power-drunk dictator telling them how the community should go forward—

Mr DEPUTY SPEAKER (Mr English): Order! That language is unparliamentary. I ask the Leader of the Opposition to withdraw.

Mr SEENEY: I withdraw.