



Speech by  
**Jim Pearce**

**MEMBER FOR FITZROY**

Hansard Thursday, 9 August 2007

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## **LOCAL GOVERNMENT REFORM IMPLEMENTATION BILL**

**Mr PEARCE** (Fitzroy—ALP) (4.06 pm): It is a pleasure to be able to make a contribution to the Local Government Reform Implementation Bill. I want to focus on the positive message and ease concerns whipped up by people more concerned about self-preservation than the interests of their ratepayers. This bill amends the Local Government Act 1993 to implement a restructure of Queensland local governments that improves the sustainability and service delivery to all Queensland communities. This bill brings in some of the most significant changes to local government in Queensland's history.

Let me begin by bringing to the attention of the House the fact that the Fitzroy electorate encompasses the shires of Mount Morgan, Duarina, Fitzroy and Woorabinda along with significant areas from the Broomsound, Banana and Livingstone shires and Rockhampton City Council. Under amalgamation, Mount Morgan, Fitzroy, Livingstone and Rockhampton join as one to become Rockhampton Regional Council. Duarina shire moves into the Central Highlands Regional Council, Broomsound goes into the Isaac Regional Council, and Banana shire picks up the northern areas of Taroom. Woorabinda, the Aboriginal shire council, will continue to function as it is. While there are potential improvements offered for Woorabinda under amalgamation, there are land tenure and rating arrangements that must be resolved before considering amalgamation in the future.

As the state member I have also made numerous representations on behalf of Peak Downs, Belyando, Emerald and Nebo shires, so members can see that I am pretty close to local government in that area. While I am not a regular attendee at local council meetings, I do have a good working relationship with the CEOs, mayors and councillors across all the shires. From my years of being the member for Fitzroy, I have seen central Queensland councils operate with varying degrees of effectiveness. I suppose that I have fairly or unfairly judged the credibility and performance of individual councils by the number of complaints I get both personally and through the electorate office. But I can say in this place that the overall performance of local government in central Queensland is one of commitment, hard work and dedicated councillors who get very little in return for the effort that they put into their roles as local councillors. There are some outstanding councillors and mayors who have done a decent job, who are honest and who have achieved great things.

In the time allowed for me to speak on this bill, I want to touch on a number of issues relevant to the Size, Shape and Sustainability process, the amalgamations as recommended by the independent Local Government Reform Commission and the challenges we face as a result of amalgamation. Some of the grassroots people across the region have been critical about several issues relevant to the reform process, and it is interesting to see that there is a balance in the criticism that has been provided to me.

That criticism includes: the failure of Queensland local governments to take advantage of the Size, Shape and Sustainability process and come up with initiatives to improve and secure the future of local government in Queensland; the lack of commitment from the Queensland Local Government Association to show leadership in actively engaging local governments with the intent of getting the best outcomes for the people; the speed at which the reform agenda has progressed since the minister decided that local governments were not participating in the Triple S process in the true spirit and intent of that process; and the lack of information that has been made available to the public on the need for a change in the way that local government is structured.

However, the reality of life is that there has to be change. To do nothing is not an option, and it is a real shame that participants in this process in the main seem to have a fixed, self-preservation point of view. I want to draw the attention of the House to some comments made by Greg Hallam, the Executive Director of the Local Government Association of Queensland, at the LGMA national conference in Perth on 23 May 2006. Talking about local government in Queensland, he said—

Our local government system has never been under more pressure. Many councils are experiencing severe financial strain, through a mixture of climate change, high population growth, aging infrastructure, cost-shifting, rising expectations and so on.

Mr Hallam has publicly acknowledged the need for reform and that local government would do well to actively participate in the process to have ownership in the reform outcomes. That is a common-sense approach. But instead of getting on with the job and being proactive, progressive and focused, he along with local governments have danced around the real reform issues, including amalgamation. Local councils are certain to resist amalgamation, and one could understand why because they potentially could lose their council and their positions.

There is no doubt that local governments, particularly those in rural and regional Queensland, have enormous variations in their make-up, industry type, population and ability of land to produce. All of these factors affect the economic base and make it almost impossible to draw conclusions about the range of benefits that will flow from amalgamations. But by looking at communities of interest and taking into consideration geographical features, we can make representative areas stronger than they are today.

The opposition and Independents see amalgamation as a political winner and agree that the future of potential amalgamations should be put to a vote by referendum—that ordinary citizens should be making the decisions whether or not to amalgamate and improve the efficiency and performance of local government.

The alternative to amalgamation is to continue down the same bumpy road, tied to an ineffective and inefficient structure that will demand ever-increasing rates just to provide the services. Eventually, there will be demand from ratepayers for the government to step in. People are already saying to the government—even to me personally—that it is time to stop the politics, look at the issues and do what is best for them as ratepayers.

Every member is aware that it was local government itself that wanted reform. That is why local government itself brought on the Size, Shape and Sustainability reform program. The Triple S reform process gave local government the opportunity to work collaboratively to set up its own agenda for reform. It gave local community leaders, mayors and councillors the opportunity at that time to consider not only the current needs of their communities but also the long-term needs of future residents. The Triple S process potentially could have been a big winner for all, but the process was flawed from the beginning because it failed to factor in the self-interests of some of the key players—that is, the mayors and CEOs who would be doing themselves out of a place in their local council if they went down the road of amalgamation.

Let us look at what has happened in central Queensland. There were no Triple S recommendations from those councils going into the Central Highlands or the Isaac regional councils, as none of those councils had entered into the comprehensive review phase after almost two years. While they will argue that they were participating in the Triple S process, their submission to the independent reform commission on the whole in a public sense advocated the status quo—that is, stand alone, remain as is. However, there was an overwhelming view from the independent commission that these councils would be best placed for the future through amalgamation.

Despite the understandable reluctance of these councils to give up their existence in favour of what was best for the future, I commend each and every one of them for the cooperation between the councils since the boundary changes were made by the commission. I am glad that the government has accepted changing the name of the Emerald Regional Council to the Central Highlands Regional Council. That is a common-sense change of name.

Given my background as a hands-on worker, one of my first concerns about amalgamation was for the employees of councils, many of whom live in small towns where they, along with their families, contribute to local school numbers, small-business cash flows and sporting and community groups. That is one of the things that has been thrown at us over the last few weeks. But I have always remained confident, after thinking it through, that job losses would be an absolute minimum because existing services will still have to be delivered as they are today. Roads, parks and gardens still have to be maintained.

Many local government employees are already strategically located for the purpose of service delivery, and that will be an ongoing requirement of a new local government. The tyranny of distance alone is good reason to keep road gangs, maintenance teams and current office facilities open where they are today. All projects budgeted for under the current financial year will be progressed. Some CEOs and mayors have thrown that issue out there and said that those things would not progress because of amalgamation. I say to the workers that that is nonsense.

Our government is determined that today's local government employees will continue to work in local government. That is why we have implemented a staff support package that guarantees job security from March next year to March 2011. I have not heard anybody raise that issue in this place today. This will reassure those people who believe they are affected by amalgamation that their work and employment will continue.

By the time 2011 comes around, the new council will get the workforce balance right through natural attrition, promotions and retraining. What all this means is that there will be no forced redundancies of any employees other than chief executive officers. The only people affected by these changes are those mayors, councillors and CEOs of councils which are identified by the Local Government Reform Commission for amalgamation or boundary changes.

Further protection is offered to employees through an invitation to unions to be involved in consultation to address issues of retaining jobs where employees currently work. Workers will be pleased to know that there is no need to relocate for the purpose of keeping their job or retaining their level of remuneration. I am pleased that there will be a real focus from our government on the importance of proceeding with protecting the interests of employees by working non-stop to ensure that council workforces are considered as local government employees and not employees of constitutional corporations and therefore not subject to the Howard government's unfair workplace laws—I am aware of some councils in Queensland that were moving down that path—and that is good news for all local government employees whether they are amalgamated or not.

The staff support package is about maximising opportunities for the new councils to retain their existing expertise and for the workforce to adjust to the new structure while retaining their job and continuing to live where they currently live. That is a darn good deal—a worthy and honourable deal—and we should not forget for one minute that local governments in central Queensland have lost more jobs to the coal industry in recent years than at any other time in the history of local government in this state. So what does it say about the performance of local government? Our government is doing everything possible to ensure that council employees are retained, work where they work now and live where they live now.

The issue of representation is one of the issues I was most concerned about when amalgamation was first announced. We have heard a lot from mayors and councillors about the size and area that the new shire boundaries encompass, but this is an argument that, as far as I am concerned, has no credibility. It really does not matter to me where the boundaries run. What does matter is that the economics are structured to support and maintain the needs of ratepayers at a sustainable level and that ratepayers have a fair representation at the council table. That is why I have made representations on this issue to the minister. I strongly support divisions because I want the rural sector and those small towns spread throughout the new council areas to have representation.

For the benefit of the people of central Queensland I seek leave to have incorporated in *Hansard* a breakdown of new councils in the region, their size in square kilometres, the number of councillors, the number of electors that councillors currently represent and the number that they will represent under the new structure.

Leave granted.

Existing Council	Size—Sq kms	Population	Registered Voters	Representatives	Voters Per Councillor
Rockhampton City	189 sqkm	60,500	39,100	10 councillors/ 1 mayor	3,900 voters each
Livingstone Shire	11,800 sqkm	29,600	19,300	8 councillors/ 1 mayor	2,400 voters each
Fitzroy Shire	5,900 sqkm	10,500	6,800	8 councillors/ 1 mayor	856 voters each
Mount Morgan Shire	492 sqkm	3,000	2,050	6 councillors/ 1 mayor	342 voters each
<b>Under New Structure (3 less Mayors / 24 less councillors)</b>					
Rockhampton Regional Council	18,360 sqkm	103,300	67,300	10 councillors/ 1 mayor	<b>6,700 voters each</b>

Fitzroy Electorate = 44,000 square kilometres / 24,000 voters

Existing Council	Size—Sq klms	Population	Registered Voters	Representatives	Voters Per Councillor
Emerald Shire	10,300 sqkm	14,000	8,100	8 councillors/ 1 mayor	1,020 voters each
Bauhinia Shire	23,641 sqkm	2,200	1,474	8 councillors/ 1 mayor	184 voters each
Duaringa Shire	17,700 sqkm	6,900	3,712	10 councillors/ 1 mayor	371 voters each
Peak Downs Shire	8,100 sqkm	3,400	1,752	8 councillors/ 1 mayor	219 voters each
<b>Under New Structure (3 less Mayors / 26 less councillors)</b>					
Emerald Regional Council	59,800 sqkm	26,800	15,100	8 councillors/ 1 mayor	<b>1,800 voters each</b>

Fitzroy Electorate = 44,000 square kilometres / 24,000 voters

Existing Council	Size—Sq kms	Population	Registered Voters	Representatives	Voters Per Councillor
Nebo Shire	10,000 sqkm	2,156	1,128	8 councillors/ 1 mayor	141 voters each
Belyando Shire	30,000 sqkm	11,300	6,100	10 councillors/ 1 mayor	611 voters each
Broadsound Shire	18,500 sqkm	7,000	3,800	10 councillors/ 1 mayor	378 voters each
<b>Under New Structure (2 less Mayors / 28 less councillors)</b>					
Isaac Regional Council	58,000 sqkm	20,400	11,000	8 councillors/ 1 mayor	<b>1,378 voters each</b>

Fitzroy Electorate = 44,000 square kilometres / 24,000 voters

**Mr PEARCE:** I have decided on this course of action so that the level of representation in local government is on the public record. I ask people to study the incorporated documents and compare them with some statistics that I am about to provide to the House. I ask voters to look at the electorate of Gregory represented by the honourable Vaughan Johnson—a member who does a great job for his constituents. The electorate covers 378,000 kilometres and had 18,750 electors at the 2006 election. Charters Towers, represented by Shane Knuth, is made up of 267,000 square kilometres and 18,519 electors. The electorate of Bruce Scott, the member for Maranoa, covers 779,000 square kilometres and had 87,874 electors as at 2004. The electorate of Capricornia, represented by Kirsten Livermore, covers 125,000 square kilometres with 91,000 electors as at 2004. The Fitzroy electorate covers some 44,000 square kilometres and I have 24,000 voters to represent.

Do not start giving me the rubbish that people are going to have to work a little bit harder to look after their constituents. People like Vaughan Johnson, Bruce Scott, Kirsten Livermore, Shane Knuth and myself can do it and so can these people.

**An opposition member:** Full-time?

**Mr PEARCE:** They will be full-time.

**Mr Springborg:** Are they going to be full-time, are they?

**Mr PEARCE:** I think the member will find that most of them will be. It is common sense. As elected members we service huge areas with 10 to 12 times the number of voters compared to less than 2,000 per councillor under the new boundaries. That is one of the best things to come out of amalgamations: fewer CEOs, mayors and councillors. There is no doubt that new councils will take some time to settle down. It will take strong political leaders to focus on the task and I know that those people are out there. There are some great people out there who would be able to do the job. I am confident that they will surface at the right time.

I want to offer up some thoughts on why I believe amalgamations are a positive direction for local governments to be heading in and what we should be doing as community leaders. We should be positioning ourselves as a community to get the best outcomes for the people who live and work in the community. Stronger local government structures come through a population base that delivers, through rates, a revenue stream that allows local government to operate at a greater level of efficiency using quality skilled staff. It is always good to ensure that staff are backed by the latest technology and modern plant and equipment to deliver those quality services.

Let us get real about this: strong, financially sound councils always have a better chance of providing social services such as health, recreation and community development facilities. Those things are in harmony with local priorities and needs. Those things come with development and growth. It is estimated that within the next 20 years the people of Queensland will see tens of billions of dollars invested in projects and associated infrastructure. Much of this expenditure will happen in regional Queensland. That is why we have to position ourselves to maximise the benefits to the regions, to build our towns and services to cater for the short, medium and long-term sustainability of our communities. The best way to do that is to have a power base that is more capable of representing the people when dealing with the state and federal governments and the multinationals that we have to deal with on numerous occasions throughout central Queensland.

Amalgamation delivers stronger councils, less duplication, better use of rates, a real focus on services rather than administration, a greater ability to maintain roads and infrastructure, and the ability to implement smarter community planning. I want to draw the attention of the House to a document titled *Sustainable Futures Framework for Queensland Mining Towns*. I have had a fair bit to do with the development of this document. The document is aimed at helping local governments achieve the outcomes that I have talked about. I think it will be a great tool in the future and, if used properly, it will assist the new local governments to head in the direction that is best for their community and for the region.

No town or organisation will lose its identity, as argued by many who are against amalgamation. What I am about to say at this time will probably draw criticism, but I say it with the greatest respect. Does a woman lose her identity, strength and character because of a name change through marriage? I think not. Nor does a line on a map alter what already exists in a community or district, just as amalgamation will not prevent or interrupt interschool sporting events, Rugby League games between towns or the places where people work. It is just nonsense to argue that changing the boundaries of a local government and giving that local government a new name will cause the loss of identity to any town or place within the council area.

Gracemere will continue to grow, retaining its own identity as a dormitory for people working in Rockhampton, on the Capricorn Coast and in the coalfields. Mount Morgan will always be Mount Morgan—a great town with a history that is unbelievable. As a matter of fact, I am tipping that as a result of amalgamations Mount Morgan is the town of the future. It is the next town to move forward. We will see rapid development and a change in direction for that community. Broadsound Shire Council coming under a new and larger structure does not change the character or the structure of Dysart or Middlemount as a community, nor does Blackwater's character or structure change because Daringa Shire Council as an area now comes under the Central Highlands Regional Council. Banana shire retains its name but takes in northern areas of Taroom. The structure and character of Moura, Biloela, Baralaba or Goovigen will not change because Banana shire is bigger.

There are lots of issues that we could talk about in relation to amalgamation, positive things that could happen for the ratepayers of the new councils, but in closing I say as a member who has represented central Queensland honestly for the last 17 years that I feel at ease about this new direction we are taking because I believe that the best outcomes are there for the future. In four or five years' time a lot of the smaller communities will be saying, 'What has amalgamation been about? Are we any better off than we were years ago?' At this time they are not very well off, so not too much has to be done to make it better for those isolated rural communities. I commend the bill to the House.