



Speech by

## Howard Hobbs

MEMBER FOR WARREGO

Hansard Wednesday, 16 April 2008

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### LOCAL GOVERNMENT AMENDMENT REGULATION (NO. 1): DISALLOWANCE

**Mr HOBBS** (Warrego—NPA) (7.40 pm): I move—

That the Local Government Amendment Regulation (No. 1) 2008, Subordinate Legislation No. 48 of 2008, tabled in the House on 11 March 2008, be disallowed.

I have moved this disallowance motion because I strongly believe that the minister and the state government have acted unfairly to the employees of the previous Aramac Shire Council. Due to the forced council amalgamations, the Aramac Shire Council was to be amalgamated with the Barcaldine and Jericho shire councils. Barcaldine and Jericho shires paid on an enterprise bargaining agreement at rates eight per cent and 15 per cent higher respectively than the Aramac shire. It stands to reason in any practical terms that Aramac workers should be lifted to that level, particularly when there is an amalgamation of those shires to become one.

**Mrs Sullivan:** No reason why the new council could not have done that.

**Mr HOBBS:** Absolutely. I entirely agree that it could do that. However, that will take some months to happen, so why do we deny the workers that rate at this time?

**Mr DEPUTY SPEAKER** (Mr O'Brien): I ask the honourable member to refer all of his comments through the chair.

**Mr HOBBS:** I will. It stands to reason that the Aramac workers should have been lifted to that level at that time, and why not? There was strong support from all of the relevant unions for this to occur. Nobody was opposed to these council workers getting what they were entitled to under the new arrangements. In the past in relation to their various arrangements there was not the close scrutiny of what was going on within the regions, and I will detail later why these discrepancies could have occurred. However, the government was clearly not interested in the Aramac council workers. How on earth could it stop a pay rise for council workers that the council supported, the union supported and everybody else supported except the state Labor government? The total cost of the balance for the financial year was \$100,000—\$100,000 for a council that had nearly \$8 million in the bank. It is not as if there is a lot of money involved, but the government denied the workers that amount of money. It would have cost between \$200,000 and \$250,000 for the full year to increase the salary by eight per cent. So it was not a great deal, but it was an amount of money.

How come the rates are different? The rates were different between the shires for a number of reasons, and one of those reasons relates to location. When we are talking about western areas, we are talking about large areas which are hundreds of kilometres apart across the whole of the shire. Alpha and Jericho are very close to the mines and it is very hard to keep council workers in those towns. Councils need to have grader drivers and various people doing that sort of work, but the reality is that when workers can get large salaries in the mines, which are very close, they go to the mines. As a result, the council had to pay about 15 per cent above the average rate to keep its workers. Taking it across-the-board, whether we call it an award wage or an EBA, for the purposes of this debate we will say that they were paid 15 per

cent above that rate to keep them. The council had to do that in that marketplace, because the marketplace dictated what the council had to do. Barcardine is on the main railway line and its workers were paid eight per cent above the rate, and the council had its reasons for that.

Aramac—the council about which this debate tonight centres—is a very strong community and a lovely town, and many of those towns out west are absolute gems. But Aramac is a very strong community. The workers and other people are happy to live there and they really do not mind if they get paid a little bit less so long as the community is fine and they have a place to raise their families. They are a bit away from the mines up in the north over a pretty rough old road, the old Torrens Creek Road, and a fair way away from the central highlands mines as well. So those workers were reasonably happy to stay there. However, because of the nature and the size of the shire—and these shires are huge—there was an opportunity for reasonable overtime rates for workers when away on the job. They were also getting reasonable housing rates. Shires such as Aramac, Tambo and others were bringing in houses from various places such as Blackwater. The councils decided that they needed to upgrade the quality of their housing and brought those houses to those regions and sold those houses to the workers or anybody who lived in the town. They were able to pass them over at virtually cost rates, but the bottom line is that those workers were satisfied with their deal. They were satisfied with their community and the arrangement that they had.

As it turns out when one looks at the numbers, they were probably being paid a bit less, but nobody knew that at the time. With regard to these payments, there is no financial difficulty for the council of Aramac. It had \$7 million or \$8 million in revenue in the bank. It was not as if it was going to cost this council dearly. There was nearly \$14 million in road construction grants and national disaster relief and assistance works. There was an enormous amount of money, so the council was viable, the shire was—

**Mrs Sullivan** interjected.

**Mr Johnson** interjected.

**Mr HOBBS:** What I am saying is that the council was viable, the town was viable and the people were happy, and that is the way it was. However, once this new arrangement was put in place and the council looked at the different levels and saw that there was a difference, they wanted to fix it. Those employees were generally working on the Torrens Creek Road and camped 100 kilometres from home. They were out in the sticks, so it is quite reasonable—

**Mr Moorhead:** Why didn't they get it previously?

**Mr HOBBS:** They did not ask for it. That was just the way it was. The areas out there are so big and they were reasonably happy with their patch. They were happy with their patch, and that is the way it was. The issue is that we had the opportunity to fix it earlier, but now the government has denied those workers the opportunity by denying this pay increase—denying Aramac council workers the opportunity to get the same pay as other council workers in the new regional council. This government has denied them. Why? How on earth could the government deny them that opportunity?

**Mr Moorhead:** Why did Aramac deny them for years?

**Mrs Sullivan** interjected.

**Mr HOBBS:** They could have been. I do not know. That is not the point. The argument today is that the government has stopped them from doing that. This is the government's chance, so why on earth would the government do this?

Why on earth would the minister go out there and say that the council cannot give those people a pay rise? This is the rub: it is my belief that because the Aramac Shire Council was strongly against amalgamation the government was out to get it and its workers. The government denied them the opportunity to have a pay rise because they opposed the government's philosophical beliefs. It denied the workers a fair and reasonable wage rise. Labor is supposed to be the friend of the worker, yet it denied them the pay rise that they wanted, the unions wanted and the council wanted. The Labor government of this state denied the workers the pay rise, which goes to show who supports the worker. In Queensland it is certainly not the ALP.

**Mr Hoolihan:** And Gary Peoples didn't buy his votes.

**Mr HOBBS:** The member for Keppel has referred to Gary Peoples, who is a great man who fought for his people. People fight for many reasons, and isn't it wonderful that they do? It is wonderful that people fight for their region, their towns and their people.

**Mrs Sullivan** interjected.

**Mr DEPUTY SPEAKER** (Mr O'Brien): Order! The member for Pumicestone will cease interjecting.

**Mr HOBBS:** Mr Deputy Speaker, I am happy to keep going. I do not mind if she wants to say a few words. It helps to keep me going.

The mayor was a fierce critic of forced council amalgamations, and I congratulate him for taking such a strong stance. Shame on this government for playing politics with people's wages, which is what

the minister and the government did when this man—a leader, elected by the people and the workers—was trying to give them a fair go when they realised that their wages had to go up.

The Barcaldine Regional Council is now working on fair and equitable pay rates for its employees across-the-board, as it has to do. If the council is doing it now, why wouldn't the government let it do so before? Why wouldn't the minister or the government allow that to happen previously? Blind Freddy could see that the wages for people in the Aramac shire had to go up to balance things out, and in the end it will balance. Things will square up. We have a rise of 15 per cent here, eight per cent there and zero in another place. It was inevitable that the pay rise would come, yet the government denied the council the right to grant it.

Workers have lost at least a month's worth of increased salaries and it will probably be another month or two before the new council comes to a conclusion on the new formula. It will take a while to do that. It is going through the official processes and that will take quite some time. We all know about the bureaucracy that occurs with these things. I will bet London to a brick that the Aramac employees will get their pay rise, although it will be months late because this government denied them previously. Why would the government deny the workers a pay rise when they are entitled to it, the unions supported it, the council supported it, the mayor supported it and all of the western communities supported it? Why on earth would this happen? It is all because the lousy state government wanted to stand over the council before the elections.

The forced council amalgamations will unnecessarily cost ratepayers a lot of money. In this chamber we have already heard that the forced council amalgamations will cost something like \$200 million, which is an enormous amount of money. The government is giving \$17.1 million—

**Mr Pitt:** How do you arrive at that figure?

**Mr HOBBS:** They'll supply those figures; don't you worry about that. The last elections cost \$15 million and the previous ones cost about \$7 million or \$8 million. Under the government's model, the cost to run elections has almost doubled. The government has not been going too well so far. It said that it would cost \$17.1 million to amalgamate and it cost \$200 million, yet it refuses the workers \$200,000. The government is making ratepayers pay nearly \$190 million in extra money, yet it would not allow its workers \$200,000 for the year. How ludicrous is that!

How on earth can the government do this? How can the government claim to support the worker when, in fact, it is using its old union standover tactics to deny people the right to have a say and ensure that they do what it wants them to do. This regulation should have been denied. The minister should never have allowed this to occur. In a lot of instances it may be superficial because the council will override it anyway. The councils will give the workers their pay, but it will come months late.

Time expired.