




Speech By
Ann Leahy

MEMBER FOR WARREGO

Record of Proceedings, 20 March 2018

LOCAL GOVERNMENT LEGISLATION (VALIDATION OF RATES AND CHARGES) AMENDMENT BILL

 **Ms LEAHY** (Warrego—LNP) (11.41 am): I rise as the shadow minister for local government to address the Local Government Legislation (Validation of Rates and Charges) Amendment Bill introduced into the parliament on 15 February this year by the Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs.

This bill is retrospective legislation, and it is my belief that any such legislation should always be carefully considered. The bill retrospectively seeks to validate the rates and charges issued by the Fraser Coast Regional Council and all other local governments that may have made resolutions that do not meet the statutory requirements.

At least 25 local governments in Queensland have been identified through a departmental desktop audit to be in a situation whereby there could be potentially serious consequences for councils stemming from the judgement made by the Supreme Court. In the interests of transparency—and perhaps the very reason why we are debating this legislation today—the government might be able to advise which councils they identified in that desktop audit.

Local governments in Queensland provide a suite of essential services to our communities. In fact, almost every day of our lives involves the work of councils. The 77 Queensland councils employ almost 40,000 people. They manage \$108 billion in assets, including over 153,000 kilometres of roads, \$25 billion of water and sewerage infrastructure and day-to-day maintenance of parks, playgrounds and public libraries—just to name a few of their very broad responsibilities. The LNP not only recognises the work that approximately 557 elected representatives do on a daily basis for their communities but also understands the need to provide financial surety to local governments and their ratepayers. Because of this, I am pleased to advise that the LNP will not be opposing the bill.

In terms of its budget, a local government must do two things. Firstly, it must pass a resolution to levy rates and charges. Secondly, it must pass a resolution to adopt a budget. There are two resolutions involved. Unfortunately, in the case of the Fraser Coast Regional Council, they passed the budget resolution but did not pass a separate resolution dealing with how it levies rates and charges. It passed one resolution, not two. The decision of the Supreme Court in relation to that council—and, unfortunately, potentially others that I mentioned earlier—places the affected councils and their ratepayers at real risk of legal action for the recovery of rates and charges.

I now wish to turn to the work of the parliamentary Economics and Governance Committee which considered the bill. Their report was tabled on 15 March and they did recommend that the bill be passed. I wish to thank the committee members for their consideration of the bill. The committee also made that very important second recommendation in relation to the bill: that the Department of Local Government, Racing and Multicultural Affairs monitor how local governments are levying the rates and charges over the next two financial years—2018-19 and 2019-20—to ensure local governments are fully aware of the proper processes and are complying with the statutory requirements.

It was troubling to note in the departmental advice to the committee that the department does not have a role in the ongoing monitoring of local government budgets to ensure compliance with those statutory requirements. The department's own desktop audit has indicated that about one-third of Queensland local governments could be in a situation where they have not met the statutory requirements. Understandably, mayors and councillors do not want to be found in that situation. In fact, I am sure that they would wish to avoid it.

I note the comments from the LGAQ's submission to the committee and their commitment to assisting councils to ensure that future council rating resolutions comply fully with the legislative provisions. The association advised the committee that they are in the process of preparing template best practice rating and budget resolutions which will be made available to all councils and will hold a ratings masterclass at a date to be determined in April or May.

I commend the LGAQ for their quick action to help councils, particularly their member councils. However, I would still like to hear from the minister on exactly how the department is going to assist councils in this area and whether the department is going to regularly monitor that legislative compliance. If we look at the situation that happened at Fraser Coast, it happened for three years running. There really needs to be some way that we can prevent a repeat of the situation that we are endeavouring to address today.

The objectives of the bill amend the current Local Government Act and City of Brisbane Act and apply the validating provisions to rates and charges made and levied under the repealed City of Brisbane Act 1924 and the repealed Local Government Act 1993 or the repealed Local Government Act 1936. The objectives of the bill make it very clear that the intent is to resolve this matter once and for all, thereby giving certainty to councils and their ratepayers.

It would be appreciated if the minister could advise whether he is confident that all outstanding budget, rates and charges issues are now resolved for all councils in Queensland as a result of the amendments today. In particular, has due diligence been done and can an assurance be given to the House that we will not have to come back again at a later date with further amendments to validate budgets, rates or charges of councils? I look forward to hearing whether the minister can give that assurance with confidence and whether the due diligence has been done for all councils in Queensland. I commend the bill to the House.