



Speech By  
**Hon. Stirling Hinchliffe**

**MEMBER FOR SANDGATE**

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Record of Proceedings, 20 March 2018

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

**Hon. SJ HINCHLIFFE** (Sandgate—ALP) (Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs) (5.54 pm), in reply: I thank all members who contributed to the debate on the Local Government Legislation (Validation of Rates and Charges) Amendment Bill 2018. In my opening remarks I emphasised that Queensland local governments must be financially sustainable in order to function effectively. This bill addresses the potentially serious financial exposure of Queensland councils following the Supreme Court of Queensland's decision in *Linville Holdings Pty Ltd v Fraser Coast Regional Council*. The case for retrospective legislation is clear, and I do think the member for Maroochydore made that point during her contribution. It has also clearly been supported by the Economics and Governance Committee in its report on the bill. I again thank the committee for its thorough consideration of the bill. In partnership with the LGAQ the government also looks forward to continuing its valuable work assisting councils across the state to make resolutions in line with the legislation.

Many members spoke about the desktop audit that was undertaken by my department. That desktop audit identified 25 councils that we believe did not levy rates and charges in accordance with section 94 of the Local Government Act. I do want to address these remarks in response to queries from the member for Warrego and others, but the ultimate arbiter of a rating resolution's validity is the court. I wish to stress that the courts have not been asked to consider the validity of all councils identified in the desktop audit: only the Fraser Coast Regional Council. In the interests of transparency and accountability that I wish to be the watchword not only of local government throughout state but of our government, I table a list of the 26 councils identified by the desktop audit, including the Fraser Coast Regional Council.

*Tabled paper:* Document, undated, titled 'Councils Identified by Desktop Audit' [\[389\]](#).

I can further advise and confirm to the House—because it was raised by a couple of members who may have missed it in my earlier contribution—that the ratings master class that has been developed by the LGAQ will be held on 5 April.

A number of members raised the issue of the bill's retrospectivity and whether this bill should or could have provided retrospective validation for other deficit resolutions. In particular I note the contribution from the member for Mermaid Beach. Again I would say that the bill in its current form is deliberately narrow. It is designed to address the very specific concerns of the *Linville* case. It is important to keep this scope narrow given the retrospectivity of the legislation. I think that addresses a concern or a plea—I am not sure which it was—that was raised by the member for Maroochydore. This bill respects the longstanding practices of the parliament to only legislate retrospectively in very specific circumstances. This bill is about ensuring the financial sustainability of local governments, not fixing every rating error.

My department is always available to assist councils. Councils seek legal and procedural advice on an hourly basis before making resolutions, and I encourage councils to continue to do so if they are unsure about their legal obligations. There is no evidence of a lack of supervision and a lack of support from the department in this matter.

In response to the member for Mermaid Beach I can advise, for instance, that on 13 November 2017, the director-general of the former DILGIP wrote to the CEOs of all councils reminding them of the requirement for a clear and specific resolution to adopt rates and charges separate from the budget resolution. There should be no doubt held by any council as to the current legislative requirements; nonetheless, advice to councils will continue. My department will work in partnership with the LGAQ to provide ongoing advice to councils about the correct levying of rates and charges. The department will also provide advice to councils through its website, bulletins and letters on rating resolutions to ensure that future resolutions comply with the Local Government Act 2009 and the City of Brisbane Act 2010.

The members for Warrego and Mermaid Beach queried whether this bill will rectify all possible deficiencies in council resolutions, and I addressed that earlier. The member for Mermaid Beach also specifically asked that all charges levied by all councils over many years be covered by the bill. As I said, the bill remains deliberately narrow so it does not unintentionally capture resolutions or practices that may otherwise be inappropriate.

In response to the member for Maroochydore's question, potentially a couple of legal matters arise which are out there in relation to rates or charges that have been raised by councils. They do not relate to this narrow issue of the Linville case. I am advised that there are no legal actions that the department is aware of that relate to the Linville matter and its principles.

The member for Pine Rivers spoke of the need to restore confidence in local government. I wholeheartedly agree with that sentiment. In reflection of the member for Broadwater's comments at the end of the debate in relation to making sure that the independence of local government is upheld, that is very important. We need confidence in that level of government to ensure that we retain the highest levels of independence and self-reliance for that level of government.

I note the comments of the member for Gregory and wholeheartedly agree with him in regards to his reflections on the fact that local government is about more than rates, roads and rubbish. The scope of issues of local governments is broad and in the cases of many council they deal with a relatively small staffing base. It is important that we acknowledge and celebrate that. It is equally important that we acknowledge the point raised by the member for Bancroft about the long-term financial sustainability and security of local governments across Queensland. I assure all members of the House that this is something of which the Palaszczuk government is acutely aware and we always work with local governments to address these issues, which is also why this bill is so important to give stability to councils.

I also take this opportunity to address the member for Gympie's comments. For the member to come into this chamber and attack the integrity of public servants and point the finger at specific people as he did shows, frankly, that the LNP has not learnt anything from its time in opposition. In response to the member for Gympie, it is not the role of the state to double-check resolutions of councils before they are made. Given the sheer number in any one month, this would be an impossible task.

As we heard from the member for Broadwater, councils are separate legal entities and it is their role and responsibility to pass resolutions, particularly for something as important as rates and charges. Further, the member for Hervey Bay raised a number of issues. I remind those opposite that, under the Local Government Act, ultimately the mayor is responsible for the preparation and delivery of the budget, and that was a result of changes brought into this House by the member for Broadwater when he was the local government minister. The mayor takes responsibility, not the councillors.

As I said when I introduced the bill, the Palaszczuk government values and supports the role of councillors in our community. That is why the bill provides clarity to local governments and to the communities that they serve. It allows councils to plan for the future with greater confidence in their financial security which in turn will benefit Queensland ratepayers. I acknowledge and appreciate the comments of the committee chair, the member for Logan, with regard to departmental staff. Indeed, they are very hardworking, always available to ministers and councils right across the state, either in person or on the end of the phone, and have a true commitment to local government, be it big or small.

I conclude by acknowledging the members of this place who have a background in local government—the members for Broadwater, Gympie, Bancroft, Ipswich West, Bundaberg, Noosa, Miller, Burdekin, Lockyer, Hervey Bay, Southport, Clayfield and Mermaid Beach. All those members know the great work that local government does throughout our communities, as do the rest of the members of this chamber, and they will continue to do well into the future. I commend the bill to the House.