

Question on Notice
No. 821
Asked on Tuesday, 5 June 2007

MR HOBBS asked the Minister for Local Government, Planning and Sport (MR FRASER)—

QUESTION:

With reference to the reasoning behind his decision to form a commission to bring about forced amalgamations of councils—

- (1) When and where did the Queensland Auditor-General identify serious systemic financial problems in those councils participating in the Size, Shape and Sustainability review over the past three years?
- (2) How many councils participating in the Size, Shape and Sustainability process have been identified by his department as having serious systemic financial problems and what action did his department take to rectify these problems?
- (3) Did PricewaterhouseCoopers conduct a detailed analysis on Queensland councils; if so, which councils were included?

ANSWER:

(1)

I refer the Member to the Auditor-General's Report No.1 in 2006 (*Results of Local Government Audits for 2004-05*) and Auditor-General's Report No.1 in 2007 (*Results of Local Government Audits for 2005-06*).

(2)

41 Councils of 105 were considered to be weak, very weak or financially distressed.

This advice listing the individual Councils has previously been tabled in the Parliament.

The Local Government Reform Commission was established to address, amongst other things, the systemic financial issues facing local government.

(3)

PWC has stated that, "*PricewaterhouseCoopers concurs with Premier Beattie's recent comments that the reports by Queensland Treasury Corporation, Queensland Auditor-General and PWC are broadly consistent in finding that a significant proportion of councils have financial sustainability challenges.*"

I placed these comments on the Hansard record on 19 April 2007.

The Pricewaterhouse Coopers (PWC) report was used by Cr Paul Bell to request funding for local government across Australia. Queensland is part of Australia.