

Question on Notice

No. 1657

Asked on Thursday 29 October 2009

MRS CUNNINGHAM asked the Minister for Local Government and Aboriginal and Torres Strait Islander Partnerships (MS BOYLE)–

QUESTION:

Given the government stated that forced amalgamations of local government would cost \$27m statewide and the Gladstone Regional Council has assessed costs to date of \$10.67m–

Will the government reduce the cost burden on ratepayers of this forced amalgamation by reimbursing councils for these exorbitant costs?

ANSWER:

I thank the Member for Gladstone for her question.

I welcome the opportunity to clarify some misinformation that has been circulating for some time now. The Government has never stated that the full costs of amalgamation would be \$27.1 million. The \$27.1 million funding package, announced on 7 August 2007, was a contribution by the Government towards the costs of amalgamation.

The package provided funding for the amalgamation activities leading up to the formal amalgamation of Councils. These activities included the costs for Local Transition Committees and the engagement of Interim CEOs.

The package included:

- \$12 million for the Staff Support Package for Local Government employees, which also included funding for Interim Chief Executive Officers;
- funding for business system reviews;
- funding for change management, community engagement and communications;
- funding for the administrative costs of the Local Transition Committees;
- additional funding assistance of \$1 million each to support Cassowary Coast Regional Council and North Burnett Regional Council; and
- a contribution to the cost of the March 2008 Local Government elections.

Unfortunately, due to the recent economic downturn, the benefits of amalgamation may take slightly longer to be realised. However, anticipated benefits include improving Council's purchasing power, removing duplication in systems and processes and removing duplicated overheads. The submissions provided by Gladstone and the other 24 Councils relating to amalgamation costs are still under consideration.