



GLEN ELMES  
Member for Noosa

Hansard, 4 June 2009

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**Debate: Local Government Bill**

**Mr ELMES (Noosa--LNP) (5.05 pm):** I rise to speak to the Local Government Bill before the House, as it is a matter very close to my heart and deeply important to my constituents. However, I challenge the title of the bill. Queensland no longer has a system of local government 'that we know in this state', which was the promise made by then Premier Beattie in his second reading speech when introducing the Constitution of Queensland Bill and is contained in the Hansard of 9 November 2001. By this promise, this commitment, the then Premier misled the House, as just a short time later he, Anna Bligh and Andrew Fraser virtually set aside that Constitution to introduce a new system of local government which was announced by joint press release on 27 March 2008. Regrettably, in order to ram through this deeply unpopular amalgamation process against the will of the electors in 81 of the 85 shires in which AEC plebiscites were allowed, they trampled on the system.

Then Premier Beattie stated that 88 local government areas were 'ultimately unsustainable'; hence, the reason his government had to act. After the Fraser reforms, 38 of those 'ultimately unsustainable' local government areas remained. So now we have 38 'ultimately unsustainable' councils and some 26 or 27, if you include the Gold Coast City Council, as regional councils. Regional is not local. Regional government is flawed and fundamentally so. Australia's model of government has three tiers--states, as ex colonies, at the core; federal, not national, for we are a federation of states; and then local. By their respective electoral processes, state and federal parliaments are to varying degrees remote from their electorates in the sense that an individual vote has less of an impact.

It is the consensus of the preferences of the majority which elect the government--that is, when the government holds a majority in the lower house of parliament, or in Queensland the only house in parliament. At the local level, these checks and balances are absent. There is no formal opposition. Mostly, there are no political parties to put forward a program for which they are elected to perform, no means to hold the elected to genuine account, no active, effective voice for the constituency, no executive and no judicial protection.

Traditionally, the checks and balances at the local level have been provided by the close proximity between the electors and the elected. Forced council amalgamations have made the elected remote from their electors without providing any of the checks and balances which exist at senior levels of government.

Local government is community government, arising from a community of interest. It is the level of government which most affects the environment in which we live and with which we are most engaged. Its value comes from the local community having a vote that really matters. It is appropriate that the community should be able to know personally who it is electing.

By regionalising local government, the influence which the community has over its no-longer local government is diminished. By drastically reducing the number of elected representatives, even in the 'ultimately unsustainable' shires, the influence of the community on this critical level of government is reduced to meaningless.

In the case of the former Noosa shire, our representation will be diluted even further as the population growth rates of the former Caloundra city and Maroochy shire far exceed our own. The next electoral redistribution is likely to see Noosa with one councillor on the Sunshine Coast Regional Council, rather than the paltry two it has now. To those who say, 'Get over it' or 'Move on' or 'It'll cost too much to go back,' I say that they are advocating a model of local government which, as I said before, is fundamentally flawed.

I will not rest until genuine local government is restored to where I live because without it we will have three levels of remote government immune from the electors. This is not the local democracy I want. Now I turn to the explanatory notes. In chapter 1 section 4, the minister asks us to set aside credibility and accept that the government believes in principle based legislation.

These principles-- ... highlight the absolute essentials of excellently performing local governments which citizens expect and deserve. The principles are at one and the same time, aspirational, inspirational, practical and demanding. I contrast this lofty rhetoric with the action by this government in setting aside legislation to ram through deeply unpopular reforms clearly against the will of the majority of electors. The bill trumpets the local government principles underpinning the act at chapter 1, section 4(2) (b), which reads 'democratic representation, social inclusion and meaningful community engagement'. It is a wonderful objective. It is the essence of what genuine local government is all about, and my side of the House totally supports this sentiment. But the system of now 'not-local' government forced on the people of Queensland meets none of those criteria.

Take my own community of Noosa as an example. Its strong local council, so rated by the Queensland Treasury Corporation, consisted of a mayor and nine representative councillors. Each of the 3,509 electors had a representative. Each elector had a genuine opportunity to know their representative. Each elector had the ability to directly influence their local representative--to make their views known to their local councillor sometimes very strongly, as the Noosa community has famously set high standards which it demanded their local council maintain.

Those in Noosa love Noosa. Noosa is special to them. That is why they chose to come from all corners of the country and the world to make this unique place their home, for themselves and their children. But in the new Sunshine Coast Regional Council my constituents have been disenfranchised. Their vote now elects only two councillors, whose voices are lost in a council of 12 plus a mayor. Each councillor now represents 15,642 electors. Indeed, every small community has been effectively disenfranchised by the forced local council amalgamation process initiated by the now Treasurer and nurtured through the parliament by the current Premier.

Both should be ashamed to call what we now have democratic representation compared to what previously existed and what was promised by then Premier Peter Beattie when introducing the Constitution of Queensland Act 2001. Even Paul Bell of the LGAQ made the same fundamental error of asserting that the forced local council amalgamations left 37 councils unaffected.

The facts are that only five local councils were unaffected. The other 32 have not been amalgamated, but in each case the number of councillors has been reduced--often by as many as half. So the bill now before the House cannot meet this most crucial test. It has failed before it passes into law. The second local government principle underlining the act destroyed by forced amalgamations reads in 2(a) 'transparent and effective processes, and decision making in the public interest'. Again, this principle is a cruel and misleading joke.

Take, for example, the budget process which the Sunshine Coast Regional Council and many, many others have been going through. These processes are so large, so complex and so stage managed by the bureaucracy that they stifle councillors so they cannot get across the impact of the decisions required of them in the time frame available. That is just one part of their job. If they cannot be across the detail of their role, what hope does any member of the community have? What does 'transparent' mean if the practical effect is not transparency?

There is no capacity to understand and no chance for the electors to contribute. How can that be in the public interest if the public cannot express an interest? This is the result of ill-considered, ill-formed Labor driven reform. And so it goes on. Chapter 2, part 1, section 10 introduces a power for local government to form a joint government activity.

Here we have an admission of the failure of the forced local council amalgamation process. This part enables partnerships between local governments--an opportunity so callously and contemptuously disregarded by this government's so-called Local Government Reform Commission but now advocated as a viable option. It always was so and is a clear alternative to forced local council amalgamations. It is a matter of important public interest to note the practical credentials for the administrator of this flawed amalgamation process.

The Local Government Reform Commission, whose report informed forced council amalgamations reform, claimed--rather than provided evidence--that significant economic benefit would flow from forced amalgamation. The Local Government Reform Commission did not undertake any cost-benefit analysis to justify its position but, rather, relied to a significant extent on part of the commission's report. I refer to volume 1, page 39 on the work of Crows Nest, Rosalie, Goondiwindi and Waggamba

shires from the curtailed Size, Shape and Sustainability review, and the experience of Cairns, Ipswich, Mackay, Warwick and Cooloola from the amalgamations during the 1990s. A wealth of contemporary evidence from the outcomes of amalgamations in New South Wales, South Australia and Victoria was ignored.

While acknowledging that there are costs inherent in amalgamations, amazingly the commission did not attempt to quantify these costs. Perhaps an even more startling conclusion is that, in the end, the costs incurred by and the benefits which accrue to amalgamated councillors will largely be dependent upon decisions the new local governments make during the implementation phase. In the final analysis, it would seem that a prime alleged reason for forced amalgamations will be a matter of chance. What is emerging is a picture of reform failure.

Mind you, to the thinking person it was self-evident, but it clearly shows the consequences of a minister never having had a real job, never having been in business and never having managed any large-scale enterprise, much less the amalgamation of local councils. His financial acumen and business skills are clearly on display again as Treasurer when he seeks to sell 25 per cent of the state's assets--that is, 25 per cent of the assets which have been built up by us in our proud 150-year history.

Then we go to chapter 2, part 1, sections 12 and 13 and we contrast the intent of the explanatory notes with the draft legislation. Section 12(3) is supposed to make it clear that only the mayor has the power to direct and manage the CEO. In fact, it is section 12(4) which makes that clear. The explanatory notes then allege that it is incumbent upon the CEO to develop with the mayor a professional, effective working relationship, but the legislation is silent on this very important issue. It is also disturbingly silent on the resolution of any toxic dispute between the CEO and the mayor.

Given the failure of the amalgamation process, I and my constituents in Noosa are vitally interested in the processes by which the wrong against our community might be righted. We find no capacity for the community in this legislation to initiate change. We find that the rejection of ratepayers is perpetuated in this bill and any democratic change is strangled--by local government where self-interest of councillors will win through, or by the minister from a government that forced these changes, or by the Electoral Commission, which is just another arm of the executive.

Those opposite know inherently that what is good for ratepayers and democracy does not feature in their vocabulary. We find the counterdemocratic theme of Labor's approach embedded in section 21, where the decision of the change commission is final. There is no appeal, no second go and no natural justice. One of the more insidious aspects of Labor's approach to governing is its complete contempt for the concept of a conflict of interest. It seems that every piece of Labor legislation offers a different standard. There are no fewer than seven references in this bill to conflicts of interest with differing definitions--sections 24, 172, 173, 174, 187, 192 and 232.

Why can there not be a single standard? Wouldn't section 173(1) (b) be the appropriate standard? The bill before the House today constrains consideration of a direct or indirect financial interest and, even more curiously, does not mandate that the community be informed.

In keeping with the spin and secrecy principles, Labor has adopted the secrecy provisions to ensure the information stays in-house. This is not appropriate for a truly democratic society. It is not consistent with the principles which purport to include transparency, democracy, good governance and ethical behaviour.

While on the topic of ethics, the explanatory notes inform us of a part 5--the ethics advisory committee--but guess what? That does not even make it into the bill. Chapter 3 deals with local laws, and we find seemingly innocuous provisions of the law-making process. However, the explanatory notes let the cat out of the bag. They let us all into the secret that the department will use its regional structure to build capacity in local governments to manage local law making including the state interest check. That is code for 'Big Sister': the minister is watching. The erosion of local autonomy is highlighted again by the intent revealed in the explanatory notes. The intent is for the department to draft model local laws which the minister will then impose on councils. What was amalgamation really all about if regional councils are to be managed like naughty schoolchildren?

Chapter 4, 'Finances and accountability', recognises the status quo of vertical fiscal imbalance and a dependency on sources of revenue which are narrow, which are too often cyclical, and where the connection between the generation of the revenue by the tax does not relate to the expenditure of those revenues. I would urge at this time the conduct of a review process which addresses this very serious issue at both the local and state level. Chapter 4 part 3 section 105 mandates an internal audit function. However, the bill does not indicate any expectation as to whether this is to be an in-house function or contracted out. I draw attention to the potential for a serious conflict of interest arising from

contract services. Major accounting firms often offer accounting services, audit provisions and consultancy services. The legislation should be taking a position on this potential conflict which it does not at present.

There is a lot more that I would like to say. There are many more pages that I would like to put into the record of this parliament. Because the government has seen to it that no effective debate will take place on this very important legislation, I will not get to do that tonight.

I would like to remind the minister that she is the local government minister for all of Queensland, every single, solitary Queenslanders who lives in a local government area.

I remind her that in Noosa on one day 18,747 people signed a petition protesting against local government reform, 33,000 people submitted submissions to the Local Government Reform Commission, 7,000 people--one of them being me--marched outside this parliament and at the last election 80 per cent of the people who voted in the Noosa state electorate voted for a candidate who put at the very top of their list the fact that Noosa should be returned to a council of its own making.

I would hope that, as a result of all of this, the minister would take the time to come to Noosa and talk to the people of Noosa.

There is a very sustainable local government waiting to be put back into place. I certainly hope she takes notice of the comments that I have made. I look forward to giving her a warm welcome to Noosa if she desires to come there.

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