

Division 37: Local Government, Sport and Cultural Industries — Service 2, Local Government, \$16 053 000 —

Mr S.J. Price, Chair.

Mr J.N. Carey, Minister for Local Government.

Ms L. Chopping, Director General.

Ms E. Gauntlett, Deputy Director General, Portfolio Management and Coordination.

Mr C. Dykstra, Deputy Director General, Portfolio Capability and Performance.

Ms S. Sherdiwala, Executive Director, Finance and Procurement.

Mr T. Fraser, Executive Director.

Ms D. Merritt, Director, Strategic Initiatives.

Mr C. White, Manager, Community Infrastructure.

Ms C. Comrie, Chief of Staff, Minister for Local Government.

Ms J. Colli, Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. It is the intention of the chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item, program or amount in the current division. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by close of business Friday, 1 October 2021. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the Deputy Leader of the Opposition.

Mr R.S. LOVE: Thank you very much. Welcome along everybody to what I hope is getting towards the end of our estimates.

Mr J.N. CAREY: How have you survived, member?

Mr R.S. LOVE: I think my voice has about had it, to be honest.

I refer to page 548, budget paper No 2, volume 2, and the second services and key efficiency indicator, "Regulation and Support of Local Government", which states —

Supporting local governments to fulfil their statutory obligations and to improve capability in the sector.

In the previous Parliament, there was discussion of a comprehensive review of the Local Government Act. There was an involved process and a committee and all sorts of things were discussed. In terms of the regulations of local government going forward, what is in train for changes to, regulations around, or, indeed, a complete rewrite of the Local Government Act as the previous minister had suggested. What is the current situation regarding that? Is there a plan for that to happen; and, if so, what is the time line?

Mr J.N. CAREY: Member, I am developing a significant package of local government reform. Yes, there was the panel report that was released last year. I have used that panel report, but I have also drawn on the select inquiry report from Parliament, which I think the member will be aware of. I actually met with Simon O'Brien on that issue. I have also considered the City of Perth inquiry and other inquiries. From that, over this last six months, I have been engaging Western Australian Local Government Association seriously and individual local governments. I have gone to a number of WALGA zone meetings, and so I can confirm that I am looking at a range of significant reforms to the current act according to six key themes: red-tape reduction and increased consistency; clearer roles and responsibilities; stronger local democracy and community engagement; greater transparency and accountability; better financial management and reporting; and earlier intervention, effective regulation and stronger penalties.

I go on the public record to say this—and I think the member would agree, or perhaps maybe not—we really only have two tools. We have low-level compliance at local government or we have inquiries, which, as I have already said, can be quite exhaustive and debilitating for an organisation and can ultimately say that there are toxic relationships in an organisation. Much of my work, as I have flagged publicly, is about the early intervention model; in other words, the panel report flagged it but did not give significant detail. Therefore, I am developing models. I am looking at the east coast at what other states are doing. I have actually had a discussion with Hon James Hayward—I say this sincerely—just in passing, but I am going to ask him up to my office to talk about what reforms the member’s political party would be interested in. I do not know whether we will agree on everything, but I do say this: I want to create lasting reforms for the sector that have strong support—I hope bipartisan support. I have really gone out of my way to be consultative; that is why I met with Simon O’Brien. I think it would be unusual for any minister to meet a former retiring Liberal member of a select committee. I am taking it seriously. It is major work.

In terms of the time frame, I just want to flag this: some of it is extremely difficult. How do we deal with complaints processes effectively? How do we ensure that there is an early intervention model that is not so over cumbersome but at the same time is effective? But I am very clear: I do want to avoid inquiries into the future.

Mr R.S. LOVE: That is very good, and I support the need for there to be action as quickly as the minister can summon it. But when I look at the budget papers—again, at that same section—I see that the amount of money being devoted to that regulation in support of local government seems to have gone up in 2020–21 despite the budget being a bit lower. I guess there are some COVID aspects to that as well, but it falls back again in 2021–22. Therefore, I am wondering whether there is a continuation of the current level of support and regulation of local government or whether there is, indeed, going to be, at some point, a bit more resources devoted towards that early intervention that the minister spoke about. We have seen mentioned in some of those reports, and coming out of some of the issues, that things have been let slip in some circumstances. Individual councillors have not known where to go to seek support. One of the strong themes that has been coming through is that that advice has not come out of the department. I do not see anything in the budget to indicate that that is turning around. If there is, I ask the minister to please let me know.

[9.30 pm]

Mr J.N. CAREY: Firstly, I am still working through the reform process. Obviously, once we come to the end stage of that process, it will affect the way the agency operates. Under the new CEO, there has been a refocus on how we can provide better support and advice to local governments. As a former mayor, I understand the importance of the advisory services. We are looking at how the agency can be more effective. I defer to Lanie Chopping to detail some of the work that we have been undertaking to date.

Ms L. Chopping: We are undertaking a range of reforms within the department prior to the reform agenda commencing in earnest. We have significantly reorganised ourselves to be able to provide greater focus on early intervention and prevention. That has involved employing a new executive director of local government to lead that area specifically. Previously, it was led by an integrated regulatory leader. This is a specific role for local government. That staff member has been providing leadership, meeting with local governments on the ground in their communities and hearing about local issues that are going on within those organisations.

In addition, the Office of the Auditor General’s performance audit results recommended a range of initiatives, and we have commenced work on those. A risk-profiling tool has been developed with Riskwest. An assessment of compliance audit returns has commenced. A review of guidance materials on our website has commenced, along with the visiting program, as I mentioned previously. We have taken on a secondment from the Office of the Auditor General to look at some of our financial regulation work. That person has commenced. They are a senior officer, and that is working well.

Our staff are very much focused on the future. We are working in partnership with a range of local governments specifically, and with the Corruption and Crime Commission and the Public Sector Commission on how to address conduct issues within local government in a proactive, preventive and early intervention way. We are also in the process of commencing a range of education initiatives. We have started webinar programs in partnership with the Western Australian Local Government Association. Indeed, this week we met with WALGA with a view to running some education programs with local governments. The department will run those programs. We will work with WALGA to select items for those programs. That includes ensuring that the local government has access to information that comes out of initiatives such as Streamline WA around regulatory reform and those training programs. I can go on but I will not.

Mr R.S. LOVE: The minister mentioned the compliance audits. In terms of the regulation, has there been any improvement in the uptake of the training that was made compulsory under the previous changes to the Local Government Act? I understand from some figures that I saw a while ago that a number of people had still not taken up that training. Are there any up-to-date figures on that?

Mr J.N. CAREY: As the member is aware, we did pass a training program. It consists of five units. That needs to be completed within 12 months of election. The department recently undertook an audit. It found that around 74 per cent of council members have completed the training. As a result, the department is working with those outstanding council members and councils to ensure that all units are completed. As part of the reform package, I am looking to see whether we can create any mechanisms that will lift that training more. My assessment is that it is new and fresh. When I have spoken to some older long-serving members, they have said to me, “John, I know my stuff. I know my game.” Other mayors who have been in the game for a long time have said, “This has been really great because it has been a refresher for me, particularly in relation to governance.” There is some resistance. I deeply respect many of these smaller regional councillors—the member knows them well—who have been there for a long time. As part of the reform package, I am looking to see whether there is anything else that we can do around it.

Mr R.S. LOVE: This might not be the right time to ask this question but I will ask it and the minister can tell me whether it has to wait until we come to the next section. I refer to the ongoing initiatives on page 542. The question relates to the line item “Review of the Cemeteries and Cremation Acts”. Is this the appropriate place in which to ask this question or should it be asked when we get to the Metropolitan Cemeteries Board?

Mr J.N. CAREY: This is the correct area.

Mr R.S. LOVE: Can the minister provide an update on the ongoing reviews of the Cemeteries Act 1986 and the Cremation Act 1929? I will explain this a little. I note that there were recent changes—not changes to the regulations but changes to the interpretation or the enforcement of the regulations by the Metropolitan Cemeteries Board, which disallowed funeral directors from collecting ashes on behalf of families. Is the minister aware that this presents challenges to regional families? I would like to know whether that issue will be included in the review.

Mr J.N. CAREY: I have just been advised that in relation to those regulations, the responsibility falls under the Minister for Health. In terms of the review of the Cremation Act and the Cemeteries Act, I understand, if I am right, that the Cremation Act comes within the capacity of Health and I have capacity for the Cemeteries Act. I think the member would know the synergies. It was announced that both acts would be reviewed together. Obviously, there is a clear synergy between the two, and that is why we announced the review. An interagency working group includes representatives from Health and the Metropolitan Cemeteries Board, and there will be consultation with a range of stakeholders. The member would have to direct his question to the Minister for Health.

Dr D.J. HONEY: I return to the consideration of the new regulations. I want to take this opportunity to congratulate the new minister for his defter and subtler approach to the issue of disputation with local government. I have had widespread feedback from the local government groups that I have visited that there has been a very welcome change in that process. Just in relation to those regulations—this may perhaps form a comment—there seems to be micromanagement of behaviour in local government to the extent that local government representatives are not even able to make comment on a matter that is before the council. I find it dumbfounding that a publicly elected representative would not be able to do that. It seems that local government councillors are being reduced in every possible way in the influence that they can have on councils. I guess my urging would be that we look at that and look at councils as a robust place where councillors can make comment. It seems that there has been an ongoing push to micromanage every level of behaviour, which I think is completely unreasonable in a representative group.

[9.40 pm]

Mr J.N. CAREY: I would say that the member is right to identify that balance, and it is a difficult issue. I understand the commentary that the member made. It is a very difficult balance between ensuring that a local government works well, functions well and is respectful, but also allows for good, free debate. I have to say that, under the former minister, there was a push of more of that minor stuff back to local government. My view is that we cannot police all behaviour, nor should we. It is up to a council to decide on its code of conduct. We set some basic parameters, but then it adopts it and so forth. I want to have a system in place that deals fairly and effectively with serious dysfunction, but, in my view, I think that the minor stuff should not be going fully up the ladder. Also, there are vexatious matters—I think the member is aware of this—whereby councillors are putting in complaints, councillor versus councillor. I have to admit, it is absurd. We need a better system that sifts through what is vexatious. I think part of the problem is that the Local Government Standards Panel is viewed as both an investigative and a judgement body in some ways. I accept the member’s point. I think we have already started to push some of it back down and say, “Police yourself.”

I want to give a big shout-out to the Shire of Chapman Valley. I went to Chapman Valley and was deeply impressed. What the members of that council did was very basic, but it works. They sat down and talked and said, “We’re going to debate things freely, but what are our values? What are the values that we will have as a culture as a council in our debate?” They agreed on them, laminated them and stuck them all around the bloody chamber, and it has been effective. Mandurah has done the same thing through a bigger process. Some of it is getting the councillors to agree on how they treat each other and how they talk. Some councils that do this are finding that the majority will agree and a few of the outliers will not, but they are being pulled along. Yes, I want to see vexatious and silly complaints

better dealt with—that we sift it through—and that we have a whole system of policing that is dealing with the serious issues, not the minor stuff.

Mr R.S. LOVE: I also want to place on record the great work of the Shire of Chapman Valley. I have just emailed the president to tell him that, once again, the minister is singing his praises. He was very chuffed when the minister did that at Local Government Week, so he will be very pleased to hear that again, I am sure.

I refer to page 541 and spending changes. I assume that the provision of Guide Dogs WA breeding program comes under the minister's portfolio, because it is mentioned in "Explanation of Significant Movements" in service 2. How does that equate to the minister's role in local government? I think it is a great program. It was actually an election promise of the Nationals WA to support it.

Mr J.N. CAREY: Was it?

Mr R.S. LOVE: Yes.

Mr J.N. CAREY: What was the election commitment?

Mr R.S. LOVE: It was exactly the same as yours. I think you copied it!

The CHAIR: I think it was the other way round!

Mr R.S. LOVE: No; they came in here and they took photos!

Mr J.N. CAREY: Great idea!

Mr R.S. LOVE: Next thing, your minister was laughing at us!

Mr J.N. CAREY: It is a great program, whoever's idea it was, member.

Mr R.S. LOVE: I think it might have been Hon Colin Holt who first brought it to our attention.

Mr J.N. CAREY: I know he has been appointed to —

The CHAIR: Racing and Wagering Western Australia.

Mr J.N. CAREY: He has been appointed, and he is well-respected. We have made a commitment of \$5 million to assist in setting up a world-class breeding program in multiple locations across the state and to re-establish the cadet training program. My understanding is that it was aligned with my portfolio in relation to the fact that, in effect, I deal with dogs a lot. There is the Dog Act.

DR D.J. HONEY: That is a bit of a stretch!

Mr J.N. CAREY: It is a great program, a great project, and I look forward to it being delivered.

Mr R.S. LOVE: I am sure we could go into all sorts of issues around the guide dogs. We could also go into all sorts of issues around Corruption and Crime Commission reports et cetera, but I think, given the hour, I might stop there.

The CHAIR: We still have one off-budget authority to go.

The appropriation was recommended.