

LOCAL GOVERNMENT AMENDMENT BILL 2009

Second Reading

Resumed from 8 April.

MR P. PAPALIA (Warnbro) [11.44 am]: I rise to address the Local Government Amendment Bill 2009. I observe at the outset that the opposition's natural inclination is not to oppose this bill because it is substantially similar to the Local Government Amendment Bill 2008 that was introduced into Parliament last year by the previous government but did not complete its passage because of the calling of the state election. I also understand that some additional amendments have been made subsequent to the Corruption and Crime Commission findings related to the report into the City of Cockburn. I thank the minister and his staff for providing a briefing on those amendments and the bill in its entirety. I also observe that there are more than 40 amendments. As I said, the opposition's natural inclination is not to oppose this bill and I do not intend to oppose it. Nevertheless, the bill is expansive and proposes many amendments, thereby providing significant opportunity for commentary on the local government sector as it will be affected by this bill and as it will be impacted upon according to specific statements made by the Minister for Local Government in the second reading speech. To that end, I seek to address one very specific point made by the minister in his second reading speech; namely —

There has been extensive consultation with the Western Australian Local Government Association, Local Government Managers Australia and relevant private and state organisations on the amendments in this bill.

That statement would appear to fly in the face of all evidence about the minister's intentions for the local government sector; his history with the local government sector since assuming office in September last year; and his lack of willingness to engage with that sector, for which he has commenced a process that will result in significant structural change. Every bit of evidence in the public domain and every piece of evidence provided in this place about the minister's relationship with the local government sector, and specifically his relationship with the Western Australian Local Government Association and Local Government Managers Australia WA Division, appears to fly in the face of the minister's statement that he has conducted extensive consultation on this bill.

After reading that paragraph in the minister's second reading speech, it is natural to ask: when did that consultation occur? Is the minister suggesting that that consultation occurred in November last year, the last time those bodies formally met with him as required by the state and local government partnership agreement? The minister confirmed yesterday that that was the last time he formally met with the executives of WALGA and LGMA. Is the minister suggesting that that consultation occurred in Exmouth in February, when at a meeting with local government representatives the minister threatened to force local governments to amalgamate unless they complied voluntarily with that process? Or was consultation subsequently held at a meeting in Peppermint Grove that included Liberal Party donors and at which the minister and the Premier especially promised to those Liberal Party donors and the burghers of Peppermint Grove that any forced amalgamation or structural reform process being applied to the rest of Western Australian councils would not apply to the Peppermint Grove council?

Mr C.J. Barnett: That is untrue.

Mr P. PAPALIA: As was reported in the *Cambridge Post* and, I might add, *The West Australian*.

Mr C.J. Barnett: They were not at the meeting.

Mr P. PAPALIA: I am just referring to a report in the media. I am asking a question of the minister —

Mr C.J. Barnett interjected.

Mr P. PAPALIA: It is not a good look when the Premier keeps stepping in to defend weak ministers. It is not a good look. The Premier has form in this regard. He did not let the minister defend himself the last time we gave him the opportunity in the house to defend his performance. The Premier stepped in and prevented the Minister for Local Government from defending himself. I suggest, in light of recent incidents at press conferences with other ministers, that it is not a good look for the Premier to continually step in to try to block and deflect attention from weaker performing ministers. That is my observation. He should go ahead and continue to do —

Mr C.J. Barnett: Don't be so pompous.

Mr P. PAPALIA: I am pompous? I am pompous? Hello, kettle! I like it, Premier. The Premier can go right ahead and keep stepping in for his minister because, in my view, that action focuses more attention on ministers who are not quite up to scratch. I suggest that it encourages other members within his party, such as the member sitting next to him at the moment, to look perhaps a little more positively at their potential opportunities for the

future. In fact, I will not discourage him any more from doing that; he should go right ahead and interrupt me if he wants.

I return now to the subject. As a result of the paragraph in the minister's second reading speech, which I quoted, I am encouraged to ask: did that extensive consultation take place with the 24 local governments in northern Australia? I understand those councils are still seeking the findings of the Local Government Advisory Board inquiry into the provision of assistance to remote Indigenous communities. I understand also that the minister is using the report of that inquiry as a document in his negotiations with the federal government for funding. Those councils are seeking that document so that they know what he wants them to do if he gets the funding. They will be the most directly impacted on by the findings of that report, yet some seven or eight months down the track they are waiting for the minister to release the findings of that report commissioned under the previous government and handed down late last year. Is the extensive consultation he is referring to the fact that he will not even talk to them about it or release those findings?

Is it in respect of the clear conflict that is going on between his government and the Shire of Shark Bay? There have been a few discussions this week about what has been going on between the Minister for Regional Development and the Shire of Shark Bay. But what was not made particularly clear in the course of the debate today when the Minister for Regional Development was accused of, and effectively proved to be, monsterring the councillors of the Shire of Shark Bay and, incredibly, I think encouraging them forcefully to move a motion of no confidence in the director general of another department, is that, at the Minister for Local Government's direction, his department is undertaking an inquiry into the Shire of Shark Bay.

Mr G.M. Castrilli: It is not under my direction at all.

Mr V.A. Catania interjected.

The ACTING SPEAKER (Mr J.M. Francis): Order, member for North West!

Mr G.M. Castrilli: The Director General of the Department of Local Government has powers under the act to direct investigations.

Mr P. PAPALIA: Did the director general initiate the inquiry into Shark Bay of her own accord; it was not at the minister's behest?

Mr G.M. Castrilli: I did not direct her to inquire into Shark Bay.

Mr P. PAPALIA: Would the minister concede that, at the same time someone within the Minister for Regional Development's office is effectively trying to bring pressure to bear upon that council to act in a certain way that may —

Mr G.M. Castrilli: What does that have to do with this bill?

A government member: I wish to raise a point of order.

The ACTING SPEAKER: I do not need to take a point of order on this; there is a helluva lot of leeway.

Mr P. PAPALIA: What are you talking about, Mr Acting Speaker? I am referring to the last paragraph in the second reading speech, which clearly states that there has been extensive consultation with the Western Australian Local Government Association and the Local Government Managers Australia. I am trying to ascertain when and if ever that extensive consultation took place—where, when and if ever. I have no evidence, and it is pretty clear to me that there is no evidence in the public domain, of any extensive consultation at all having taken place between this minister and executives of the Western Australian Local Government Association since November last year, which was the last time a formal meeting was held by—its name has slipped my mind—the committee that enables direct cooperation between the state and local governments —

An opposition member: State and local government partnership.

Mr P. PAPALIA: Thank you very much. By his own admission, the last time the state and local government Partnership Steering Group formally met was in November last year when there was an opportunity for officers from the Western Australian Local Government Association and Local Government Managers Australia to represent the expectations and concerns of their constituency—the entire local government sector of Western Australia, both elected and paid officials—at which the minister was required to respond and his responses were minuted to ensure there was some outcome. When did the minister undertake his extensive consultation? That is my concern. I want to pursue that a little more because this very week ample evidence was provided in this place of a rift developing between him, more widely his government, and the local government sector, specifically WALGA and the Local Government Managers Australia. Two days ago, a dorothy dix question was asked of the Treasurer about the president of the Western Australian Local Government Association. Members opposite are the only ones who know the motivation behind that question. All we can observe, note and attempt to interpret is the intention behind it in the public arena. Having sat over here and listened to the Treasurer and interjected in an

effort to get him to temper his remarks, the only conclusion I think it is safe to make is that he is at war with the Western Australian local government sector.

Mr G.M. Castrilli: That is what you may think.

Mr P. PAPALIA: All the evidence I have detailed in my speech so far confirms a pattern of behaviour that was cemented in place by the Treasurer's actions and subsequently the Minister for Local Government's actions yesterday. Let me assess once more what the Treasurer actually said in relation to the accusation actually made against Mr Bill Mitchell, President of WALGA, who, quite frankly bears no goodwill towards the Australian Labor Party. Let us look at it. Everyone who has observed Western Australian public life in recent times knows that, as the president of WALGA, Mr Mitchell enthusiastically attacked previous Labor ministers on all manner of subjects, most notably the change to the first-past-the-post voting system for the local government sector. It is undeniable that he is not taking a stand out of any loyalty to the Labor Party. Not that there is anything wrong with his actions. The government cannot criticise him for what he has done since it took office. All he has done is seek to make contact with the minister on behalf of his constituents. He has been measured and reserved in all criticism of the actions that have occurred as a result of the minister's statement in Exmouth in February. He has been supportive of the minister despite the fact that the minister has completely abandoned the cooperative approach to reform engaged in prior to that time. He has not taken the opportunity to attack the minister personally or to criticise his complete failure to pursue the outcomes and recommendations of the systemic sustainability study, which the Western Australian Local Government Association, with cooperation from the previous state government, had been pursuing and had managed to garner support from the entire local government sector prior to that time. We would have to say that it was enthusiastic support in the end; it was reluctant at the start, but by the time the findings of that SSS report had been handed down, WALGA had managed to get people on board. Local government was and continues to move towards the sharing of resources, and reform—structural and otherwise—with the aim of achieving sustainability, efficiency, better outcomes for ratepayers, and consistency across local government in the provision of services and approvals processes for people, such as developers. All those things were acknowledged within the systemic sustainability study and that process had garnered a great deal of goodwill within the local government sector, which has now been squandered by the minister. In light of all of that it would have been quite reasonable, I would have thought, for Mr Mitchell to attack the minister and the government quite forcefully for what they have done, but he has not done that. He has been reasonable. He has been reserved. However, two days ago the Treasurer of the state of Western Australia stood in this place and under parliamentary privilege accused Mr Mitchell of inciting civil disobedience. Did the minister hear what the Treasurer said? He said that Bill Mitchell was out there inciting civil disobedience. The minister knows that is not true. The minister knows that other people have said words to that effect, but it certainly has not been the WALGA executive and it certainly has not been the President of the Western Australian Local Government Association. To my mind, I felt that was wrong. As I say, yes, I meet with Bill Mitchell because that is my role. The minister knows that Mr Mitchell is a conservative individual; he is naturally inclined to be conservative, but in his role —

Mr G.M. Castrilli: I never assume anything.

Mr P. PAPALIA: There we go. The minister can take it from me that Mr Mitchell is not in the Labor Party. Take it from me—I will give the minister that guarantee! But that aside, I meet with Mr Mitchell in the same way that I think the minister should meet with him; to give him the opportunity to convey opinions, ideas, concerns and —

Mr G.M. Castrilli: I'm meeting with him in July.

Mr P. PAPALIA: But not on an informal basis—you are the minister! The last time the minister formally met with Bill Mitchell was in November. That is a significant period of time —

Mr G.M. Castrilli: He is on the steering committee and WALGA is on our working group. I go out to zone meetings, and I meet with local government all the time.

Mr P. PAPALIA: That is another point: I am glad the minister mentioned zone meetings because that is another bit of evidence I had overlooked in my contribution today—namely, the fact that the minister saw fit to breach the act in relation to appointing representatives to the grants commission. The people the minister ignored—the recommendations that he ignored in breaching the act were made by the people he ignored—were from the state zone council.

Mr G.M. Castrilli: That has been corrected.

Mr P. PAPALIA: I know the minister has corrected it, and I know people make mistakes—that occurs. But when I asked whether the minister was going to accept the zone council's panel as the source of future appointments, he refused to say whether he would. The minister said what he wanted was to reopen the

nomination process. I gave the minister the opportunity to withdraw from that statement and give an assurance to the state zone council that he would accept its panel in accordance with legislation. The minister said he would ask it to reopen the nomination process.

Mr G.M. Castrilli: That is what I am allowed to do.

Mr P. PAPALIA: The minister is allowed to do it and I am not criticising him for that, but what message does it convey? What picture does that action, along with all the other actions, albeit some of them might be small—some of them are not so small, there are some fairly significant pointers along the path since September last year when the minister came to office—paint? The rift between the minister and the people who represent the interests of the local government sector in Western Australia is opening wider and wider. This rift is becoming cavernous! Because the minister has shown an interest in interjecting, I will ask him to confirm right now that the accusation made by the Treasurer on Tuesday was false and that he should not have made it.

Mr G.M. Castrilli: He made some statements about some—I think it was advertising or something?

Mr P. PAPALIA: No, what he actually said, and this is the line —

Mr G.M. Castrilli: Some of the things he said were telling some truths.

Mr P. PAPALIA: What are the home truths? What are the home truths that the minister is referring to from yesterday?

Mr G.M. Castrilli: Keep going.

Mr P. PAPALIA: No, minister, this is the point! The minister claimed in his second reading speech that there has been extensive consultation with the Western Australian Local Government Association and Local Government Managers Australia. I know that the people in the minister's office who are responsible for liaising with the media of Western Australia and ensuring that the government has the opportunity to convey its message to the people of Western Australia via the media see their role as protecting the minister at all costs from any contact with the media. Beyond going to formal functions and reading speeches that have been prepared for the minister by his staff, and they are good staff who prepare good speeches, I do not see the minister in the media at all responding to the problems that he is creating. The minister is not reassuring people that their concerns are unfounded. The minister cannot say to me now, when I give him the opportunity in this place to tell me that he agrees that the Treasurer stepped over the mark, that he made a false allegation and he actually should apologise—I did not ask the minister to say that the Treasurer should apologise—for making the wrong statement. What the Treasurer said was false. Bill Mitchell has not been out in the public domain urging people to engage in civil disobedience. That is a fact. The Treasurer misled the house. That is a fact. The minister should have the courage or at least the honesty and the decency to say that because Mr Mitchell does not have the benefit of sitting in this place and being protected. Mr Mitchell does not have the ability to confront the Treasurer—the Treasurer gets to stand in this place and say whatever he wants. The minister knows what the Treasurer said is false and that he misled the house. As the minister responsible for the local government sector, as the person who should within cabinet be the one who cares most about the outcomes in the interests of the local government sector, and I must say also be trying to cultivate as good as possible a relationship with the representatives of that sector, the minister should stand in this place today and, or at least by way of interjection, say that the Treasurer got it wrong, that he misled the house and that it was a false allegation. On the contrary, Bill Mitchell has been in the media urging local governments not to engage in civil disobedience but the Treasurer, a significant figure in the government of Western Australia, has sought to cast aspersions upon his character and behaviour. It is unprofessional that the minister now sits quietly and meekly on the other side of the house and refuses to comment. He remains mute on this subject.

Mr G.M. Castrilli: I have relations with WALGA and I meet with local government as much as I can. WALGA is part of the steering committee and I work with it. WALGA has every right to represent its industry, as it does. WALGA is on the working group. I try to meet with as many local governments from all over Western Australia as I can. Therefore, I do not think I have a bad relationship with WALGA; I think it is a good relationship, we are working together and I will continue to do so.

Mr P. PAPALIA: Minister, all that is very nice and fluffy. All that consists of platitudes and, as I said before, the minister is becoming the duck-billed platitude of Western Australia! The minister cannot simply continue making platitudes and assume that is adequate. This is an opportunity for the minister to definitively state that there is a good relationship; not simply talk about how he is willing to meet with local governments and that he is conducting a voluntary process—do not keep saying that! It is not voluntary; it never has been and will not be until such time as the minister concedes that it was not a good statement to make. He will have some amalgamations but actually the real outcome of any reform process in the local government sector in Western Australia should have been sustainability. That should have been the real objective. The minister has completely derailed a collaborative consultation process that was well underway. The minister engaged in populist media

statements at the start of that process. He likes to take credit when it is given by people who provide superficial analyses by saying, "We've got 139 councils in Western Australia; compressing that right down would be really good." As I have asked the minister all along with this process, I challenge him to come up with a response to what is a good number. What is the right number? How many councils does the minister want to see at the end of this process? I know that local councils across the state have been asking the minister that very question.

Shadow cabinet visited Geraldton recently. Once again, the elected representatives of that council are no friends of the Labor Party. Nice gentlemen though they are, their loyalties clearly lie with the three blokes from the National Party. An interesting revelation was made at that meeting, in front of 15 or 16 witnesses, that at the time of the minister's initial pronouncement and commencement of this process, the council sought clarification. Councillors thought, like many people I guess, that maybe the minister had just got carried away in the heat of the moment and overstepped the mark with his statement in Exmouth. I know that is not true, because when the minister goes out to public forums, he always reads his speeches. I know that that speech was written down. It is not the speech that was delivered to the press that day, but I know that the statement contained the minister's real intention. Councillors cut the minister some slack because they wanted to think the best of him, I suppose. They sought some clarification by asking, "Does the minister really want to force amalgamations? Is it really amalgamations that he is after, or does he want to see the outcomes that we have been seeking as far as determining whether we are sustainable or not? If we can come up with proof that we're going to be sustainable, through resource-sharing, personnel-sharing, achieving consistencies across municipal boundaries, is that adequate?"

Mr C.J. Barnett: No.

Mr P. PAPALIA: Pardon, Premier?

Mr C.J. Barnett: I said no, in answer to the member's question.

Mr P. PAPALIA: What is adequate, Premier? I am trying to elicit responses because the minister will not answer!

Mr C.J. Barnett: I am not going to entertain anything. I make one comment: if anyone believes that 139 local authorities is sustainable, they have got to be joking. They have got to get real.

Mr D.A. Templeman: I agree with that.

Mr P. PAPALIA: The whole point is that is not what it is about. The outcome should be what is best for the ratepayers. Are we going to provide better efficiencies, better sustainability for local governments and better outcomes for business and industry across the state through the reform process?

Mr C.J. Barnett: The minister, quite properly, has put the ball in the court of local governments. They ran advertisements during the election campaign saying, "Vote for your candidate who supports sustainable local government." Why not, as the minister has done, say to local government, "Get on with it and tell us, because, right now, 139 is not sustainable."

Mr P. PAPALIA: Can I tell the Premier why? They have been engaged in a process —

Mr C.J. Barnett: For years and years and years.

Mr P. PAPALIA: I know that. I agree with the Premier, and I have said it publicly, that it should have been made to happen faster. Premier, there is \$400 million in the country local government slush fund that the Nationals are controlling. If you blokes in the Liberal Party had manipulated that a little more effectively, you might have achieved your outcomes a little faster than what is currently taking place and what was taking place before then! The former government did not have \$400 million to throw around to country local governments to encourage good behaviour. This government has not done that anyway. I must place on record that \$400 million is being dispersed around country Western Australia in a very irresponsible fashion. I am shocked that the Premier has endorsed that.

The ACTING SPEAKER (Ms L.L. Baker): Order, members! Can we not have the across-the-chamber scuttlebutt, please. Keep it with the member who has the call. Member for Wambro.

Mr P. PAPALIA: I am shocked that the Premier endorsed that irresponsible behaviour and that lack of financial probity in regard to the distribution of those funds. I know the Premier is a busy man and there is a lot to watch. Maybe he has not looked very closely at what is going on with that fund. I have looked at it.

I return to the theme that the Western Australian Local Government Association operates on behalf of its constituency. I have seen the submission. I did not get it from the minister—we gave up after many, many FOI

requests—but it fell into our laps. We got the submission that WALGA made to the Minister for Regional Development prior to the construct of that fund being determined. Obviously the member for Armadale has got other concerns about that document and parts of it that were ignored, but my key concern is that even WALGA, which was so enthusiastic and in raptures about this fund, was concerned that the money did not just get handballed out the door to anyone who wanted to take it; with the only requirement being that it be spent. What WALGA recommended was that councils be required to create and implement asset management plans.

I know that if the Premier had seen that recommendation, he would have been concerned that that recommendation was not implemented, in light of the Public Accounts Committee's report in 2006 entitled "Local Government Accountability in Western Australia", which identified 50 state councils do not even have an assets register. The Premier's entire career, undeniably, has been focused around arguing that he has good economic credentials. I would not contest that at all. I think that the Premier would be concerned, as I am, with the fact that that recommendation was not implemented. What we actually have at the moment is country local governments receiving significant amounts of money. They are spending it on the creation of assets without the necessity for them to prove that they are capable of managing those funds and assets through life management in regard to replacement in due course. There is no compulsion on them to have that basic fiscal probity imposed upon them. There is no requirement for them to prove that they are capable of doing that.

Minister, correct me if I am wrong: as part of the three per cent efficiency gains that were made within the department, did the minister not reduce funding to monitor local governments by 15 per cent from last financial year? He may not be right on top of that. Maybe his staff will provide the answer to that later on. My reading of it was that the government effectively reduced the money allocated to the Department of Local Government and Regional Development—which will shortly change its name—for monitoring local government compliance by 15 per cent.

That aside, there is ample money within the country local government fund to facilitate appropriate management of the allocation of that money and appropriate measures to determine that when we create an asset in country local government, we are not doing what cuckoos do in other birds' nests. The country local government fund strikes me as being a lot like a cuckoo landing in its nest. When a cuckoo lands in its nest and lays an egg, it thinks, "Wonderful—I've got another egg! I've got an extra egg. I've got a great outcome." Sadly, when the cuckoo hatches, it either kicks all the other chicks and eggs out of the nest or consumes all food that is provided by the parents into the future, which subsequently results in everything else dying. I fear that is what the country local government fund will achieve in the long run. That is what is happening out there. It does not need to happen. It is only happening because a basic tenet of management of funds distribution was not followed. There was no quid pro quo. It got the money but it did not have to do anything for it. There was no requirement for councils to prove they are capable of managing money in an effective and appropriate fashion. It is taxpayers' money. I am all for spending money in the regions—we have supported royalties for regions—but I have to say that the country local government fund is possibly the most obvious of a number of slush funds that have been allocated to the National Party that has only one objective—not better outcomes for the people in regional Western Australia but re-election of National Party members.

Sadly, the Treasurer has absolved himself of responsibility for the management of that money, as evidenced by some of his contributions this week. I know that the Minister for Local Government has also absolved himself of responsibility. During the estimates process, the minister allowed the opposition very little time to question him on behalf of the people of Western Australia about \$400 million of taxpayers' money over four years; far less time than any other government minister, and possibly every minister in memory. I cannot imagine ministers of the previous government allowing only one hour of scrutiny of all the portfolios for which they were responsible. The minister's website refers to \$500 million over five years; the amount is apparently growing. That aside, when I asked the minister—during the minuscule time available—about his role in this fund, he effectively conceded that his role was merely to tick the boxes and fill in the ledger. In fact, I asked him whether his role was merely to fill in the ledger for the country local government fund, and he said yes. I said, "So all you are is a bookkeeper," and he said, "Yes, absolutely". That is in *Hansard*. The minister conceded that he has absolved himself of responsibility for managing the \$400 million allocated to his portfolio. He believes and trusts entirely in the professionalism, goodwill and responsibility of the National Party, particularly the Leader of the National Party, in his role as Minister for Regional Development.

In light of what has happened over the past couple of weeks, my estimation of the integrity, professionalism and responsibility of the Leader of the National Party, the Minister for Regional Development, has plummeted. I suggest that I am not Robinson Crusoe in that respect. Many people are shaking their heads, wondering what is going on and asking, "What have we done? What has the Premier done to us by hooking up with this bunch of cowboys?" The Minister for Regional Development's response to this morning's censure motion was completely inadequate. Over the past three days he has adopted three different stances. The inability of the Minister for Regional Development to appreciate the inappropriateness of his behaviour and to acknowledge that fact and

apologise to a respected public servant from another minister's department for his actions speaks volumes about his integrity, responsibility and trustworthiness.

The Minister for Local Government also has a responsibility, but he thinks he is just a bookkeeper and that his only role is to tick boxes as an accountant for the local government fund and confirm that money has gone out the door. The people of Western Australia are watching, although I am sometimes exasperated at how little media commentary there is on the Liberal-National government's ministerial incompetence and ineptitude. Maybe it is because it is so common that it is no longer considered newsworthy. However, people are watching and gradually accruing a sense of concern. The level of concern on this side of the house and out in the community is growing, and a great deal of that concern can be sheeted home to the actions, performance and lack of accountability of the National Party, and particularly the Leader of the National Party, the Minister for Regional Development.

Invariably, inevitably and absolutely correctly, part of the concern and anger that will arise in the long-term, when the current government comes undone, will be focused on the Minister for Local Government. He is a minister of the Crown and has responsibility for standing up on behalf of taxpayers to ensure that their money is spent in an appropriate fashion, that appropriate levels of management are applied, and that the state enjoys the outcomes that it should enjoy from the expenditure of \$400 million of taxpayers' money.

The local government sector has been undeniably thrown into disarray at least since February. I suggest that it started a little earlier than that. Soon after the Liberal-National government took office, I was in Fremantle with the Minister for Local Government at the annual general meeting of the Western Australian branch of Local Government Managers Australia. The minister was given the opportunity to speak and he read a speech that had been well prepared by his department. He made a very clear and forceful statement about the then mayor of Cockburn and what actions should be taken as a result of the findings of the Corruption and Crime Commission. I endorsed the minister wholeheartedly and encouraged him to go for it; I said, "More power to your arm," when he suggested that the mayor of Cockburn should resign. I said that although the minister was limited in his ability to take action, he should perhaps threaten to sack the entire council to achieve that outcome, and that he would have the support of the opposition in doing so.

A week and a half of dithering followed, and the minister subsequently decided he would seek some breathing space by waiting for the parliamentary inspector to provide a report in response to a request from Mr Lee. That bought him three months during which time he did not have to face the cameras. He then came out after three and a half months of dithering and finally took the action that he could have taken on day one with my wholehearted support and the endorsement and encouragement of the opposition. The outcome was exactly the same as it would have been had the minister done the same thing on day one.

The fact that the minister was willing to take that course of action, to avoid direct action, to procrastinate, dither and blunder around without providing any insight into what he wanted to achieve rang alarm bells for me. Nothing has changed since then; matters have snowballed and there has been one blunder after another, all the way down the hill, until we find ourselves on the cusp of a precipice. The precipice is the chasm between the minister, the Western Australian Local Government Association and Local Government Managers Australia. A cavernous gap has opened up between the minister and the people whose role it is to represent the interests of the local government sector of Western Australia, and the minister is unfairly and inappropriately attacking them for it.

Not only that—minister, do not make me laugh! I look at the police minister's face and I cannot help laughing! It is unavoidable!

Mr R.F. Johnson: It's a very jolly face, I know!

Mr P. PAPALIA: I return to the Minister for Local Government; I will get off the subject of the Minister for Police! I have to finish this because I have another appointment!

The minister has refused to meet with the local government sector and has put up every possible hurdle to achieving some sort of formal get-together. He has avoided that at all costs. Perhaps it is his chief of staff; I know that he is a big bloke who pushes people around, and he is a big character. I know that people all over the state have complained about him and have suggested that he is actually steering the minister with his hand up his back—I know that it may be that. I ask the minister, on behalf of the local government sector of Western Australia, to please find the courage to overcome his chief of staff and tell him that it is time that the minister re-established links with the local government sector. The minister's attitude of the past few months is starting to spread. At the outset in February, there was concern amongst the minister's colleagues and backbenchers in the Liberal Party about his stance on forcing amalgamations. I know that many of them were unhappy. It seems that that unhappiness has diminished somehow, or perhaps their influence has diminished, and the minister has gone to his buddy the member for Vasse, the bullyboy from Busselton, and got him to come into this place and, on the

minister's behalf, attack the president of the Western Australian Local Government Association. I ask that the minister have the courage to stand and tell the house, so that it is recorded in *Hansard*, that the Treasurer was wrong, made a false allegation and misled the house and to ask the Treasurer to apologise to the president of WALGA, who was only doing his job in representing his constituents. The opposition will not oppose this bill. But in light of the fact that the minister has made what can only be considered another false allegation—that is, that there has been extensive consultation with WALGA and Local Government Managers Australia—we will go through this bill —

Mr R.F. Johnson: It was your bill.

Mr P. PAPALIA: No, it has been changed. We will go through this bill with a fine toothcomb. On behalf of the taxpayers of Western Australia and the local government sector in Western Australia, we will demand that the minister go through consideration in detail, and other members will assist me in that process. I will now hand over to the member for Gosnells, who is one of those members.

MR C.J. TALLENTIRE (Gosnells) [12.30 pm]: As has just been said, the Local Government Amendment Bill effectively was presented to the last Parliament. There have been some amendments. My comments will be principally about the extraction of gravel from private property, which is a power of local government, and the differential rating system, as well as a few other matters. Before I go into the issue of local governments' entitlement to extract gravel, I will comment on a media release put out today by the Minister for Environment. The media release relates to the issue of where local government can source basic raw materials for its various construction projects. It also highlights the interplay between the role of local government and local government, planning and environmental legislation. There is always a coming together of those issues in any of these types of matters. The Minister for Environment, Hon Donna Faragher, announced today the expenditure of \$1.9 million for the construction of river walls, as our river walls are deteriorating rapidly. The media release refers to Mounts Bay Road and improvements that are necessary in that area; indeed, urgent repairs are required. The sourcing of those materials comes under the auspices of this legislation. However, the media release highlights the need for repairs to be conducted. Similarly, the local government authority in South Perth is having to expend large amounts of money to repair and construct river walls along the South Perth foreshore, all because the situation has been exacerbated by climate change. Storms come through, and there has been a slight rise in the frequency and intensity of storms, and therefore greater wash comes on to the bike path and then on to the freeway. Clearly, we have to look at the source of the problem and not just treat the symptoms. The expenditure of \$1.9 million is a sign of the sort of expenditure that will need to be engaged to tackle problems associated with climate change. There will be many more cases like this one, in which money will need to be expended in adapting to a new climate scenario. I am just foreshadowing the sort of expenditure that will be required in the future.

The bill refers to the ability of local governments to go onto private property and source gravel for the construction of roads. It has previously been the case that if a landholder claimed that the land was pasture and was used for grazing purposes, the landholder could refuse the local government the right to take the gravel. Members can understand that some landholders would be concerned if they were to find that part of their property—I am talking principally about rural properties—was to become a gravel quarry. They would have cause for concern. There are many cases in this state in which local governments and others have sourced gravel from land and have made an absolute mess of that land. The rehabilitation work that was promised simply has not occurred. There are lots of areas, especially in the outer metropolitan region, where ugly scars can be seen. I am sure the member for Swan Hills would be aware of examples of ugly scars in his beautiful part of the state caused by poor gravel extraction and the failure to properly rehabilitate the land.

Mr A.J. Simpson: Where do you get the gravel from?

Mr C.J. TALLENTIRE: Where do we get the gravel from? Yes, it seems that gravel needs to be sourced for road construction. I think in Western Australia we have been inclined to imagine that we must have gravel. I compliment Main Roads Western Australia for some recent work it has done on the new Perth-Bunbury highway. It looked at the issue of sourcing material that was destined to go to inert landfill and using it as the base material for the construction of the highway. That was done as part of a trial. I do not think the whole of the new Perth-Bunbury highway has been constructed on this sort of recycled material, but it is certainly something that all members of this house would be keen to know about. I certainly congratulate Main Roads for taking that initiative. I know that Mr Tony Missikos and his colleagues were particularly innovative in ensuring that this happened. It is good to see those sorts of initiatives. We do not have to feel that we must source gravel every time we want to construct a road. But there are many parts of the state in which gravel is the only feasible economic option. I am particularly pleased to see in this legislation that we are moving away from the idea that the easiest place from which to get gravel in a country region is a piece of native bushland, because it does not have an annual rate of return, and that we can just knock it over, rip out some gravel and then leave a scar on the

land for future generations to deal with. This legislation will improve the situation to some extent, but I am concerned about the push towards sourcing gravel from pasture land. We must ensure that there are requirements for the pasture land to be properly rehabilitated. We definitely have the technology to do this; it is fairly straightforward. It is a simple matter of collecting the topsoil and then respreading that topsoil. The key point is that it be done in a timely manner.

It is one thing to source gravel from pasture land, but the suggestion at the moment is that we cannot source gravel from cropping land. If someone has a grain crop—wheat, oats, barley or whatever—on cropping land, gravel cannot be sourced from that land, even though in many cases the annual return from a hectare of land under pasture can be higher than the annual return from a hectare of land under crop. There is an inconsistency there, and I think a very simple amendment could be made to this bill to allow for gravel to be sourced not only from areas of pasture, with the caveats that I outlined earlier, but also from areas under crop. Again, I emphasise that there would be a requirement to rehabilitate land that is part of a cropping cycle. There would also be an opportunity to somehow compensate a landholder for the loss of revenue from a wheat crop on a couple of hectares of land. That would not be costly. That stream of revenue might indeed be welcomed by the landholder; it could be far more reliable than the return on investment in the very precarious business of growing crops. I emphasise how important it is that we move on from the idea of sourcing gravel from native vegetation areas. It needs to be borne in mind that road reserves are often the other soft option that road builders are a little too tempted towards. We must ensure that they do not just go to the road reserve instead of negotiating with a private landholder. About 50 per cent of our declared rare flora species can be found on road verges. There is therefore a real preciousness about those road verges.

I am sure many members of the house have had the opportunity of flying over the state at different times. It is quite striking to look down from an aircraft window, especially in the wheatbelt region, and see that the only bits of native vegetation remaining are these corridors of vegetation along the road verges. There are some examples of past governments having recognised the importance of road verges. I think Sir David Brand recognised when he was Premier in the 1960s that along Brand Highway, for example, there had to be a minimum 40-metre wide verge after allowing for the essential transport infrastructure. That provided a means of preserving the native vegetation in the area. There are many benefits that go with preserving native vegetation. From a scientific perspective it is particularly useful as there is a transect that goes through a series of landscapes and provides an opportunity to go back and see the ecosystems that were in place before the mass clearing that enabled the practice of agriculture in many areas. Also it must not be forgotten that those road verges with their vegetation can be used as a source of seed for essential revegetation work that needs to be done to counter the problems of salinity. They can also be used for sheltering livestock on properties as well so that animals can gain shelter when storms go through the area. The importance of roadside conservation, therefore, must never be underestimated. I support aspects of the bill when it comes to increasingly pushing people towards sourcing gravel from areas where a minimum amount of damage is done.

I want to move on to another aspect of this bill that relates to the rate differentials. Also clause 20, which seeks to insert new section 5.11A into the Local Government Act, refers to the power of local governments to appoint persons as deputy members of local government committees. To me that sounds like a good thing. It made me think about the Gingin coastal structure plan and some comments I made in the house last week and some comments that were made during question time this week about a proposed development at Moore River. The Minister for Planning said that in his view the development was the subject of legal proceedings. It was a decision that the WA Planning Commission ruled on that went to the State Administrative Tribunal; the developers, or proponents, did not like the decision of the State Administrative Tribunal, so they took the problem to the Supreme Court. For one reason or another, the proceedings have been languishing in the Supreme Court, I suspect because of the developers' inability to provide additional information to support their case. The Minister for Planning claimed that he has been a sort of a circuit-breaker and has managed to solve things. However, he has admitted that he has been lobbied by the proponents. From his response to a parliamentary question on notice from the member for Rockingham, we know that since 23 September 2008 the Minister for Planning has received representations from a lobbyist known as Mr Chris Codrington on behalf of Mr Marcus Plunkett. Mr Plunkett is, I understand, the owner of a substantial landholding at Moore River and is very keen to develop land.

Point of Order

Dr M.D. NAHAN: I understand this is the Local Government Amendment Bill. I do not know what gravel and planning have to do with this. It is irrelevant. Poor Mr Plunkett!

The ACTING SPEAKER (Ms L.L. Baker): I remind the member for Gosnells to keep on the subject at hand, please, which is the debate on the Local Government Amendment Bill 2009.

Debate Resumed

Mr C.J. TALLENTIRE: Thank you, Madam Acting Speaker. This issue is directly related to the bill, as it relates to the differential rating system referred to in the bill. There is, of course, a desire among landholders to have the rates that they pay differentiated depending on the form of land use in which they are engaged. Presently, the landholding in question is being used for cattle grazing. To some extent the minister was right to correct me on this. I described all of the land as pristine, but I think there are areas that have been significantly degraded because of landholders allowing cattle grazing all over the block. Had this rating differential system been in place, perhaps the landholders could have been encouraged to ensure that the natural values of the block were not degraded. Landholders do see holding land for the purposes of conservation as a disincentive when they have to pay rates of a significant level. It does discourage people.

The minister said that this proposal was in line with the Gingin coastal structure plan. It is nothing of the sort. There is also a view that the Guilderton and Moore River inland areas would be better serviced if this development went ahead.

Point of Order

Mr A.P. JACOB: I think the member is straying from the bill again here, quite substantially.

The ACTING SPEAKER: I remind the member for Gosnells that the differential rating system is part of this Local Government Amendment Bill. I am struggling a little to relate the topic to his speech and I ask him to keep his speech in line with the Local Government Amendment Bill 2009.

Debate Resumed

Mr C.J. TALLENTIRE: Thank you, Madam Acting Speaker. The differential rating system is at the core of this proposal.

Mr G.M. Castrilli: What clause are you on?

Mr C.J. TALLENTIRE: The differential rating system is referred to in, I think, clause 22—no, I am sorry.

Mr A.P. Jacob: Clause 39.

Mr C.J. TALLENTIRE: Clause 39; I thank the member for Ocean Reef. It is at the heart of the interplay between local government, this bill and the planning process. If we do not get the planning right in this area of Moore River, a development will be constructed south of Moore River where there is presently no development at all. That will need masses of public infrastructure put in to sustain it, as it is unlikely that the developer will be willing to pay for the infrastructure to be built. There is therefore every reason for us to have concerns about how a differential rating system could be misused or not used sufficiently and would encourage the developer towards the right set of decisions. Indeed it is quite possible that if the differential rating system had been in place already, the developer would not be pushing ahead with this ludicrous development in an area of substantial environmental significance—an area that is well ahead of the urban boundaries as they stand at the moment—and we could avoid the huge impost on our society of providing infrastructure. It also needs to be noted that there will be the need to construct a bridge across Moore River to the main part of the town. Therefore, a differential rating system could encourage people towards the right sort of land-use practices rather than abusing pristine land with cattle grazing that is not economically viable in this part of the world and certainly damaging to the environment. That is a reason for serious concern about this legislation. I know the Minister for Planning will continue to raise this matter; I dare say it will be an ongoing point of discussion when it comes to this bill. However, when I take my weekly cycle ride through the Minister for Planning's electorate of Kalamunda and stop at Le Paris-Brest Café, I will certainly raise my concerns with the minister's constituents. I think many people are concerned about the minister's proposal and what it will do to that very special part of the world, Moore River.

Debate interrupted, pursuant to standing orders.

[Continued on page 5283.]