

Hon Sue Ellery; Deputy President; Hon Michael Mischin; Hon Stephen Dawson; Hon Helen Morton; Hon Ken Travers; Hon ken travers; Hon Robin Chapple; Hon Ljiljana Ravlich; Hon Simon O'Brien

LOCAL GOVERNMENT AMENDMENT BILL 2013

Second Reading

Resumed from 26 February.

HON SUE ELLERY (South Metropolitan — Leader of the Opposition) [12.32 pm]: Members will recall that when we left the debate last night I had been making the point that we find ourselves in an extraordinary situation in that the bill before us goes in part to a process of achieving serious structural change to local government, but it is completely silent on the issues raging in the community right now as people are dealing with the way the government has chosen to implement this change. The fact that the bill is silent on that issue, I think, puts us, as a group of legislators, in a really interesting position. Although the bill before us goes, in fact, to schedule 2.1, within which sit the Dadour provisions, we have the opportunity, if we choose to take it, to do something through this bill to try to make sure that we are addressing the concerns that are being expressed all around us, but in particular, from my point of view, within the South Metropolitan Region. The Local Government Act 1995 contains certain provisions that go to people's capacity to call for a poll. The second reading speech to this amendment bill tells us that the government is opposed to the policy of those provisions, but the bill itself is silent, so it is a quandary that we find ourselves in.

Before I go much further, I commenced my opening remarks yesterday by making reference to what I described as the Premier and the government having changed their position on the process, I think, about eleventy million times. The minister questioned my use of the word "eleventy".

Hon Helen Morton: It's a real word, is it?

Hon SUE ELLERY: As it turns out, minister. I was provided with some very helpful advice that I should have known because I am married to someone who loves the Tolkien trilogy—those books—and the movies. We have to deal with them ad nauseam, and I should have known that that is where I picked this up from. It turns out that that expression, "eleventy", appears in *The Fellowship of the Ring*, book 1, chapter 1, by J.R.R. Tolkien. I have the whole of chapter 1 here with me. Would members like me to read the whole chapter?

Several members interjected.

Hon SUE ELLERY: I will not read the whole chapter. I know members are insisting that I do so, but I will not. However, I will give members a little bit, to give them the context. This chapter is headed "A Long-expected Party" and states —

When Mr. Bilbo Baggins of Bag End announced that he would shortly be celebrating his eleventy-first birthday with a party of special magnificence, there was much talk and excitement in Hobbiton.

Bilbo was very rich and very peculiar, and had been the wonder of the Shire for sixty years, —

So we know it is more than 60 —

ever since his remarkable disappearance and unexpected return. The riches he had brought back from his travels had now become a local legend, and it was popularly believed, whatever the old folk might say, that the Hill at Bag End was full of tunnels stuffed with treasure. And if that was not enough for fame, there was also his prolonged vigour to marvel at. Time wore on, but it seemed to have little effect on Mr. Baggins. At ninety —

So eleventy-one is more than 90 —

he was much the same as at fifty. At ninety-nine they began to call him well-preserved, but unchanged would have been nearer the mark. There were some that shook their heads and thought this was too much of a good thing; it seemed unfair that anyone should possess (apparently) perpetual youth as well as (reputedly) inexhaustible wealth.

‘It will have to be paid for,’ they said. ‘It isn't natural, and trouble will come of it!’

But so far trouble had not come; and as Mr. Baggins was generous with his money, most people were willing to forgive him his oddities and his good fortune. He remained on visiting terms with his relatives (except, of course, the Sackville-Bagginses), and he had many devoted admirers among the hobbits of poor and unimportant families. But he had no close friends, until some of his younger cousins began to grow up.

The eldest of these, and Bilbo's favourite, was young Frodo Baggins. When Bilbo was ninety-nine, he adopted Frodo as his heir, and brought him to live at Bag End; and the hopes of the Sackville-Bagginses were finally dashed. Bilbo and Frodo happened to have the same birthday, September 22nd. ‘You had

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better come and live here, Frodo my lad,' said Bilbo one day; 'and then we can celebrate our birthday-parties comfortably together.' At that time Frodo was still in his tweens, as the hobbits called the irresponsible twenties between childhood and coming of age at thirty-three.

Twelve more years passed.

Are members keeping up? He was 99 —

Each year the Bagginses had given very lively combined birthday-parties at Bag End; but now it was understood that something quite exceptional was being planned for that autumn. Bilbo was going to be eleventy-one, 111, a rather curious number and a very respectable age for a hobbit (the Old Took himself had only reached 130); and Frodo was going to be thirty-three, 33) an important number: the date of his 'coming of age'.

So, minister and members, that is where eleventy-one comes from, and I used it —

Hon Paul Brown: And we all live happily ever after.

Hon SUE ELLERY: I would have to read the whole book, which I could do because I have unlimited time, but I will not. I referred to eleventy million, so I am talking about 111 million.

I will go on to more serious things. I had gone through the provisions that are set out in schedule 2.1. There is one other area that I want to correct for the record. In walking through the mechanisms set out in schedule 2.1 about how the Local Government Advisory Board will consider proposals put before it, conduct a formal inquiry and then make recommendations to the minister, I said that after the advisory board has conducted its formal inquiry and received and considered submissions, the board is required to prepare a report to the minister. In that report, the board is to recommend that the minister reject the proposal or that the minister make an order in accordance with the board's proposal or that the minister, having considered all things that the board has put before him or her, make some other order. The advisory board cannot recommend to the minister the making of an order that is significantly different from the proposal into which the board had originally looked, unless the board again gives notice to the people who will be affected by that proposal and has afforded them the opportunity to make further submissions.

Further, during my comments, we had an exchange across the chamber about my view that the assertion by some in the chamber that they had secured by way of negotiations with the minister some degree of independence needed to be reflected on. The point I was making was that the minister is not bound to accept the advice of the Local Government Advisory Board. I think it was the Minister for Mental Health who interjected and said, "Yes, but he cannot vary too far from the original proposition." In fact, the act does not state anything about that in regard to the minister; it states that the Local Government Advisory Board cannot make a recommendation to the minister that is too far from what was originally put before it.

Hon Helen Morton: I was interjecting on a comment you made where you said that the minister can do something completely different.

Hon SUE ELLERY: Which he can. There are specified provisions in the act that state that the Local Government Advisory Board, in its advice to the minister, cannot vary too far from what has been put before it, but I was unable to find anything in the act.

Hon Helen Morton: Other than the act saying that he can only accept or reject.

Hon SUE ELLERY: Yes.

Hon Helen Morton: He can't go and then dream up something different without going back to the LGAB.

Hon SUE ELLERY: He can keep going back to the LGAB and keep saying, "I want you to consider something different; I want you to consider something different." The minister can keep doing that forever and a day. The point I was making was that the function of the advisory board is an advisory one; it is not to make the decisions. Therefore, changing the membership of the advisory board, which may influence the flavour of the advice, will not influence the decision. That is the point. If one is thinking and telling constituents that the things that have been negotiated will result in the minister being unable to accept that the advisory board will be making decisions, one would be wrong because the advisory board does not make the decisions and the minister does not have to accept the advice. That is the point I was clumsily trying to make.

That is where I got to last night. I also took members to the unsatisfactory explanation given by the minister about why the government's position is now to prefer boundary adjustments. It is perfectly clear and the point has been made by many, including other members for South Metropolitan Region, that the purpose of preferring boundary adjustments is to avoid triggering the Dadour provisions. When the minister was given the opportunity

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to spell out any other reasons he may prefer boundary adjustments, he was not able to do so. At the launch of the toolkit earlier this month, the minister, I think, titillated the audience by suggesting that he would explain why he preferred boundary adjustments, but the explanation he provided was less than satisfactory. He said —

- Some people have asked why I prefer boundary adjustments. For both outcomes—an amalgamation or a boundary adjustment—Mayors, Shire Presidents and Councillors of all councils can stay in the job until 1 July next year.
- But a boundary adjustment allows for a smoother transition. At least one of the councils will continue. So there is no need for new bank accounts, ABN numbers or GST registration.
- So how was the continuing council chosen? We took account of the local government least affected by boundary changes, the location of activity centres and how best to ensure the ongoing provision of good government to the community.

I do not accept that he provided any evidence in that speech that demonstrates why boundary adjustments are better. Where is the evidence that states that the only measures of a smooth transition are bank accounts, ABN numbers and GST registration? They are not the only measures; all sorts of other things are involved in a smooth transition. He did not address any of those. About how the continuing council will be chosen, the minister said, “We took account of the local government least affected by boundary changes.” In the case of the Town of Victoria Park and the City of South Perth and the boundary change that would excise Burswood peninsula, it is absolute nonsense to suggest that the City of South Perth and the Town of Victoria Park are not the most affected by that change. They are the most affected because they will effectively lose 14 per cent of the revenue that the new combined City of South Perth and Town of Victoria Park would have. It is patently not the case that, “We took account of the local government least affected by boundary changes.” The location of activity centres: what is on Burswood peninsula if not an activity centre?

[Quorum formed.]

Hon SUE ELLERY: When the minister gave himself the opportunity to explain why he prefers boundary adjustments over amalgamations, I do not think he took advantage of the opportunity presented. That was his chance to spell out and make clear to everybody that his decision about boundary adjustments versus amalgamations was anything more than a cynical bit of trickery to get around the Dadour provisions. That is what happened; it was his opportunity to give an explanation to all the metropolitan local government authorities in the room on that day, but he just let it slide. What is astonishing about that is not that that is what he said but that that is the speech that has been put on the Department of Local Government and Communities’ website. There is an opportunity with that website for the government to spell out the reasons it has taken the position it has. Other than putting two phrases in bold type, it did not take the opportunity to demonstrate that this was something more than a cynical political exercise, but, basically, that is what happened.

The other thing I did was set out the six or seven criteria that the advisory board has said it applies when it considers proposals before it and determines what it should do. The criteria go to things such as the topographic and geographic characteristics, the demographics, the community of interest and more on a list that I went through. I had started to make the point that when we apply those criteria to the proposals that the Local Government Advisory Board, as it is currently constructed, is thinking about right now, we cannot accept the government’s position. The Local Government Advisory Board could not accept the minister’s submissions for a range of those boundary adjustments because they do not meet those tests. Will the Local Government Advisory Board advise the minister that his own submissions do not meet those tests? I certainly hope that will be the case. Who knows how that advisory board will be constructed when it has to do that work? As I have made the point already, this is a live issue; it is happening as I speak.

I turn now to three areas within the South Metropolitan Region because, to date, I have been pleased to hear the speeches from my colleagues in the South Metropolitan Region. I am perhaps a little disappointed that a couple of them clearly indicated that, regardless of the astonishing level of concern within the South Metropolitan Region, they feel that they do not have the capacity to deliver the outcomes those constituents want. At a further point of consideration of this bill, I will ask them to think about whether there is an opportunity for us to do something about that, because, to me, it is crazy that we do not take the opportunity to do something with the bill before us, which goes to schedule 2.1 in part, to give effect to the concerns being expressed, particularly in the South Metropolitan Region. Although I accept the proposition put by Hon Simon O’Brien, for example, that he no longer sits around the cabinet table and cannot exercise any influence that way, and that he is not a member of the Local Government Advisory Board and does not seek to be, so he cannot influence the outcome that way, he is a legislator considering the bill, which goes in part to schedule 2.1; therefore, I think that he will have the

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opportunity to consider whether he can do something to the bill to achieve the outcome that the citizens of South Metropolitan Region are requesting.

The second reading speech states that the minister does not support the existing policy of the act. Parliament is being asked to pass legislation that goes to the very schedule that the minister has said he does not agree with. If we accept that we have no capacity to influence, we are choosing to close our eyes and block our ears to what I think is brazen trickery in telling the board, "I would like you to circumvent the law by considering abolition by boundary change, rather than by amalgamation." I tried to think of another piece of legislation in which the issue at the heart of it was live in the community at the same time, and which created the same degree of controversy. Lots of legislation in my 13 years in this place has been controversial. Not all of it has been live in the community. With a lot of legislation, one side or t'other might have argued that the government was not following the letter of the law. But I cannot think of one piece of legislation involving all those circumstances and, in addition, the minister stating in his second reading speech that he does not support the policy of the existing act and at the same time introduces a bill that does nothing to give effect to what he says is the government's position. I am unable to think of another set of circumstances in which that has happened.

In the South Metropolitan Region we are being asked what we can do to effect the change that the government wants. I made my declaration of interest at the beginning of my comments. I am a ratepayer in the Town of Victoria Park. My electorate office is within the City of Canning, so I am subject to lots of conversations about this bill. I have more recently received the same large number of emails from residents of the City of Cockburn. I also had a conversation with Mayor Logan Howlett a couple of weeks ago about that city's point of view. Those are the pressure points. I think Hon Simon O'Brien made the point that once we start to tweak, there are flow-on effects, so any adjustments we make at the top end—the Town of Victoria Park and the City of South Perth—flow on further down the path.

I want to take up a point that I think Hon Phil Edman made, and the Premier has certainly made this point. Some suggestions have been made that people on this side of the house are not supportive of local government reform. I certainly am, but in the South Metropolitan Region, arguably, in terms of size, rateable base, revenue and demographics, we could mount an argument about three local governments: the Town of East Fremantle, the City of South Perth and the Town of Victoria Park. I will put that to one side because the City of South Perth and the Town of Victoria Park agreed nearly a year ago that they would work together to amalgamate. They were quite happy to do that after going through a process. If we assume they are quite happy with that—the residents I have spoken to in the Town of Victoria Park, including me, are quite happy about that—that leaves only the Town of East Fremantle, which is arguably not large enough to be sustainable into the future. The South Metropolitan Region is not a hotspot of local governments that need significant structural change. It seems to me that the question is whether the western suburbs and arguably—the Premier has made this point and he may be right—the wheatbelt have the capacity to be sustainable into the future. If that is where the hotspots are, why are we focusing all our attention on and causing so much consternation about the South Metropolitan Region? The councils in the South Metropolitan Region—Kwinana, Cockburn, Melville and Fremantle—are all large and entirely sustainable local governments providing really good services. From time to time, constituents argue that service X could be better from council Y and that sort of thing, but I do not think anyone can put their hand on their heart and say that those councils are not a reasonable size and cannot provide sustainable service levels into the future. They are. They might use different models and combinations of delivering those services, but they are all doing really well. People are now feeling an enormous amount of consternation, betrayal and fear that they will lose services and their sense of community because we are trying to address a problem in the wheatbelt and the western suburbs. Really? Is it worth the pain we are causing in places such as the South Metropolitan Region? I think we will get an outcome eventually. We have version eleventy-nine. We have gone from the G7 to the G5. I think that is a good outcome. If Subiaco merges where it wants to merge, I think we are heading in the right direction in the western suburbs. Of course, someone has promised not to even look at the wheatbelt, so why are we causing all this consternation in the South Metropolitan Region, which has, overwhelmingly, a majority of large, entirely economically sustainable local government authorities that provide entirely appropriate service levels? I do not understand why we are doing that instead of being real and saying that we want to fix the western suburbs and a few other little areas such as East Fremantle and the wheatbelt. Why are we not doing that? That is where the issue is.

That brings us back to politics. There are two bits of politics happening here. There is the trickery about the boundary adjustments versus amalgamations—that is, let us shut our eyes and pretend it's not happening in the western suburbs and the wheatbelt. That is straight up and down politics and that is why when the minister stood and made his speech at his toolkit launch, he could not articulate an argument about why he supported boundary adjustments. He could not argue why the structural change has to happen in the order in which it is happening.

Sitting suspended from 1.00 to 2.00 pm

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The DEPUTY PRESIDENT (Hon Brian Ellis): Before we return to orders of the day, I take this opportunity to welcome to the public gallery students from Kennedy Baptist College. I hope they enjoy their tour of Parliament this afternoon and, consequently, I hope that all members are on their best behaviour!

Hon SUE ELLERY: Mr Deputy President, as you are well aware we are always on our best behaviour! I, too, welcome the students. I am sorry that they have missed out on the best bit; I was previously reading from *The Hobbit*.

Before we broke for lunch, I made the point that we are trying to use a sledgehammer to crack a walnut and that in the South Metropolitan Region there is arguably an issue with the size and sustainability of the Town of East Fremantle, but that that argument cannot be applied to any other area in the south metropolitan area. Arguably, it could have been applied to the Town of Victoria Park and the City of South Perth, but they have agreed to amalgamate, which will mean that that area is governed by an appropriately sustainable and right-sized local government authority.

If the real issue is in the western suburbs and the wheatbelt—the Premier has also articulated this—why are we not concentrating on those areas? Why are we causing all this angst and consternation, particularly in the South Metropolitan Region? Why do we not fix the problem? Instead, we are going through this extraordinary and convoluted and “changing eleventy times–type” process, which does not reflect well on anyone, least of all the government.

I referred to the minister’s speech in February about why he was supporting boundary adjustments rather than amalgamations. He explained to the councils present that day that there would be a period from 1 July to October, when the local government elections are held, in which the council that the government has determined is the least affected by the proposed boundary changes will take over the decision-making and running of the councils that, by that stage, have effectively been abolished. That has caused a degree of angst as well. Masses of assets have to be managed and decisions have to be made. Councils have a real concern and fear that they will be abolished as a result of the boundary adjustments and that those four months is an unfair advantage for the sitting elected officers of the council that effectively takes over the other council because they can make whatever decisions they deem fit for an area that has no representation. In effect, financial decisions will be made about an area that has no elected representation, because the elections will not happen for another four months. For a government whose openly declared position is that the poll provisions are not democratic, how democratic is it and what principles of democracy is the government espousing if it is opposed to poll provisions, but supportive of recommending and hoping to implement a four-month situation during which time decisions will be made about expenditure in areas that have no elected representation at all? It is an extraordinary and galling proposition for the councils that stand to be disadvantaged by the proposal.

I will touch on one of the comments made last night by another member for South Metropolitan Region, Hon Simon O’Brien. He expressed the point of view that this issue is not an election changer. He may well be right about that. I do not know whether enough votes will be swung by this issue. Plenty of other issues are election changers, with funding cuts to schools being one of them. I do not want to be dismissive, but I do note the number of emails that I have received from people about this issue who have written that they voted Liberal, but will not do so again. Although it might not be an election changer, it adds to the narrative, but not in a good way. The narrative that comes out of this in the electorate from those people who are concerned about what this change is doing is that the government is not being honest because of the way it is trying to get around the poll provisions; the government cannot be trusted to implement policy in any methodical, sensible and consistent fashion; the government is all over the shop; and the government is arrogant because it thinks people cannot see through the trickery of relying on boundary adjustments rather than putting itself to the test by amalgamating councils and using the Dadour provisions. Hon Simon O’Brien might be right about it not being an election changer; however, it adds to the narrative of what people think about the government, and it is not positive.

Hon Simon O’Brien also made the point that this bill is silent on the question of the Dadour provisions. However, the second reading speech is not. The provisions that we are amending with this bill are in the same part of the bill as the Dadour provisions. We need to fix this bill to preserve the policy integrity of the act. Hon Simon O’Brien also made the point that forums were not available to him because circumstances had changed and he was unable to influence the outcome of what he described as an illogical carve-up. However, we have a couple of options—I will get to them later—while the bill is before us in the course of its passage through this place. I hope he and others will take the opportunity to reflect on how they might consider those options.

I will turn to three councils in the South Metropolitan Region. I noted that on radio this morning the Minister for Local Government said that only two government members have spoken up against this. I am not sure that that is entirely accurate. The member for South Perth has expressed considerable concern about what is being proposed for part of his electorate. He said that his local council had been earmarked for amalgamation with the Town of

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Victoria Park and that he was concerned about what the benefits of that would be. More than that, he was deeply concerned about the proposition under the boundary changes that Crown Perth Casino would be moved to the City of Perth. He said that his constituents have talked to him at length about what that will mean. He set out the loss in rate revenue that he understands that will mean. He said that on current values the loss of revenue will be \$3 million a year.

Hon Simon O'Brien touched on the proposition of compensation for the government redrawing the boundaries so that an additional 7 000 rooftops from Bentley will be included in the new proposed local government authority that will constitute whatever will be the new City of South Perth–Town of Victoria Park. He made the point that the need for services in Bentley will outweigh the additional revenue, as it is an area that needs a lot of services. The City of Canning had a major investment plan prepared for that area. That is on hold now and is not going to proceed. I think Commissioner Reynolds told me that the Brownlie Towers proposal was a \$3 million investment, but it might be more.

Hon Helen Morton: How does every other council that doesn't have a casino in it get on?

Hon SUE ELLERY: They have developed their budgets based on their income. Rip out part of their income and they will be in exactly the same position in which the minister has put the new proposed City of South Perth–Town of Victoria Park. They will be in exactly the same position if part of their revenue is ripped out.

Hon Helen Morton: The City of Armadale doesn't have it.

Hon SUE ELLERY: It did not start with a casino. There is only one casino. That is an illogical argument. This is about ripping out part of their revenue base.

Hon Helen Morton: And putting in \$7 million to replace it.

Hon SUE ELLERY: It is not the same amount to pay for the services they will be required to deliver. If an extra 7 000 rooftops, for example, were from the South Perth end of the river, they would get a lot more value for their buck than they would have by adding them from the Bentley end. I was talking about the investments that have been put on hold by the City of Canning because the council is not now going to spend ratepayers' money investing in the Brownlie Towers development. Why would it spend ratepayers' money in an area that is not going to have anything to do with the ratepayers in the future?

I was talking about the member for South Perth and what he has publicly said. He was also really concerned that basically his local government authority did what it was asked to do. Back in July 2013, the government said, "Get on with it. Go and find someone to amalgamate with and get on and do it." The member for South Perth made the point publicly on several occasions that that is what the City of South Perth did. It took the government at its word and went and did the work with the Town of Victoria Park. It was not easy at the beginning. Now they have a very close relationship, but it was not easy to get both elected bodies to the point at which that work could be done effectively. But they did it. All of that work—this is why they feel so betrayed, I guess—has been kind of blown out of the water because they think they have been rewarded for doing that by having the Burswood peninsula proposal put to them, and they really feel hard done by in that sense.

When the South Perth and Victoria Park councils did their amalgamation work, they based it on the existing boundaries including Burswood peninsula, which has been part of the Town of Vic Park since 1993. Then the councils discovered that Burswood peninsula, Crown Perth casino and the new sports stadium had in fact been annexed out of the proposal. The argument was put that for Perth to become a truly international city, it needed to have icons such as the casino and the proposed sports stadium within its boundaries. The member for South Perth made the point, and he is quite right: How is not having those icons an impediment to the City of Perth being what it is, which is a great international city? How does not having those icons in its boundaries diminish it in any way? That does not stop people from going there. The fact that they are not in the City of Perth does not do anything to the trade, usage or turnover of those destinations.

The interesting point that the member for South Perth made about the history was that back in the Court government in 1993, when it decided to split the City of Perth and create as separate entities the Town of Victoria Park and the Town of Vincent, the then Minister for Local Government, Hon Paul Omodei, faced a huge backlash in the Victoria Park end. The backlash was so strong, the member for South Perth remembered, that the minister had to come into Parliament and change the legislation to alter some of the things he had proposed. The member for South Perth said at the time that the government of the day had not paid enough regard to the geographic communities of interest. The member for South Perth was saying to his own government at the time, "Remember that and think about that."

The interesting thing that the member for South Perth says is that the future of his council sits in the hands of the Local Government Advisory Board. This is where I take issue with the member for South Perth, because it does

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not; it sits in the hands of the government. The Local Government Advisory Board will make recommendations and it does a very important job. In this scenario that it finds itself in, it is doing a very difficult job, but the future of his council does not rest in the hands of the Local Government Advisory Board. It is an advisory board; that is all it is. The member for South Perth was hopeful that the advisory board would take on the recommendations of the Robson review that earlier speakers have referred to, which stated that we really needed to ensure financial sustainability in whichever new local government bodies we created. The member for South Perth said that if Burswood peninsula—in particular he mentioned Burswood Entertainment Complex, Crown Perth—stayed within the boundaries of the City of South Perth and the Town of Victoria Park, he would regard it as a very sustainable local government authority, and as a local ratepayer so do I. I think it would be a great combination. I cross the boundary every day. I walk my dog down by the river. I start in the South Perth end and walk over to the Victoria Park end. There are great synergies between the two areas and I think it would make a great single larger local government authority. But for it to be sustainable, we have to stop the nonsense of excising Burswood peninsula.

Although I have had conversations with the City of South Perth, the City of Cockburn and the City of Canning, I have not had conversations with the Town of Victoria Park. However, I have to say that as a resident and someone who knows Mayor Trevor Vaughan well and other councillors on the Town of Victoria Park, I tend to have my conversations with them in Bunnings or in Coles—and I have had several of those conversations with them. We have not sat around the meeting table but we have had conversations within the local area. They are really affronted by the proposition to split part of Burswood peninsula away from the Town of Vic Park and into the City of Perth. It is a boundary that crosses the river, that is illogical and that does not meet the tests that the Local Government Advisory Board has set for itself in measuring whether to go ahead with boundary changes. The only argument that has been put is the notion that somehow it is appropriate that the City of Perth has all the icons within its control.

If we were starting from scratch with a greenfield proposition and drawing boundaries and allocating responsibility for such a proposition, maybe that is when we could say that it is geographically illogical, but for the purposes of putting all the big icons with the biggest local government authority, let us put Burswood peninsula and all the things that are going to be developed on it into the City of Perth. Maybe if we were starting from scratch there would be some logic to doing it that way, but we are not starting from scratch. We are starting from a base where expectations of revenue and service delivery are long established. There is not just the casino and the sports stadium on Burswood peninsula; there are residents there. I have two groups of friends who live in those high-rises along Victoria Park Drive, and they are outraged. They are really concerned about what it means for them, because none of the traffic management issues along those roads on the outside of the peninsula area will be dealt with by the City of Perth; they will still be dealt with by the Town of Victoria Park or its amalgamated replacement, but it will not have any control over what is going on and what is attracting people to those areas. That is a real issue for those residents.

If local government reform really is about creating and ensuring that we end up with sustainable local government, we really cannot take out those key components of the rate base for the proposed amalgamated City of South Perth–Town of Victoria Park while largely leaving the costs of dealing with those assets around and on the Burswood peninsula with the people of Victoria Park. That is really not fair. The proposition that I think has the most support of the people who live in that area is to go with an amalgamated City of South Perth–Town of Victoria Park version, but to keep intact the rate base of Burswood peninsula.

If the argument being put by the government for the boundary changes was supported in any way by some economic modelling that showed us that this is what a sustainable outcome should look like—“Here is what we think it is going to cost; here is some modelling on what boundary adjustment X versus boundary adjustment Y will mean”—I think people might be a bit more open to giving consideration to some of the changes the minister has indicated he wants to make. But none of that exists. No serious economic analysis has been done of what is likely to happen to our rates. We are told that we should just accept the principle that the synergies that will be created will, of themselves, drive down rates or at least not increase rates, but there has really been no analysis to demonstrate to us that that is the case.

The Town of Victoria Park and the City of South Perth are very concerned that they set out on the process they were asked to in July 2013. Neither of them wanted to do it. There were, as I said, some hiccups at the beginning of the relationship—a bit of foot stamping here and foot stamping there and, “No, that’s my patch”, and, “No, that’s my patch”—but they sorted that out and worked through it and came up with a proposal that they believed met exactly what the government asked them to do. Then the fact that the government changed the goalposts for one of the eleventh million times really meant that its successful implementation was jeopardised because the government lost the good faith it had created when it asked those councils to go away and talk to each other about amalgamating. They really felt they had wasted a lot of time and wasted ratepayers’ money doing that

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exercise because the government changed the rules. It did not say to them, “Go away and consider amalgamation and consider, as part of that, that you’re going to lose Burswood peninsula.”

I turn to the City of Canning. This is an interesting proposition for several reasons because, of course, the City of Canning has been under the leadership of Commissioner Linton Reynolds for some time now as a result of, in my view, long overdue intervention into the City of Canning because of some—I have to think of the appropriate language to use —

Hon Nick Goiran: Concerns.

Hon SUE ELLERY: No, it would be stronger than concern.

Hon Nick Goiran: It is under inquiry.

Hon SUE ELLERY: Yes, it is under inquiry.

My electorate office is in Willetton. Willetton Sports Club and Willetton Child Care Centre are organisations that are close to my office. Literally, one is at one end of the shopping centre my office is in, and the other is across the road. I have had long involvement in both. They were treated absolutely appallingly by the elected leadership of the City of Canning, so I welcomed the intervention and I welcomed the inquiry that is underway now. But I am concerned that because of that, the people of the City of Canning are somehow being belatedly punished for that, when in fact what has happened since that intervention started has been a fantastic effort to fix all the governance issues that operated when there was an elected council that was not listening to its ratepayers. Linton Reynolds has done a magnificent job, as everybody knew he would because he is a great practitioner of good practice in local government. All those governance issues have been addressed. He is getting on with protecting the economic assets of the City of Canning and with providing great services. There is a sense of cultural renewal in the City of Canning, and the kinds of services it is providing; there are lots of multicultural concerts and a lot more events down by the river than there ever used to be, as well as a fabulous new recreation facility. There is a great energy that was not there before because people were being treated so badly. Of course, Commissioner Reynolds did not go there with an agenda; he does not live or work in the area, although he certainly did down the road in Armadale. He did not come at it with a political agenda, and nor did the chief executive officer he appointed, who has had many years’ experience in local government in Queensland, and in particular went through all the changes that happened in the local government reform process in Queensland. I think I would not be putting words into her mouth if I was to say that she is gobsmacked by the ineptitude of the local government reform process here in Western Australia.

Those people who know Linton Reynolds know he is a very proper person. He is a good bloke and he likes a laugh, but he is a proper person and he understands that he has been put into the position of commissioner not with a mandate that he personally took to an election and got endorsement for; he has been put in there to fix a mess and to ensure that he builds confidence back up in the governance of the City of Canning. For him to express the sorts of views I am about to share with the house means he has really been pushed to his limit. I suspect that, if anything, Linton Reynolds would have erred on the side of conservatism when the local government reform process began. Certainly, the feedback I was getting from constituents who went to some of the public forums held last year was that he really was erring on the side of conservatism. He was setting out the process the government wanted to achieve; he was not making a commentary on whether it was a good or bad thing. He was straight down the line: “This is the process. This is what we have been asked to follow, and this what we are going to follow.” He did not pander to people who might have been getting a bit anxious then; he literally just followed, if you like, the government line because he thought that was his proper role to play. That means it has taken an awful lot, I think, to get him to the point at which he has to say this in the form of an open letter to the residents of Canning. He writes —

As the person currently responsible for the City of Canning, it is with great regret that I feel the need to write to you about metropolitan local government reform in this manner.

On accepting this position, I took an oath to “...fulfil the duties of the office for the people in the district according to the best of my judgement and ability...”. So my loyalty is to you, and your best interests, regardless of my own opinions, or those of the government.

At the outset I should declare that I am strongly in favour of appropriate reform and boundary changes in this, the closest level of government to its residents. I have advocated so for more than 15 years. As I will also not hold office with this, or any other council under the new structure, I also believe that I am able to be clinically objective about the proposals before us.

I came to Canning with a belief that change in the metro area would likely see some alteration to Canning’s current boundaries. Canning residents have for many years enjoyed much lower rates than

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most others due to the heavy cross subsidisation from its large industrial and commercial sectors. Envious neighbours have long wished to share your good fortune if they could!

I felt that a more balanced distribution of high rate generating areas across councils might see Canning lose either some of its industrial or commercial areas, or the higher value, riverside suburbs, but nothing like the wholesale carve up that is proposed. Ironically an element of the proposal is to reward Belmont when they are already better provided for than Canning as a result of their significant income growth from the airport landholding without any associated expense.

Therefore I cannot in good conscience endorse the State Government's current proposal, and despite our best efforts we have made no progress in changing their position. In fact the second map issued by them is even less acceptable to Canning residents than the first one. This revised map is just one example of the many contradictory positions espoused by the State Government over the last few years making it extremely difficult for us to work with them collaboratively.

This is Linton Reynolds saying that he is finding it difficult to work with the state government collaboratively. That is extraordinary. It continues —

The final blow has been the recent revelation that the government would “abolish” Canning and for an interim period Victoria Park, Melville and Gosnells elected members would run the affairs of their expanded areas until fresh elections are held, without any input from Canning. This will place our loyal, hard working staff in an invidious position during the ensuing competition for places in the new order.

Council's senior officers and I will of course present a very strong counter argument to those members of the Local Government Advisory Board ... that visit us on the 26th of February.

That was this week —

I trust that they, independent of the Minister as they are, will recommend a more acceptable outcome for our residents and ratepayers, particularly those being thrust into Gosnells.

To understand how we have reached this position, you deserve an opportunity to review earlier developments:

- Successive State Government's have talked about the need to reduce the number of local governments in WA (currently 138, only 1 less than ... when the Court government broke the old City of Perth up into 4). The overriding objective is to reduce the very high percentage of rates and other income that is spent on administration in small councils. Less councils should mean more money being freed up to deliver quality services to residents, and/or lower rates for residents.
- The current State Government has spent many millions of dollars trying to achieve quite sensible reform in rural WA, but with very limited success—Geraldton and Northam being exceptions. A major obstacle has been the ability of small numbers of people to vote down amalgamations in rural councils.
- The National Party has adopted a position of being opposed to forced reform in country WA, and one of the reasons given by country councils for opposing change was their belief that the plethora of small councils in Liberal heartland, the western suburbs of Perth, should be dealt with first.
- In a change of tactics, the government then turned its attention to the metropolitan area. However, instead of concentrating on where there was arguably justification for outside intervention, i.e. the western suburbs, East Fremantle and Bassendean, they have thrown all of the metropolitan area into turmoil.
- The Premier, in response to questioning by Mayors and CEOs at a meeting at the Constitution Centre on the 24th of June 2011 said that he thought there should be between 15 and 20 metropolitan councils, that they should be financially viable, and have a population of around 100,000. In essence he was describing the current City of Canning.
- The Premier went on to announce the formation of a panel of three, led by Emeritus Professor Alan Robson. They were to review metropolitan local government and to provide recommendations to the government on how many councils were appropriate for the rapidly growing Perth metropolitan area.
- In June 2013 The Robson Report as it is known, recommended two models of 12 councils each. Option A proposed that all of Canning be combined with all of Gosnells, while Option B proposed that Gosnells gain Canning Vale, and the remainder of Canning would then absorb the Kewdale

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industrial area from Belmont, and include the southern parts of the South Perth and Victoria Park municipalities.

- In response, metropolitan councils held a number of meetings and a group of 20 (G20) collaborated to develop maps for 9, 15, 16, 18, 20, and 22 councils. The result was an agreed, preferred model of 16. As this was near the bottom of the range given to us by the Premier, we were hopeful that reform could then proceed calmly with broad agreement. All but one of these 20 councils accepted the map as a valid start point.
- Councils not participating in that exercise, despite being invited, were four from the western suburbs, along with Perth, Vincent, East Fremantle, Bassendean, Bayswater and Serpentine–Jarrahdale.
- This proposal, had it been accepted, would have seen Canning remain within its existing boundaries. Quite naturally on behalf of Canning I endorsed this proposal, as it was entirely consistent with the web based community survey that we had undertaken a few months earlier. We were also prepared to discuss minor changes to create more logical boundaries with our neighbours.
- Given the Premier's pre election statement that no forced amalgamations would occur, everyone relaxed.
- On July 30 2013, the Premier along with the Minister for Local Government announced the government's response to the Robson report. Totally ignoring the G20 proposal, and his earlier support for 15–20 councils, the Premier now proposed 14 councils, including a "proposed merger between the City of Canning and the City of Gosnells". However, the map released with that announcement showed that the suburbs of Rossmoyne and Shelley, along with parts of Willetton and Riverton would join Melville; Welshpool would be gifted to Belmont/Kalamunda; and Bentley and part of Wilson would be given to Victoria Park/South Perth to offset their loss of the Burswood Peninsular. Only the remainder would join with Gosnells.
- Statements attributed to Minister Simpson that day included:
... "The mergers bring councils together to create economies of scale that offer best opportunities to keep rates down ...",
to create ... "financially stable councils, with a population of around 100,000 people each." ... and to ensure that parochial interests would not skew decision making during the interim period, the new Councils would be run by Commissioners from 1st July to 17th October 2015.
- Despite the repeated promise of no forced amalgamations, we were told that the government would put a proposal before the Local Government Advisory Board, and if we did not, they would have little option but to recommend the government's proposal back to them. In fact we were told that our proposal would not be acceptable if it made more than minor changes to the government proposal.
- If we wanted to have any input, we were compelled to support a proposal that would largely mirror the government's map. No proposal from us would be taken to mean that we accepted their position. In this way they sidelined the compulsion issue.
- In reviewing the government's proposal, Council restated the community's expressed view that current boundaries should remain. Responding to the detail, we felt that there was no justification for the loss of Welshpool to Belmont/Kalamunda, and we raised a series of issues around our high quality aged care services, our very valuable fee simple land holdings, and other vital infrastructure that was being given to Melville seemingly without any compensation to the majority of those whose rates had made it possible.
- Several of the government's own backbenchers (and at least one Minister) did not accept the initial government model, with local members directly intervening to change the outcome for Vincent, Perth, Fremantle, Cockburn, Melville and sadly by knock on effect, Canning.
- Simon O'Brien's —

These are Linton Reynolds' words, because I would refer to him as Hon Simon O'Brien —

lobby on behalf of Fremantle inevitably had a significant impact on Canning, as did the efforts of Dr Nahan. Without warning, the government responded to this pressure by issuing a revised map,

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increasing the number of councils from 14 to 15, and taking the rest of Riverton and Willetton from us as well as our very valuable land holdings west of Ranford road in Canning Vale. We have been given no justification for these changes, but given that the first map has never been justified to us either, we shouldn't be surprised.

- But only in recent times has the Minister's full proposal been made known to councils and the public. For the first time we have seen the use of emotive words such as "abolish", and contrary to the Minister's earlier statements about even handed Commissioners running the new councils between 1st July 2015 and the 17th October 2015, we now find that the Gosnells council, without any input from Canning will run the expanded area during that important time leading up to the election. Their elected members will thus benefit from incumbency when the new council is elected, and in local government elections, incumbency is very advantageous.
- The clever wording of the Minister's proposal means that residents of Canning, and most other council areas, will not have recourse to a poll as they are being absorbed into other council areas as opposed to being part of an amalgamation. To go to such lengths to avoid the incredibly unlikely event that more than 50% of Canning electors would vote in any poll (required to make it binding) is surprising as regular election outcomes of less than 30% are normal for Canning. The government seems very determined to avoid testing the public's mood on this issue.
- Ironically the only residents who currently will have recourse to a poll, are those that the government most wanted to preclude from it—the western suburbs. It is arguable that a few hundred residents of Peppermint Grove can stop reform in the part of the metropolitan area that is most in need of it. Meanwhile Canning will be sliced and diced, with rate increases for all, regardless of which neighbouring council absorbs them once rating efforts are equalised over the new council areas.

Hon Robyn McSweeney: I hope not. I live there.

Hon SUE ELLERY: Hon Robyn McSweeney needs to think about how she exercises her vote. Commissioner Reynolds' open letter continues —

So where does that leave us? I believe the proposed outcome is unduly harsh on most if not all residents of Canning. The staff and I undertake to continue to fight within the system for an improved outcome, hoping that our arguments will resonate with LGAB members.

Frankly though, the most likely way the result will change, is if **your voices** are heard.

Heard by the Board, and heard by your Members of State Parliament. If you are not happy with the current proposal, you need to make a submission to the LGAB (copy to your MP) during their public comment period which finishes at **4pm on the 13th of March.**

Commissioner Reynolds then sets out how residents can go about lodging a submission.

The CEO of the City of Canning also provided me with some notes. She made the following points —

- We are both independent of the City, —

She is talking about the commissioner and herself —

and have no vested interests, except to ensure the best outcome for all stakeholders.

- Between us, we have 45 years of local government experience and have received Australian Honours for our service to local government.

These are the points that she makes —

- The City of Canning needs to remain in its present form.
- The Minister has not presented any defensible argument for it to be abolished.
- The objective of reform is to create efficient and effective local government.
- The City of Canning is a best practice model of local government in its current size, shape and sustainability.
- The City has also undergone over a year of significant improvement and reform as a result of a multi-million dollar Inquiry undertaken by the State Government.
- The City of Canning currently offers:

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- optimal population size over 90,000 expected to achieve 100,000 in the near future.

I ask members to cast their mind back to that list of criteria that the Local Government Advisory Board says it will apply. The notes continue —

- financial sustainability
- the two highest growth suburbs in Perth CBD
- the lowest rates in the Perth residential area
- the most multicultural residential population of any Council in Perth.
- a proud history, linked with indigenous settlement, convict activities and its beautiful river setting and namesake
- a strong local economy, with a substantial commercial and industrial base and a net importer of labour.
- a high rate of community satisfaction with its services and facilities.
- a wonderful range of community infrastructure, sporting and recreational facilities
- a range of community services unmatched by other local authorities
- a strong and committed workforce
- a balanced demography, comprising a wide range of socio-economic backgrounds
- a community that does not want its Council carved apart
- The cost of cutting Canning into four pieces would clearly outweigh the benefit of keeping in its current form.
- There is little benefit to adding pieces of Canning to other local authorities who will gain little advantage from inheriting them.
- Key State initiatives planned in areas proposed to be removed will lose momentum in the process and lack champions in their new jurisdictions, such as:
 - Bentley Redevelopment
 - Centenary Park Redevelopment
 - Canning City Centre Redevelopment
- Significant costs will be incurred by ratepayers to fund the processes of:
 - rates increases to equalise with new jurisdictions
 - IT rationalisation
 - asset redistribution
 - relocation of Employees
- Employee morale and productivity will be significantly impacted, leading to turnover and loss of well-performing staff and impacts on service delivery and quality.

All of these detrimental effects are totally unnecessary and unjustifiable. The City of Canning is able to meet all the Government's objectives by continuing in its present form to deliver high quality, cost effective services to its current constituents. To do otherwise cannot be justified on any of the criteria for reform set by the LGAB.

I do not think it can be made any clearer than that.

I want to touch briefly on the City of Cockburn, and I have also had the opportunity to have conversations with councillors and staff. It is certainly behind the largest number of emails that my office has received, and I suspect that is the same for some others. A media release by the City of Cockburn states —

The City of Cockburn has criticised the State Government's submission to the Local Government Advisory Board ('LGAB') which seeks to carve up Cockburn's assets and gifts the spoils to surrounding local governments.

Mayor Howlett said the left of field proposal is contrary to the Government's announcement at the City of Cockburn on 30 July 2013. The Government had asked Local Governments to put in proposals that

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were consistent with their plans. While they were prepared to accept minor changes, such as moving a 'few rooftops between areas', they specifically excluded making wholesale changes.

"The Premier and Minister for Local Government produced a map in July showing the amalgamation of Cockburn and Kwinana," said Mayor Howlett.

"Today's map —

This press release is dated 12 November 2013 —

shows Cockburn being divided to feed the financially weaker cities of Fremantle and Kwinana with Melville also receiving a piece of Cockburn's pie," he said.

"If the Government's changes go through, there will be substantial rates increases of up to 15% with businesses that fall under Kwinana set to pay around 10% more in their rates," he said.

"The proposal is bad for business, bad for community and bad for residents.

Mayor Howlett went on to outline how he was meeting with community groups. The press release continues —

"Strong financial management has ensured our community benefits from our highly regarded grants and donations program ...

The City's proposal to expand its boundaries to include the current district of Kwinana was consistent with the State Government's principles on local government reform and this will be our focus in coming months.

"We remain convinced that our own proposal to unite the complete communities of Cockburn and Kwinana under one new Local Government remains the best option. We will vigorously pursue this option through the LGAB enquiry process that is now about to get underway ...

The consistent message from those three different local government authorities is that the government kept changing the rules partway through the process. It was asked to follow a particular process, which it did, and then it changed the rules. In that action, the government effectively lost the good faith that people had applied to what it asked them to do.

I want to touch briefly on this notion that certain members were able to secure protections from the first version of this bill. The so-called protections are: additional membership of the board; the board does not have to act in accordance with any government policy advice to the board by the minister under subsection (1); and the minister may advise the board about any general or specific policy. The interesting question that that raises is: what is the board to do when the minister says he does not support the policy of the act that it is bound to follow? How does that play out? Part of the projections also include additional membership of the board. I was interested to receive from a country local government authority a copy of edition 2 of the official e-newsletter of the National Party of WA, dated 21 February 2014. Under the heading "LG Amendment Bill near passing" on page 3, the newsletter states —

After months of debate last year, the resumption of Parliament this week all but finalised the Local Government Amendment Bill 2013, which is due to pass with several key changes spearheaded by the Parliamentary National Party. In essence the changes ensure Minister-appointed members don't make up the majority of the nine-member Local Government Advisory Board.

That is not true; they do. The minister makes all of the appointments except for one from the department. I will go to the act and see who makes the appointments. The minister makes them from a list, but he makes the appointments. If members think that is not right, they have been duded.

What were the other key changes spearheaded by the Parliamentary National Party? Maintaining independence—how is that the case? The decision is made by the government of the day. The newsletter continues —

... strengthening it to give the sector better representation. Negotiations between the Nationals —

The "spearheads" —

and the Minister for Local Government also resulted in the LGAB being informed of government policy, but having the independence not to be bound by it.

Where does that leave us? The board is not bound by anything the minister tells it, but what happens when the minister says to the board that he does not like the policy of the act that the board is bound to follow? What is the board going to do then? The newsletter states —

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The Nationals will continue to push for alternative models of voluntary local government reform following a recent forum held by WALGA with regional councils.

Of course voluntary local government reform is fine outside the metropolitan boundary, but it is not okay inside the metropolitan boundary. I want to ask the spearheads to think about a few things.

Hon Robyn McSweeney: I heard the “heads”, but I didn’t know what you put in front.

Hon SUE ELLERY: That is what they call themselves, “the spearheads”. No, that is not true; they say that they spearheaded the changes; I am calling them the spearheads, which is a logical extension of what we would call someone who spearheads something. Would they not be called a “spearhead”?

Let us look at the board membership in the act. Prior to the achievements of the spearheads, schedule 2.5 of the Local Government Act 1995 states —

2. Membership of Advisory Board

The Advisory Board consists of 5 members appointed by the Governor of whom —

- (a) one person is nominated by the Minister; and
- (b) 2 persons are to be persons having experience as a member of a council appointed from a list submitted to the Minister by WALGA under clause 4(1); and
- (c) one person is to be a person having experience as the chief executive officer of a local government appointed from a list submitted to the Minister by the Local Government Managers Australia WA Division under clause 4(2); and
- (d) one person is to be an officer of the Department nominated by the Minister.

Now let us go to the changes that the spearheads achieved—additional people to be appointed by the minister from a list provided by WALGA, community representatives picked by the minister. So how can the National Party tell everybody in its newsletter that —

In essence the changes ensure Minister-appointed members don’t make up the majority of the nine-member Local Government Advisory Board.

Every single one of the nine-member representation is appointed by the minister. Before I looked at the Local Government Act, I thought that maybe the person who is an officer of the department just got there automatically, but not even that; that person is also appointed by the minister.

Hon Helen Morton: You do a great disservice to WALGA.

Hon SUE ELLERY: What have I said about WALGA?

Hon Helen Morton: You are doing a great disservice to WALGA.

Hon SUE ELLERY: What have I said about WALGA?

Hon Helen Morton: I will tell you what you said when I get up.

Hon SUE ELLERY: You can tell me now, because I have not mentioned WALGA at all except to say that it gives a list to the minister. How have I done it a disservice?

Hon Helen Morton: I will tell you when I get up.

Hon SUE ELLERY: No, you can withdraw because I have not made any comments about WALGA—not one.

Point of Order

Hon MICHAEL MISCHIN: The member’s speech should be directed through the Chair rather than as an argument across the chamber. It is one thing to respond to an interjection, but demanding responses, with respect, in that fashion is simply going beyond bounds. It is not an interrogation.

The DEPUTY PRESIDENT (Hon Brian Ellis): There is no point of order, but I do think it is time that the member direct her speech to the Chair and not invite interjection across the chamber.

Hon SUE ELLERY: With the greatest of respect, I did not invite interjection; I did not. But I am happy to move on.

The DEPUTY PRESIDENT: Order, member. The way I heard it, you were asking the other side to respond to you; that is inviting interjection to me.

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Hon Sue Ellery: The interjection happened to me and I responded.

The DEPUTY PRESIDENT: I am not going to hold an argument from the Chair with you at the moment. You have the call.

Debate Resumed

Hon SUE ELLERY: Thank you.

The point I was making is that the National Party's February e-newsletter states —

In essence the changes ensure Minister-appointed members don't make up the majority of the nine-member Local Government Advisory Board.

There is not one member of the Local Government Advisory Board who is not appointed by the minister—not one. The Nationals achieved an agreement that WALGA will provide an extended list and the minister will pick from that. That is not the same as saying that minister-appointed members do not make up the majority of the nine-member Local Government Advisory Board. Minister-appointed members are more than the majority; minister-appointed members are the totality of the Local Government Advisory Board. The minister makes the appointments, in part, based on lists that are given to him, but they are his final appointments to make.

Hon Helen Morton interjected.

Hon SUE ELLERY: I hope the minister is not interjecting on me.

All nine members are appointed by the minister. I would invite the National Party to think about this: if it wants to ensure independence, the way to do that would be to have an agreement that the minister picks two members from a list of two members provided by WALGA or whoever else. That is the way to draft that clause to ensure that the minister cannot pick and choose, to limit him to the nominees on a smaller list. The minister cannot pick two members out of a list of 12; he can pick two members out of a list of two. That is the way to achieve that kind of independence, not to use an expanded list.

I also invite the National Party to reflect on how safe it really is, given the Premier's comments that really it is the wheatbelt. On 6 August 2013, the Premier stated, and I quote *Hansard* —

In the area to the north of Kalgoorlie there are half a dozen or so local authorities. Most of them have populations of certainly fewer than 1 000, some fewer than 500, and some well fewer than that.

...

The wheatbelt grew up in a time of lots of small towns—in fact, some of them were quite big for their day—limited transport, multiple sidings and multiple shopping centres; today, do we really believe that 42 local authorities in the wheatbelt is the right structure?

I think that is a sign that there are no bulletproof or Barnett-proof protections in the legislation. I think the Premier's intentions are perfectly clear in his comments about the wheatbelt, and in the way he is overseeing the way the government is circumventing the provisions of the existing act. If the Premier is not afraid to circumvent the provisions of the existing act with respect to the metropolitan councils, what makes National Party members think that he is not afraid, for the purposes of achieving what he has already flagged as his intentions for areas outside of the metropolitan area, to circumvent whatever things they think they have secured?

What have we got? The ministerial appointments from a long list. That is not mandatory independence. The board does not have to follow the policy but, equally, neither does the government have to follow the policy of its own act and it is clearly demonstrating that it does not intend to do that. Right before our very eyes, the Minister for Local Government is circumventing one of two existing protective measures in the act. He has gone so far as to brazenly declare, in his second reading speech, that he does not support the policy of the act. I do not think there is anything that demonstrates that the Minister for Local Government—or some future local government minister under this government, given the Premier's point of view—will not circumvent the measures that are in place.

The government commissioned the Robson report into local government reform and then ignored many of its recommendations. We have heard from south metropolitan councils that the government told councils in the metropolitan area to go forth and amalgamate and then vetoed the wheatbelt proposal that we have heard about. It hacked out the source of 20 per cent of the revenue base from the Town of Victoria Park and the City of South Perth when those two councils tried to do a self-proposed amalgamation.

Another member from the South Metropolitan Region, Hon Nick Goiran, took on board what he described as advice from Hon Ed Dermer, a former member of this place. Hon Nick Goiran said he liked to take the

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“charitable” point of view, but he said that even taking the charitable point of view it is hard not to assume that just because the minister receives a list that somehow that secures the independence of the board and that there is not some element of stacking going on. The minister is not bound to follow the advice of the Local Government Advisory Board. When it comes to local government reform, all the evidence before us shows that this government does not follow advice, whether it is commissioning the Robson review and not following its recommendations or whether it is telling existing local government authorities to go forth and amalgamate but then saying, “No; actually, we’ve changed our mind, you can’t do that, you’ve got to do it this way.”

That brings me to what we can do about it. There are a couple of options we can pursue. Circumstances have changed since this bill was first in the Legislative Assembly. We have the very odd scenario of a policy within an act that the Local Government Advisory Board is lawfully bound to follow. We have a bill before us that will in part change schedule 2.1, which is where the Dadour provisions sit. We have a second reading speech in which the minister says, “Despite the fact that it is the policy of the act and despite the fact that this bill will not be used to change the policy of the act, I want all members to know that I do not support the act.” Meanwhile, outside this chamber the government is saying—the minister said it in his speech at the toolkit launch at the beginning of this month—it will get around the Dadour provisions by describing the changes to be made as “boundary changes” and not “amalgamations”. Add to that sort of very odd set of circumstances the fact that the Local Government Advisory Board as it is currently constituted is receiving public submissions right now on proposals that will see some of the existing LGAs abolished, this bill is silent on how we protect the policy of the act. Further work needs to be done before we take away our chance to address how we might use this bill to fix and address those issues.

Discharge of Order and Referral to Standing Committee on Legislation

HON SUE ELLERY (South Metropolitan — Leader of the Opposition) [3.04 pm] — without notice: I move —

That —

- (1) Order of the day 15, the Local Government Amendment Bill 2013, be discharged and referred to the Standing Committee on Legislation for consideration and report no later than Tuesday, 6 May 2014.
- (2) The committee has the power to inquire into and report on the policy of the bill.

HON STEPHEN DAWSON (Mining and Pastoral) [3.05 pm]: I stand to support the Leader of the Opposition’s motion that this bill be discharged and referred to the Standing Committee on Legislation. I will give my reasons for why I have come to my decision that I think it is appropriate the Local Government Amendment Bill 2013 be referred to the legislation committee to inquire into the bill. We have heard a great number of speeches on the Local Government Amendment Bill over the past week or so. Certainly, most members on this side have spoken on the issue. We have also heard from a number of members on the government side including Hon Simon O’Brien, Hon Nick Goiran, Hon Nigel Hallett and Hon Phil Edman—Hon Phil Edman was in fact in favour of the bill as it is. Nonetheless, there has been lots of passion in this chamber this week about the bill. Going back to the Leader of the Opposition’s motion and the reasons I support the legislation committee looking at the bill, I will start off with the minister’s second reading speech. I am not putting words into anyone’s mouth, but I certainly think that we have been led to believe that the Western Australian Local Government Association is totally in favour of this amendment bill. I quote from the minister’s second reading speech —

The Liberal–National government has decided not to legislate for new local government boundaries. Instead, the government will use the mechanisms already available in the Local Government Act 1995. This is consistent with the Western Australian Local Government Association’s resolutions in 2012 ...

I first spoke on this bill probably over a week ago, and since that time I have been back to my electorate office and come across WALGA’s *Western Councillor* magazine. This is the December–January 2014 edition. Reading this certainly helped me come to the decision that I am supportive of the Leader of the Opposition’s motion. On page 28 of the *Western Councillor* there is a section entitled “State Council Briefs”. It states —

The following resolutions were among those carried at the meeting of WALGA State Council held at Local Government House in December 2013.

One resolution relates to the state local government agreement for the provision of public library services. Another resolution refers to WALGA’s submission to the pastoral lease inquiry. But the resolution, obviously, that has the most currency in this chamber in this debate this afternoon relates to the Local Government Amendment Bill 2013. It states —

Hon Sue Ellery; Deputy President; Hon Michael Mischin; Hon Stephen Dawson; Hon Helen Morton; Hon Ken Travers; Hon ken travers; Hon Robin Chapple; Hon Ljiljana Ravlich; Hon Simon O'Brien

That State Council provide the following response to the Minister for Local Government on the Local Government Amendment Bill 2013:

1. Support Clauses 1, 2, 3, 5, 6, 8, 10, 12, 13, and 22.
2. Conditionally support Clause 4 and request that any Government policy provided to the Board is immediately brought into the public domain.
3. Conditionally support Clause 7 on the basis that the Minister for Local Government consult with the Association prior to the development of regulations relevant to the payment of fees and allowances to ensure that no unreasonable compliance burden is imposed on Local Governments.
4. Support Clause 9 with the Association seeking the Minister for Local Government's comment on his intentions regarding further proposals and recommendations for improvements identified in the 2011 review of the Local Government Standards Panel.
5. Conditionally Support Clause 11 with the Minister for Local Government requested to include in subclause (6) a maximum period of 3 months to have effect for any deferral decision made by the Board and cannot be extended by a further decision of the Board.
6. Conditionally support Clause 17 with the Minister for Local Government requested to consider the alternative amendment option to Schedule 2.1 Clause 11(4) as set out in this report.
7. Conditionally support Clause 18, 19, 20 and 21 on the basis that the 2 persons appointed by the Minister to "represent the interests of the community" could potentially be involved in future proposals affecting regional areas, and that the Minister takes this into account by nominating the Board one person from the Metropolitan area and one person from [sic] the regional area to represent their respective community interests.

When we look at these recommendations from the Western Australian Local Government Association it is interesting that WALGA points out that there could well be future proposals affecting regional areas. It is disappointing that the National Party did not consider that. Nonetheless, the next recommendation states —

8. Oppose Clauses 14, 15 and 16.

Granted, there is support for a lot of clauses—1, 2, 3, 5, 6, 8, 10, 12, 13 and 22. There is some conditional support in other areas, some suggestions for amendments and opposition to certain clauses.

As I said earlier, when I was reading the second reading speech, I thought that someone could look at it and think that WALGA was totally in favour of this process but that is not the case. That has certainly helped me to reach the conclusion that this bill should go to the Standing Committee on Legislation and that there should be a public inquiry. I will look at clauses 14, 15 and 16 to remind the house of what they refer to. I am using the Local Government Amendment Bill 2013 explanatory memorandum. Clause 14, which was the first clause that WALGA had an issue with and opposed, states —

This clause amends Schedule 2.1 by inserting a new clause.

Clause 5A will apply to any metropolitan proposal reported on by the Advisory Board for the period that —

- (a) begins on the day that Part 2 of the Bill commences; and
- (b) ends on 31 December 2016 or a later date as appointed by order of the Governor.

Where the clause applies to a proposal, it provides the Board with the flexibility to alter the submission period regarding that proposal.

Clause 5A also provides that any order made by the Governor under this clause is subsidiary legislation for the purposes of the *Interpretation Act 1984*.

This amendment is designed to only affect metropolitan proposals and will only operate for a temporary period. While the Governor will have the ability to make an order to extend the exemption period beyond 31 December 2016, any such order will need to be approved by Parliament.

That is clause 14 in full; the first clause that WALGA opposes. Clause 15 is the second clause and states —

Clause 15 – Schedule 2.1 clause 5 amended

This clause makes consequential amendments to Schedule 2.1 clause 5.

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As a result of the amendment, clause 5 will now be subject to clause 5A(2).

The third clause that WALGA opposes is clause 16 which states —

Clause 16 – Schedule 2.1 clause 6 amended

This clause amends Schedule 2.1 clause 6 by inserting a new subclause.

As a result of the amendment, the requirements of clause 6(2) will not apply where –

- (a) the matter relates to a proposal to which clause 5A applies; and
- (b) the Board decides that, in the circumstances, compliance with clause 6(2) would serve no useful purpose.

Any decision made under this clause will require an absolute majority of the Board.

Those three clauses in the Local Government Amendment Bill 2013 obviously give WALGA great concern. However, it is not just those three clauses that it is concerned with but, as I have previously said, it has given conditional support to a range of other clauses and it has suggested that the government consider alternative amendments. This was set out in its report to government. The government has misrepresented the views of WALGA in the second reading speech. These are just some of the issues that we and the Standing Committee on Legislation should take into consideration and, as the Leader of the Opposition has said, report back to us at a later stage.

Another reason why I think this bill deserves to be discharged and sent to committee is because amalgamating councils by using boundary changes circumvents the act. It certainly circumvents the spirit of the act; there is no doubt about it. The act is a weighty tome; not this one which is the Mental Health Act 1996, but Hon Ken Travers has provided the correct one.

Hon Michael Mischin: It looks something like that.

Hon STEPHEN DAWSON: Yes, it certainly is weighty.

Hon Ken Travers: We will need the other one by the time we are finished with this one.

Hon STEPHEN DAWSON: I will not talk about the Mental Health Bill 2013 today; I will leave that for another day. The act is a weighty tome but the Dadour provisions are clear in there. Amalgamating councils by boundary change certainly circumvents the act and the spirit of the act. The second reading speech in the other place was obviously different from the one that the Minister for Mental Health read in this place but we know from that speech that the Minister for Local Government and Communities does not support the policy of the act; that is, the Local Government Act 1995. If he does not support the policy, why is he not bringing an amendment to Parliament to change it? The act says one thing and the bill another.

Point of Order

Hon HELEN MORTON: This is a rather narrow debate about the referral of this bill to the Standing Committee on Legislation to debate the policy of the bill; policy that is contained within the existing act. The member is straying way beyond anything that is contained within the existing act. For example, the existing act does not talk about amalgamations or change anything about boundaries. It does not make any difference and it has no relevance whatsoever to any of those parts of the bill. The bill is actually a very narrow bill and this debate is wholly and solely about whether the member believes that the existing policy within the bill should be debated at committee.

Hon KEN TRAVERS: On the point of order, I highlight that I distinctly heard Hon Sue Ellery move that the committee be authorised to look at the policy of the bill.

Hon Helen Morton: Of the bill; not the existing act.

Hon KEN TRAVERS: I will start again because I want to make this clear without interruption.

Several members interjected.

Hon KEN TRAVERS: I will start again: Hon Sue Ellery moved that the policy of the bill be considered by the committee. I draw this to the attention of not just you, Madam Deputy President, but the minister who is supposed to be dealing with this bill and who I thought might be aware of the policy of the bill. I quote from the second reading speech of the bill that states —

The proposed changes in this bill are aimed at facilitating the reform process, largely by giving the Local Government Advisory Board more discretion on how it may conduct its inquiries.

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If the minister would like, I can go back and talk about the earlier quotes from the second reading speech where it clearly states that this bill is about the amalgamation process and facilitating the amalgamation process. The honourable member is making those points and referring them back to why this bill should or should not be referred to a committee. Therefore, he is clearly within the standing orders.

The DEPUTY PRESIDENT (Hon Alanna Clohesy): Members may like to take a deep breath while I consider the point of order. There is no point of order.

Debate Resumed

Hon STEPHEN DAWSON: Madam Deputy President, I appreciate your ruling, as I appreciate all the rulings you make. However, I make the point that the minister with responsibility for this bill obviously has not been listening to me for the past 15 minutes, because I spent the first while actually talking about individual clauses in the bill and I went through the clauses in the bill that were conditionally supported but were opposed by the Western Australian Local Government Association. I made that point.

Point of Order

Hon HELEN MORTON: Madam Deputy President, I have a point of order.

Hon Ken Travers: Why are you trying to delay the bill? What are you trying to frustrate?

The DEPUTY PRESIDENT (Hon Alanna Clohesy): Order!

Hon HELEN MORTON: The issue about the previous point of order was in relation to the elements of the honourable member's discussion that strayed way beyond the bits that he is now referring to.

Hon Ken Travers: On the point of order of the minister —

The DEPUTY PRESIDENT: Order! I have not called you, Hon Ken Travers.

Hon Helen Morton: Yes. You have to sit down and wait for it.

Hon Ken Travers: I am seeking your call, Madam Deputy President, by saying, "On the point of order".

Hon Helen Morton: But you have to sit down and wait for it.

The DEPUTY PRESIDENT: On the point of order, Hon Ken Travers.

Hon KEN TRAVERS: On the point of order, can I raise a further point of order, that the minister is actually abusing the house by trying to use it as a personal explanation, and not a point of order?

Several members interjected.

The DEPUTY PRESIDENT: Order! I will consider Hon Ken Travers' point of order. There is no point of order. I will consider Hon Helen Morton's point of order. The member, Hon Stephen Dawson, is speaking about the content of the policy of the bill and, as the motion includes debate around the power to inquire into the policy of the bill, there is no point of order. I give Hon Stephen Dawson the call.

Debate Resumed

Hon STEPHEN DAWSON: Thank you, Madam Deputy President. I appreciate the clarification by the minister that she was referring to the second part of my speech. However, I also note that you have previously made a ruling that there was no point of order. Since I was last on my feet, I have now been given a copy of Hon Sue Ellery's motion. I will remind the house of what it is and then I will keep it close to me, Madam Deputy President, to ensure that I certainly do not stray but actually speak to Hon Sue Ellery's motion. The motion without notice reads —

That —

- (1) Order of the day 15, the Local Government Amendment Bill 2013, be discharged and referred to the Standing Committee on Legislation for consideration and report no later than Tuesday, 6 May 2014.
- (2) The committee has the power to inquire into and report on the policy of the bill.

Since I last spoke on the Local Government Amendment Bill, a lot of concerns have been raised with me by a number of people about it, and they too helped me come to the view that I support Hon Sue Ellery's motion to discharge the bill from the Parliament and to refer it to a committee.

I will inform the house of a couple of pieces of correspondence that I have received in the past few days that have helped me come to this decision. On Wednesday this week, I received a press release from the Shire of Kalamunda titled "Kalamunda Community responds to Call to Action".

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Madam Deputy President, I should say that my back is sore, so please excuse me. I am holding onto this chair purely because I think I have been sitting too long, and I have got a bad back. I say that from the outset because members of this place often take points of order and might point out that I am holding onto the chair, but it is because I have a bad back. Nonetheless, I digress.

Hon Ken Travers: You can ask to speak from your seat.

Hon STEPHEN DAWSON: Yes, but I think I have sat for too long.

I will quote from this press release titled “Kalamunda Community responds to Call to Action” published on 26 February 2014 —

More than 400 people packed a hall to overflowing as the Hills community expressed its opposition last night (25Feb14) —

That is, Tuesday —

to a forced takeover by the City of Belmont.

“Our community has come out in force and responded to our Call to Action,” said Shire of Kalamunda President Sue Bilich.

It goes on —

The Shire of Kalamunda’s Chief Executive Officer Rhonda Hardy outlined to the meeting the history of the State Government’s push for local government reform, cutting the number of Councils initially to 12 and now 14.

She said in a previous Community Poll: Of the 43% percent of Kalamunda electors who chose to vote, 88% voted against the first proposed merger with Swan and Mundaring.

“The Minister’s initial Blueprint for an amalgamation with Belmont was announced in July 2013 as being achieved through an **amalgamation** with the affected local governments working together to effect the changes required such as deciding on appropriate wards and the number of councillors, developing a budget and organisational structure and a process to appoint an interim Chief Executive Officer.

“The Minister also advised that an Amendment Bill was being prepared to go to State Parliament that would **remove the Poll Provisions** from the Local Government Act to ensure no Local Government could stop an amalgamation by way of a community Poll.

“An amalgamation involves the abolishment of both local government districts and the creation of a new local government district.”

“This approach will require a commissioner being appointed from 1 July 2015 until the Local Government elections are held in October 2015.” Ms Hardy said.

I am quoting from the press release but it actually does not read well; it has a few typos. Nonetheless, it goes on —

“But on 29 January 2014 the Minister ... released his latest proposal ... for a boundary adjustment rather than an amalgamation. This will mean that Kalamunda would be **abolished**, have no voice and be controlled by the City of Belmont. This is a very significant departure from the original plan.”

In questions fielded by a panel of Councillors it was clear that a large majority of residents opposed what they saw as a takeover by Belmont—and many were making that clear in submissions they were making to the Local Government Advisory Board, which will make a final recommendation to the Minister by June 2014.

It is clear that the electors in Kalamunda are concerned about this bill, but they are also concerned about the policy of the bill and they are certainly concerned about the second reading speech in which the minister made it clear that essentially the government does not need to change the Dadour provisions of the act and can simply act as it wishes.

Then on Wednesday, 26 February, which was yesterday, I and other members of this place received an email from Councillor Julie Matheson of the City of Subiaco. Again, this was another piece in the jigsaw puzzle that helped me come to the decision that I too should be supporting Hon Sue Ellery’s motion to discharge the bill from the notice paper and refer it to Parliament’s Standing Committee on Legislation. I know that some members received a copy of this email but I am not sure that all members received it. Therefore, for the purposes of *Hansard* and indeed for the benefit of the members of this place, as this was an important piece in helping me

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come to the realisation that this bill should be referred to the committee, I will make sure that all members hear what it has to say. It states —

Dear Member of Legislative Council ...

My apologies for not writing to you individually.

The reason for the URGENCY of this email to you is to seek your deliberation and debate on the Local Government Amendment Bill 2013. I note the order of business today is to continue the debate on this Bill.

I ask you to consider whether more power to the LGAB is warranted through this Amendment?

The LG Amendment Bill 2013 seeks to place more power in hands of the Local Government Advisory Board (LGAB). I ask you to question whether more power is warranted given the very poor standard of merger/amalgamation proposals that the LGAB has decided to seek submissions on?

I believe the LGAB are not up to the task of REJECTING proposals, tying up scarce resources to process local government mergers and amalgamations based on flimsy detail.

The LGAB have the power to reject proposals that do not meet the intent of Schedule 2.1 Clause 2 (2)(a):

set[ting] out clearly the nature of the proposal, the reasons for making the proposal and the effects of the proposal on local governments

The LGAB have received 12 proposals from the Minister for Local Government for the board to consider. Not one of the Minister's proposals has been rejected by the Board which are of a very poor standard in setting out the reasons and effects on electors. For example "rationalising assets" or "best possible services" without details on what that actually means to electors is a very poor standard of proposal.

The LGAB is responsible for setting the standards for rejecting proposals. By not rejecting one or more of the Minister's proposals, the Board have set a very low standard of proposal, with miniscule detail on the reasons for making a proposal and even less reasons on the effect the proposal will have on affected local governments.

I ask you to deliberate in the debate today on whether or not more power to the LGAB is warranted given the very poor standard of proposals the Board has decided to spend scarce resources on.

Is it worth the voter backlash in handing the LGAB the power this Amendment will give them to cobble together two or more flimsy proposals which do not meet the intent of Clause 2 (2)(a), and without calling for submissions from the affected electors?

In summary I ask you to consider whether more power to the LGAB is warranted through this Amendment, and whether this is an abuse of due process and the appearance of forced mergers and amalgamation?

I do not make any comment on whether there will be voter backlash in relation to the Local Government Amendment Bill 2013 or the policy behind it. I am not going to stray into those areas because I think they will probably take me off track. However, I thought this was an important piece of correspondence from Councillor Julie Matheson of the East Ward in Subiaco. I think the questions she raised in that correspondence warrant further investigation, and I think that investigation should be an inquiry by the Standing Committee on Legislation.

While I think of it, in making the decision to support this motion I had occasion to come across the "Metropolitan Local Government District Inquiries Information Paper"—a document of the Local Government Advisory Board dated January 2014. The document provides background information about the state government's proposals for new local government boundaries and a bit of the history of it, but it also states —

The Minister asked local governments to submit proposals in response to the Government's model to the Board for consideration by 4 October 2013.

Shortly after that the Local Government Amendment Bill 2013 was introduced in the other place.

This document also reminds us that it was literally days after this bill was introduced in Parliament that the minister decided to formally submit 12 proposals to the board. Although he brought a bill to Parliament, there was no intention; I honestly think he believes that he does not need this bill. He can simply keep acting in the way he has, he can simply keep doing what he wants to do, and he can simply keep acting and making changes and amalgamations by stealth.

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Point of Order

Hon HELEN MORTON: I think the member is straying way beyond the policy of the bill at this stage. I ask that you bring him back to the narrowness of this motion in terms of whether the contents of the existing bill—the policy of the existing bill —

Several members interjected.

The DEPUTY PRESIDENT (Hon Alanna Clohesy): Order! I cannot hear the minister's point of order.

Hon HELEN MORTON: — is one that should be referred to a committee.

The DEPUTY PRESIDENT: I will remind the member that the debate is about the policy, and I give Hon Stephen Dawson the call.

Debate Resumed

Hon STEPHEN DAWSON: Thank you, Madam Deputy President. I was moving on to my next point, which is my next piece of correspondence, which I received last night from the City of Subiaco. I received it, I think, about 1 200 times because it was sent to my email address by Subiaco, so my member of Parliament email address acknowledged it, which sent an email back to them, and they sent it backwards and forwards. My phone beeped all night as I got 1 200 copies of this piece of correspondence, so I remember what it is and I am going to read it out! This email also brought me to the realisation that Hon Sue Ellery's motion that the bill be referred to the standing committee should succeed.

This letter is from the City of Subiaco and its subject is "Local Government Act Amendment Bill 2013". It is written by Stephen Tindale, who is the chief executive officer of the City of Subiaco. It reads —

Dear All

Last night and as an item of urgent business, the City of Subiaco Council passed two elected member resolutions that relate directly to the Local Government Act Amendment Bill 2013 (details below). While the resolutions are less than friendly, they nonetheless demonstrate the Council's deep concern with the draft legislation currently before you.

Essentially the argument goes as follows:

1. By submitting his own proposals the Minister has, for the first time in history, coerced existing local governments into making their own 'voluntary' proposals.
2. The Minister's approach to proposals—and the Board's acceptance of them—involves proposals that are scant on detail (see attachment as an example).
3. The community deserves comprehensive proposals from the Minister that provide the context for the community to make informed submissions to the Board.
4. The community's ability to make informed submissions has been frustrated by the Minister's actions in submitting scant proposals.
5. Under the new clause 5A. (2)(b) to be inserted into Schedule 2.1, it is open to the Minister to sit on (and perhaps even reject) reports from the Board and to encourage the Board to look at other options.
6. With a revised scope for the formal inquiry, the Board may then conduct a further inquiry without inviting public submissions.
7. Such a process will again seriously disenfranchise the community—and doubly so given that there are no public hearings under the current process together and the Minister's self-evident desire to limit access to the Dadour poll provisions.
8. Depending on the degree of 'encouragement' given to the Board, it is possible that the Minister may shape the outcome of the inquiry process to obtain politically expedient outcomes rather than genuine structural reform outcomes.
9. The principality of Peppermint Grove then becomes a real rather than imagined possibility.
10. In addition, the provision of a long list of names to the Minister by WALGA for membership of the Board invites reconciliation of those names with party membership lists.

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11. Finally, the Minister's proposed 'boundary adjustment' amalgamations effectively disenfranchise the communities of twenty metro local governments by removing access to the Dadour poll provisions.

To sum up, the LGAB's capacity to provide independent and unbiased advice to the Minister is under serious threat, our communities are being disenfranchised and the prospect of the Board being led by the Minister to recommend proposals to him that are politically expedient is very real.

We ask that you give the above concerns your serious consideration and either recommend further amendments to the legislation or refer the matter to committee for further examination.

It then details the council decision and its resolutions. I will not read the resolutions into *Hansard*, although they did help me make my decision. This is a plea from the City of Subiaco for us as a Parliament and for the Legislative Council to stop for a moment and think about this bill and think about the policy of the bill, and for us not simply to say, "Yes, sure, let's pass this. There is not a great deal in the bill, but let's pass it and let the minister do what he wants." I have stopped and thought about and listened to the requests from the City of Subiaco to give serious consideration to its concerns, and it is no secret that I have previously shared some of the same concerns. I have shared similar concerns about the board and its make-up, and to the fact that the minister could indeed, as the City of Subiaco has said, reconcile the names on the list from the Western Australian Local Government Association with names on Liberal Party membership lists. It is a concern, but that is not the city's only valid concern. I think a range of concerns in those 11 points are important. I certainly think that the Legislative Council should consider those concerns, as could the Standing Committee on Legislation if Hon Sue Ellery's motion is passed. There was the letter from the Subiaco councillor and there was the letter from the City of Subiaco, and concerns were raised at the Shire of Kalamunda's meeting.

The reason that this bill should be referred to the committee is that the committee would allow local governments the opportunity to express their views. It would allow full and proper discussion on this amendment bill and it would allow frank views held by local governments to be shared. It would also allow members of Parliament to hear firsthand those concerns, to tease out those concerns and to see whether those concerns are valid. As I have said previously, it is not just councils that have concerns; members in this place also have concerns. Over the past few days we have heard a variety of members express their concerns about the bill and the intent of the bill. We have heard people be frank and ask: If the minister wants to do one thing, why does he not do it? Why do we have to attack local governments? Why do we have to use stealth to amalgamate local governments? Why do we have to give Burswood peninsula to another council?

Hon Ken Travers: The reason we have to do it this way is so that the National Party can pretend that it did not facilitate local government reform, when in fact it is.

Hon STEPHEN DAWSON: I have said enough on the National Party today. Certainly, what the National Party has done or has not done, or what it has said or not said about this bill, has not helped me come to my decision on whether to support the bill.

Some members have said that councils do not mind this amendment bill and that we should simply get on with it. I disagree with that assertion, because the local governments that I have heard from in this process have not told me that that is the case. The local governments that I have heard from have said that they are concerned by the actions of the Barnett government; they are concerned that the government keeps changing the rules. I think Hon Sue Ellery mentioned earlier that good faith has been lost. That is an important point to make: good faith has been lost. Lots of councils came into this process supportive of moving forward, rationalising and finding efficiencies in the system, but what we have seen from the government since then has made them second-guess what is going on. It has made them rethink their support for this reform process. The change of heart by those councils has also weighed on my mind, and that has helped me come to the decision to support Hon Sue Ellery's motion.

This bill is about denying the rights of local councils and local communities to choose their own future. I have said previously that most councils have taken a positive and constructive approach to this process. It is fair to say that all councils simply want fair and equal mergers. They do not want takeovers as proposed in the government's current proposal. They want a proper process. They do not want amalgamation by stealth. We have seen from the minister's actions that he will do anything to force councils to amalgamate. The minister and the Premier have abused the trust of the local government sector. I am not the only one who has decided that that is the case. Many local government councils have moved motions to this effect, many councillors have written letters to this effect, and many voters throughout the state have written to members and said that this has been an abuse of trust and a betrayal. That, too, has helped me come to my decision to support the motion today.

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As I have said, the WA opposition does not want to be party to an attempt by the government to force its will on metropolitan communities after breaking its promise. As a regional member of Parliament, I have great concerns about what lies ahead for the councils and shires in my electorate. That is another reason why this bill should be referred to the committee. Notwithstanding the fact that the National Party says that it has a deal and amalgamation will never happen in regional areas, there are many questions and there certainly is no guarantee that amalgamations will not be forced upon regional councils in Western Australia in the future. It is a concern.

I will not read again the Premier's comments that Hon Sue Ellery read in her contribution. We know that people in government have said on the record that regional councils should be targeted first. We know that no matter what the National Party says today, this could well lie ahead of us. The Standing Committee on Legislation should look at that issue as part of its inquiry.

With those remarks, I again say that I share the concerns expressed by Hon Sue Ellery and other members on this side of the house. Members on the other side of the house have concerns with this process and with the amendment bill. I share their concerns. The reasons that I have outlined this afternoon should be important enough for us to say, "Hang on; there is a lot of concern and confusion in the community. We should send this bill to a committee and that committee should look into and report on the policy of this bill and report back to this place." If that process happened and a report came back to this place, we could at least take some comfort that this place had given proper scrutiny to the issue. For those reasons, I support Hon Sue Ellery's motion.

HON ROBIN CHAPPLE (Mining and Pastoral) [3.48 pm]: The Greens will support the motion to discharge and refer the Local Government Amendment Bill 2013 to the Standing Committee on Legislation. Quite clearly, the reason for doing that has been articulated by Hon Stephen Dawson and the Leader of the Opposition, but two other important points about why this bill should be referred to committee need to be identified. I spent some time reading the original debate on the Dadour provisions. Quite clearly, the process that was outlined at that time was that no single council should be impacted by amalgamation. When the Dadour provisions were introduced to provide for the amalgamation of two councils, it was done to protect a single council.

Members will be well aware that I propose to move an amendment to the Local Government Amendment Bill. It merely seeks to provide that if an individual council is impacted, a poll is needed. That element should go before the Standing Committee on Legislation and be thoroughly investigated.

The other point that I wanted to make—I will be brief—is that during my speech on the second reading debate I highlighted the problems of *R v Toohey*; *Ex parte Northern Land Council*. Quite clearly, this is something that a committee would need to look at because that decision identified that the regulations that were introduced at that time were done for illegitimate purposes. I see the process of moving boundaries and abolishing a single council as being illegitimate purposes under the discussions and the original conception of the Dadour provisions. I would argue that sending this bill to committee is of great value. At the same time, I believe it would be a real opportunity to look at the risks of the government going down the process of amalgamating two councils by deceit—that is, abolishing one and moving the boundary of the other. I am fearful that should it try to do this, it will be in the courts because it is not the intent of the Dadour provisions and it was not the intent of the provision in the bill.

With those brief comments, the Greens will be supporting the discharge and referral of the bill to committee. I commend the Leader of the Opposition for moving the motion.

HON LJILJANNA RAVLICH (North Metropolitan) [3.52 pm]: I, too, rise to support the motion moved by the Leader of the Opposition that the Local Government Amendment Bill 2013 be discharged—hopefully, we will not see it again but I am sure that that will not be the case—to the Standing Committee on Legislation. I am sure the bill will find its way back after the committee members have done their work.

There is a lot to be said about the bill before us. The Minister for Mental Health, who has carriage of the bill, has made some comments about issues raised by members on this side about the lack of definition of the policy of the bill. I want to get some clarity around this. I understand that anything that is in the second reading speech defines the bill. There is certainly a lot to be concerned about in the second reading speech. I intend to go through it and make some comments about the things that I am concerned about on behalf of the people whom I represent and which I believe the legislation committee should have a very good look at.

The second reading speech makes a number of very bold statements that would have people believe that we have a very good piece of legislation before us. However, when we analyse it carefully, we find a whole lot of inconsistencies and things to be very concerned about. When we compare the provisions in the substantive act, the Local Government Act 1995—which basically empowers communities and gives them the right to poll provisions under certain circumstances—with the bill before us, which is basically the denial of those rights, we

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see two totally inconsistent features of the law. I do not know how those pieces of legislation can stand side by side. I do not know what the legal position is likely to be, but I certainly know that the legislation committee should have a very close look at that. The legislation that we want to refer, according to the government, will reform the local government sector. It is designed to strengthen the structural viability of local governments. I have it on very good advice, and from evidence that has been provided to me from local councils, that in some cases that will certainly not be the case. This is totally inconsistent with what would happen to councils, such as the City of Stirling, if they were forced to amalgamate. In fact, it would weaken that council considerably. It is certainly a viable council at the moment. Any reform would be to the detriment of that council. It is not the only council that may be in that position; many other councils may be in that position, and it is certainly something that I believe the legislation committee should look at closely.

Through the introduction of this amendment bill, the government has made sweeping statements about the need to ensure that the state has an efficient and well-regulated system of local government that is responsive to the community. Clearly, that would also need to be investigated. That statement implies that we have local governments that are not responsive to their communities. I am sure that many ratepayers throughout the state would not agree with that.

I could go through the second reading speech but I do not necessarily want to do that, suffice to say that I could go through it line by line and it would raise many very interesting questions that would certainly warrant further investigation. It is also fair to say that we should be concerned about not only the policy of the bill that we have before us, but also what happened behind the scenes to get this bill to this place. We all know that the Premier was forced to back down over the council amalgamations, especially given that the National Party refused to support these proposed changes. The National Party is not supportive of these changes; it is concerned about what is likely to happen in regional and rural Western Australia, but it may well have concerns about what is likely to happen in the metropolitan area. We also know that the Premier's proposed changes to the local government legislation sparked a backlash amongst his own members. We have seen a couple of members opposite get up to express their concerns. Obviously, they will not be crossing the floor because they never do; they just get up and express their concern —

Hon Nick Goiran: We never do? What did you say?

Hon LJILJANNA RAVLICH: Apologies to Hon Nick Goiran because he has. I do not know whether Hon Simon O'Brien has ever crossed the floor.

Hon Simon O'Brien: I'm sorry; I was not listening. What was the question?

Hon LJILJANNA RAVLICH: Rather than someone take a point of order and say that I should apologise, I am just going to apologise right up-front and say that I am very, very sorry because these two men are men of integrity.

Point of Order

Hon SIMON O'BRIEN: As Madam Deputy President knows, I do not like to be precious about these things, but the unruly interjections of Hon Nick Goiran are preventing me from hearing every word of this very excellent speech by Hon Ljiljana Ravlich!

The DEPUTY PRESIDENT (Hon Alanna Clohesy): There is no point of order, although I remind members that it is a very good thing to listen quietly.

Debate Resumed

Hon LJILJANNA RAVLICH: Yes, I owed them that apology. In both cases they have crossed the floor. It will be very telling to see whether they cross the floor this time also. It puts one in a difficult position, and I understand that.

Hon Nick Goiran: You do realise that it is actually you who needs to cross the floor because to support the motion —

Hon LJILJANNA RAVLICH: Oh yes, you don't have to—just stay where you are!

Hon Sally Talbot: Metaphorically speaking.

Hon LJILJANNA RAVLICH: Yes.

Not only are members of the government concerned but also their coalition partners are concerned about this. The Labor Party is certainly very concerned. It does not leave a lot left who are not concerned. If there is ever a compelling reason why this bill should be closely scrutinised by the legislation committee, that is reason enough. But I am not going to stop there because there is much, much more!

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I will go to this point of inconsistency because I want to relate it to what councils are telling me. The Local Government Act 1995 is an act that provides for —

... a system of local government by —

- (a) providing for the constitution of elected local governments in the State; and
- (b) describing the functions of local governments; and
- (c) providing for the conduct of elections and other polls; and
- (d) providing a framework for the administration and financial management of local governments and for the scrutiny of their affairs.

Importantly —

- (2) This Act is intended to result in —
 - (a) better decision-making by local government; and
 - (b) greater community participation in the decisions and affairs of local governments;

The bill before us would totally undermine the objects of the Local Government Act 1995. The Local Government Act 1995, or the parent act, also intended to result in “greater accountability of local governments to their communities”. Under the proposal before us in the amendment bill we would see a decline or a reduction in accountability. Once again, there is an inconsistency. Finally, the 1995 parent act has as its intent a “more efficient and effective local government”.

It has been claimed that the legislation before us would result in more efficient and effective local government. However, this has not been demonstrated in any way, shape or form. As I move from council to council, I am told that it would do the exact opposite. Quite clearly, this bill needs to be looked at by the Standing Committee on Legislation. The claims made by the government about the bill currently before us are not backed up by any evidence whatsoever. As such, the basis upon which this legislation has been put together is flimsy, to say the least. It is something that the legislation committee really should have a very, very close look at.

There are major inconsistencies. It is complicated by boundary changes that will be dealt with administratively to bypass the Dadour provision. That is definitely not in the best interests of local government authorities. The government is trying to create a loophole to disenfranchise communities, starting with the metropolitan councils, and I am sure that once the government deals with metropolitan councils it will move to rural and regional councils. That is something else that should go before the legislation committee. I half suspect that somebody somewhere in a room in the Department of the Premier and Cabinet is already drawing lines around regional and rural local government authorities because that is the sense of what is going on.

Although residents in all metropolitan councils will be denied the Dadour provisions, those in the western suburbs will be allowed to veto planned mergers. One wonders how that comes about and on what basis that would occur. Once again, why is there a separate rule for councils in the western suburbs? The Premier is the local member of one. There is one set of rules for the Premier and there is another set of rules for everybody else. I do not know; no-one has explained to me why that is the case. If it is good enough for the Premier, it is good enough for everyone else. That has not been explained. It is something the committee should have a very close look at. Western Australians should be told why that is the case.

Another thing that the Standing Committee on Legislation needs to look at is where the money will come from. I made some comments in this place not long ago when I asked some questions, but there is no money for this anywhere. The committee will need to look at this. Councils will be forced to amalgamate and then they will be forced to hand over the cheque for making them do something that they did not want to do! That is what will happen. If there is a way the Premier could appear before the legislation committee, that would be a very good thing because he might like to explain to the people of this state where the money is. I think about \$3 million has been spent since 2011. Three million dollars does not buy much at all. There is nothing in the forward estimates at all—nothing! Hon Nigel Hallett is nodding to say that I am spot on. He is right, I am! We need to know where the money is for this. I am sure the legislation committee knows that we cannot have reform without it costing something. Everybody knows that. We would want to know what the costs are.

Another interesting question for the legislation committee is why local government authorities who want to retain their existing boundaries are not able to do so, and why saying no is not an option under this model. I know that the City of Subiaco does not want to amalgamate with anybody. It has a very good functioning local government authority and its preference is not to amalgamate.

I will spend a little time making some comments relating to this whole policy area of council amalgamations and the viability of local government, which is really at the heart of the policy behind this legislation. The

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government claims that it will make councils more viable; however, it has not really stumped up to prove any evidence that will be the case. That is the truth of it. I want to quote from a submission in response to the Minister for Local Government's proposal to transfer parts of the City of Stirling to the newly created western suburbs and Morley's local government. This is a very interesting case study; it goes to the heart of the policy of the Local Government Amendment Bill, which is economic viability. This submission outlines the strong consistent position of the City of Stirling, which is to retain all the existing boundaries in response to the reform of local government in the metropolitan area. That is what it wants. It does not want change; it wants to stay as it is. The submission outlines a strong consistent position, which is to retain all the existing boundaries in response to the reform of local government in the metropolitan area. Its submission requests that the Local Government Advisory Board rejects any proposal to alter these existing boundaries.

At its meeting on 10 December 2013, the City of Stirling unanimously reaffirmed its position to retain its existing boundaries. That is what it did. Why did it do that? It has a number of reasons that go to the heart of structural viability and economic efficiency. If a council meets those criteria, according to the Premier, then that is what the government is aiming for. The City of Stirling already meets the criteria. There is an old saying, "If it ain't broke, don't fix it." Therefore, in the City of Stirling's case, that is exactly what its councillors would argue.

The Minister for Local Government; Community Services' proposal announced on 12 November 2013 to change the City of Stirling's boundaries would have, according to the councillors, a significant adverse impact on the city's capacity to continue to deliver its high-quality service to its ratepayers and to provide good value for money. I want to outline a number of reasons as to why it argues it should not be amalgamated, and why this policy, as outlined in this bill, is actually detrimental to this local government authority—not only this local government authority, but also many, many other local government authorities. We cannot have one size fits all. Firstly, during this process, the City of Stirling had been held up as an excellent example of a large-scale, modern and efficient local government. That is the first thing. Therefore, the City of Stirling has been touted around the place as an example of, "This is how you do it! They're doing a good job!" So why change? Secondly, the city also offers over 210 services to its community, including recreation centres, a library, home and community care, waste, security, events; arguably, because it is such a very large council, it provides more government services than just about any other council in the state. Thirdly, the city has a proven track record of providing high-quality customer service to its ratepayers receiving a 91 per cent customer satisfaction rating for 2012. The City of Stirling's ratepayers are very happy with their council. They even go to the effort of making sure that they return their questionnaires. I am sure any political party would be more than happy to get 50 per cent of its questionnaires back. The City of Stirling receives some 92 per cent!

The City of Stirling has been independently identified as financially strong and sustainable with one of the lowest rates in Western Australia. The City of Stirling is debt free. That is a great achievement for a big council; it clearly has economies of scale and it clearly takes the benefits from those economies.

Debate interrupted, pursuant to standing orders.

[Continued on page 779.]

Sitting suspended from 4.15 to 4.30 pm