

LOCAL GOVERNMENT REFORM — CITIES OF SUBIACO AND NEDLANDS — AMALGAMATION

**744. Mr P. PAPALIA to the Minister for Local Government:**

I refer to the minister's media release of 20 May, which states that the minister has provided funding and indirect support from the Department of Local Government to assist Subiaco and Nedlands to develop an amalgamation plan.

- (1) Is it true that since the recent council elections both Subiaco and Nedlands councils oppose amalgamation?
- (2) Does this mean that the \$300 000 the minister paid KPMG to produce a consultant's report on the amalgamation was an outrageous waste of taxpayers' money?
- (3) Will the minister now take action to end expenditure of more money, time and resources by the Local Government Advisory Board on its inquiry into the amalgamation of Subiaco and Nedlands councils?

**Mr G.M. CASTRILLI replied:**

(1)–(3) I thank the member for his question. The Cities of Subiaco and Nedlands formed a regional transition group. It was their decision to explore the opportunities and possibilities. They came to me. I gave them the money to assist them to do that. The City of Subiaco resolved not to refer its proposal to the Local Government Advisory Board; the City of Nedlands resolved to do so. That started a chain of events with which I cannot interfere, and once that started it was on its way.

It has been reported that the City of Nedlands has resolved to request the advisory board to discontinue its inquiry. That resolution has no material effect on the ability of the advisory board. However, the advisory board has agreed to place the inquiry on hold pending a hearing that is scheduled for 18 November because the City of Subiaco has gone to the Supreme Court for a writ of prohibition. Obviously, the final hearing has been set for 18 November and the board has halted proceedings until the outcome of that court hearing.

Let me make this point: those two councils decided to get together to explore the opportunities. I did not force them. I did not make them. They did it. They asked me for assistance and I gave them the assistance.

I would have thought that KPMG is quite a reputable firm in this state and in other places. KPMG came up with a report that said that the savings to the ratepayers on a purely operational basis would be \$3.1 million to \$3.4 million every year, yet the City of Subiaco decided not to proceed with the amalgamation. At the very least, the council should have, in the confines of democracy, got that report and gone to the people of Subiaco and asked, "What do you think? Give me your ideas", yet they cut it off at the knees. That is the decision the council made.

**Mr F.M. Logan** interjected.

**Mr G.M. CASTRILLI:** Is it not fantastic, member for Cockburn! What a bloody—I withdraw, Mr Speaker. This is what we call nineteenth-century thinking. That is terrific.

I reiterate that those two councils decided to explore the opportunities. They went down that path and before they even asked their people what they thought of the outcomes, they pulled the pin.