[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

LOCAL GOVERNMENT AMENDMENT BILL 2023

Second Reading

Resumed from 23 March.

HON MARTIN ALDRIDGE (Agricultural) [12.50 pm]: I rise with much enthusiasm as the lead speaker for the opposition on the Local Government Amendment Bill 2023, and I am glad that —

Hon Sue Ellery: You know that *Hansard* doesn't always pick up irony?

Hon MARTIN ALDRIDGE: Ha! I am glad that we have not found ourselves disallowing seven local government local laws immediately preceding this order of business today, being order of the day 11, Local Government Amendment Bill 2023.

I do not have primary carriage of the bill for the opposition; I am representing the shadow Minister for Local Government in the other place, the member for North West Central. I am sure that, like me, many members in this place have some connection with the local government sector, and that is the topic on which I would like to start my contribution today. Firstly, I want to thank the advisers from the Department of Local Government, Sport and Cultural Industries and the Minister for Local Government's office, who provided me with a briefing recently. They were most helpful in terms of the information that was provided. Their advice was genuine, thorough and timely. When we have a large bill like this that does many things, I must say it was refreshing and very helpful for the advisers to group relevant clauses together in terms of the policy outcomes being pursued. In my recent experience of dealing with the Health Services Amendment Bill 2021, that sort of information was sought from the advisers but was not forthcoming. When we deal with bills that do many things, as this bill does, that will certainly be helpful when we get to Committee of the Whole and have to navigate its many clauses.

Another thing I want to briefly touch on is the very significant body of work—some 418 pages—that was the final report of the Select Committee into Local Government, *Final report—Inquiry into local government*. I am not sure what I did wrong to find myself on that committee for this very lengthy examination of local government, but just looking at the list of committee members—this was in the last Parliament—I am the only member who seems to have survived! I do not know whether that is a good or bad thing, but it is interesting to see some of the connections between the issues that were contemplated in the select committee's examination, which resulted in that report in 2020. We identified in the report the primary legislation for local government as being the act that this bill will amend, a 1995-vintage act that comprises some 500 pages of primary legislation. If I recall correctly, we also identified some 400 pages of regulations. In common, I am sure, with the minister representing the Minister for Local Government, today I feel a bit like a local government CEO or elected member, swimming in reports, paperwork, legislation and regulations as we find ourselves navigating the Local Government Amendment Bill 2023.

If that demonstrates anything, it demonstrates that local government is a highly regulated sector. Obviously, we want to make sure that that regulation is effective. Many of the measures that we are considering today have arisen from the findings and recommendations of the select committee and from a number of other inquiries, such as the *Report of the inquiry into the City of Perth* and the *Local government review panel: Final report*, amongst others.

There are many acts of Parliament that relate to local government; members should not make the mistake of thinking that it is only the Local Government Act. There is a handy appendix, appendix 2, at the rear of the select committee's report that identifies all the legislative instruments that, in one way or another, directly affect local government. That spans three pages. I have not counted them, but there is a significant number of pieces of state government legislation and, indeed, there may also even be commonwealth legislation, but we focused on state legislation in that report.

There is a question I often pose in the course of debate on these types of amending bills, and I will probably pose it again when we go through the relevant clauses in Committee of the Whole: are we holding local government to a standard to which we do not hold ourselves? As we go through the clauses there will be certain provisions on which it will be relevant to pause and consider that question for a moment.

I also want to talk about the scope of local government. As a regional member, the scope of local government outside both the metropolitan area and urbanised regional areas varies quite significantly. In Western Australia, 139 local governments fall under the Local Government Act, and 137 of them are to be found on mainland Western Australia. I am lucky enough to represent 63 of those 137 local governments, as do the other members who represent the Agricultural Region. There is a significant number of local governments, but also significant diversity in the sector.

In the September 2020 final report of the Select Committee into Local Government there are a couple of paragraphs that talk about scope, paragraphs 4.14 and 4.15. I want to quote from the *Final report—Inquiry into local government*. Paragraph 4.14 states —

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

In 2001 the Commonwealth Grants Commission (CGC) analysed local government expenditure over the preceding 35 years. The CGC found that the composition of local government services had changed markedly, with local government increasingly providing social welfare type services such as recreation and culture, housing, community amenities, education, health, welfare and public safety at the expense of traditional property-based services such as roads.

Paragraph 4.15 states —

The CGC identified five broad factors as causing the increase in local government functions and responsibilities:

- (i) devolution where another sphere of government gives local government responsibility for new functions;
- (ii) 'raising the bar' where another sphere of government, through legislative or other changes, increases the complexity of or standard at which a local government service must be provided, and hence increases its cost;
- (iii) cost shifting where there were two types of behaviour. The first is where local government agrees to provide a service on behalf of another sphere of government but funding is subsequently reduced or stopped, and local government is unable to withdraw because of community demand for the service. The second is where, for whatever reason, another sphere of government ceases to provide a service and local government steps in;
- (iv) *increased community expectations* where the community demands improvements in existing local government services; and
- (v) *policy choice* where individual LGBs [local government bodies] choose to expand their service provision.

Sitting suspended from 1.00 to 2.00 pm

Hon MARTIN ALDRIDGE: Before the recess for lunch, I was starting to talk about the significant scope of many of our local governments. I live in an area that has had, politically speaking, a fairly stable local government authority, but this year we had an electors meeting. As is the case with most councils, council chambers are relatively small. Most of a council's chamber is occupied by the elected members themselves, with a small public gallery that can probably accommodate 20 to 30 people. Usually, the annual electors meeting is fairly non-eventful, but this year it had to be relocated to the town hall because some 200 or 300 people wanted to attend. Those numbers might seem small for the Cities of Wanneroo, Joondalup, Stirling or Canning or somewhere like that, but there was a significant increase in interest in local government.

I sat at the back of the room. I was there for a bit of entertainment, amongst other things. My observation from the few hours that I was there listening was that probably 80 to 90 per cent of the issues that were raised would not be considered to be traditional local government functions, business or responsibilities. We often talk about local government being the tier of government that is closest to the people, but, because of that, it is also a tier of government that we expect a lot of as a community. When I pull out of my driveway in the morning, I drive over the local government verge onto its bitumen. The street is lit courtesy of the local government. When I visit my general practitioner, that practice is supported and subsidised by the local government. In fact, there would not be a day that goes by when each of us do not have an interaction with local government. I do not think that is the case with the state and federal governments. Local governments certainly do not have the capacity to raise revenue that the state and commonwealth governments do. In many respects, local governments have a tension between their limited capacity to raise revenue and an increasing community expectation around the services that they deliver. It is not only a community expectation, but also an expectation of Parliaments, particularly state Parliaments, which continue to legislate and regulate and add to the functions of local governments because they are the level of government that is closest to the people and are focused on service delivery. In a state as geographically large as Western Australia, many of the services that either the state Parliament or the community asks local governments to deliver simply would not be achievable without local governments.

Of all the fees, charges and taxes that we pay to local, state and federal governments, the contribution that we make to local governments is relatively small. Certainly, as we approach this time of the year, local governments are starting to enter into their budget sessions. Linked to what flows from agreement on a budget for the next financial year is the rating that will occur on the properties within their districts. I do not have a precise figure for what the average household pays, but an average home in my community would be paying local rates of between \$2 000 and \$3 000. We can think about the daily services that we get, let alone the weekly rubbish bin service, which is probably worth a couple of thousand dollars alone. There is obviously a lot of contention around rating, but when

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

we consider the services that we all enjoy, and often take for granted, our financial contribution directly to local governments is not significant, certainly not when compared with the contribution that is made to state and federal governments. Obviously, there are grant schemes and the like that support local governments. Before the lunch adjournment, I read a quote from the Commonwealth Grants Commission. There are mechanisms to support local governments, but many of those mechanisms are outside the control of local governments. They often get to contribute and have a say on how the pie is divvied up, but the levers for the quantum of funds that are delivered to the sector are usually well and truly outside their decision-making capability. As we consider the amendments that we are making to the Local Government Act 1995, it is important that we also consider where local governments have come from and their rapid evolution in recent times as what I have described as a deliverer of government services of last resort.

Members might be aware of a book authored by Christopher Berry called *To Dwell in Unity: Commemorating the 150th Anniversary of Local Government in Western Australia*. I bought this book last year. It is probably in the Parliamentary Library, and other members might have purchased it as well. It is a book that I do not purport to have read from front to back, but I have certainly read chapters of it, particularly in anticipation of the debate today. Inside the cover of the book, there is a quote that is attributed to Councillor Keith Frame, the then Deputy Lord Mayor of the City of Perth, when speaking at the local government centenary dinner in January 1971. He said —

There is no pursuit more honourable but less honoured than being an elected member of local government.

I thought that was a pretty apt reflection, although it occurred some 50 years ago. I think it goes to that apathy that I was talking about in some general community views about the expectations of local government. But that is not the quote that I was going to refer to. There is a section very early on in this book that refers to what led to the formation of the local government sector in Western Australia. It is a period around 1870. Keep in mind that in 1870, the Swan River Colony was granted responsible government. It elected 12 members to the Legislative Council and six were appointed, so there was an 18-member Legislative Council in Western Australia. Of course, the other place was not formed until 1890, and it was an Assembly of 30 members. It happened in the period shortly after responsible government had been granted in Western Australia. I will read a small extract from the book under the title "The Legislative Council Committee for Roads and Bridges" that is of direct relevance to the bill we are debating today in Legislative Council. It says —

WL Brockman, a Swan River pioneer since 1830, was one of the colony's largest landowners. He was a nominee to the Legislative Council from 1839 and later an elected member for Swan province. Brockman was always vocal on the issue of roads, working 'hard and unremittingly for the betterment of the roads in the colony ... resolute and determined to the point of desperation'.

One of Brockman's Legislative Council contributions was to initiate a committee to look at the administrative arrangements for roads and bridges. He was really echoing points previously made in the *Inquirer*, suggesting that less had been achieved under the years of convict labour than should have been and that the supervision of roads should be in the settlers' hands. Brockman noted the government was spending £3,000 yearly for the upkeep of eighty-two horses in the employ of fifty-eight government road parties. Brockman's proposal for a committee of review got the support required, acknowledging that 'the time would come when the various districts would have hugely to contribute to the formation and repair of public highways and or the support of road boards'. Governor Hampton admitted that road boards would manage supervision far better than the government, but he was not inclined to make any alterations in arrangements as his term was finishing and a new governor would soon be in place.

The Legislative Council Committee, comprising Brockman, John Hardey and James Lee-Steere, reported to Governor Hampton just a couple of weeks later, and its findings were reported in the press:

The Committee are of [the] opinion that it is most important that the parties more immediately interested in the roads should have a voice in the management of them ... they recommend that a Central Board should be established ... to appoint District Boards, to consist of 5 members, composed of the most practical men in each district, who shall have the management of the roads in their district, and the expenditure of such portion of the funds as shall be allotted them.

The committee was acknowledging, and the Legislative Council agreed, that the only feasible way to efficiently supervise road maintenance was to decentralise the work, by establishing local boards responsible for improving and making roads. This report laid the foundations for a more decentralised system and was pivotal in facilitating the move to local road committees later in 1868, the precursor of the roads boards of 1871.

The *Inquirer* welcomed the proposed road committees:

The idea of a Road Committee in every district of the colony has been received with alacrity and promises to result in much good, if maintained in a proper spirit, and worked with the single

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

object of making the most of such funds and labour as are available ... It is intended they should work precisely as the Perth City Council, and the Fremantle Town Trust work. A certain amount of convict labour is given by the Government, but the particular work within the towns on which that labour is to be employed is left to the Council to determine. In this way it will be for each Road Committee to decide what works it is most desirable to carry out with the labour available in its own district from time to time ...

The system should work advantageously, if the settlers put their shoulders to the wheel carefully and judiciously and it is the more necessary that they should do it thoughtfully, seeing that the general result will take all responsibility in works undertaken and executed, from the Government to themselves.

That was quite a lengthy quote about events many years ago, but I think the sentiment expressed in the 1870s still rings true today, and it goes to my earlier comments on local government being very good at service delivery. In part, that is down to the decentralised nature of the local government sector.

I turn to the bill. It is a substantial bill, with 24 key reforms. It simply will not be possible to examine those reforms in any depth in a second reading debate, but the useful support of the advisers and the provision of information will help expedite the Committee of the Whole stage of the bill. It is probably the most appropriate stage of the bill to deal with specific reforms.

The proposed reforms we are dealing with in their final form were put out to public comment from November 2021 to February 2022. As I mentioned, that followed some very significant bodies of work, not least of which was the work of the Local Government Review Panel, the inquiry into the City of Perth and the work of the Select Committee into Local Government amongst others. The consultation process received over 200 submissions. The government's final provisions were developed with stakeholders, principally the Western Australian Local Government Association as the sector representative, and are in the bill before us. I understand the bill is one of two tranches of reform. If I am not mistaken, this is the most significant body of work, with the second tranche to follow.

The legislation needs to be implemented ahead of the October 2023 local government elections because a number of provisions in the bill relate to elections. I understand from my briefing that there is a need—I would not use the word "urgency", but there is certainly a recognition that it would be optimal for the government if the bill is passed during the May sitting so that it can implement the significant regulations that will flow from the legislation ahead of the elections in October. There are a lot of head of power clauses in the bill that allow for regulations to be made. Often when we see that in legislation, we do not get a lot of detail around the regulations that are likely to follow. In this instance, I think we have a greater level of visibility because of the journey that has occurred with the reform process and the engagement. The government had to lay out the policy intent. Even though some of that cannot be found by reading the bill, it can be understood from the government's intention or commitment in the regulations that will follow.

The bill will amend the Local Government Act 1995 and will consequentially amend the City of Perth Act 2016, the Local Government Amendment (Auditing) Act 2017, the Salaries and Allowances Act 1975, and the Waste Avoidance and Resource Recovery Act 2007. As I said, 24 policy reforms will be achieved with this bill. They include the introduction of a statewide caretaker period during ordinary elections and the creation of consistency in the size and structure of councils. I will pause here to say that this might be something that I will come back to if I have time because there is some sensitivity amongst the sector about this provision. The reforms include enrolment changes to address sham leases, parental leave for council members, and the introduction of principles for local government on sustainability, climate change and involving Aboriginal people in local decision-making. Again, this issue was further ventilated in an article that occurred over the weekend. There is some interest in the sector in exploring this aspect, which will probably best be achieved in Committee of the Whole. It also includes extending electoral periods to account for slower postal services, offences for inappropriate use of the electoral roll, publication of information about candidates, changes to voting and counting provisions to introduce optional preferential voting for local government elections, recording council meetings and reforms to elector meetings, publication of CEO key performance indicators and results, establishing a panel of independent persons for CEO recruitment panels, clarifying strategic plans for councils, implementing a community engagement charter and community surveys, implementing communication agreements between CEOs and councillors, publication of registers of local government assets, remuneration for independent committee members allowing local governments to pay education expenses for councillors to attend training, grouping or tiering of local government through regulations, allowing compliance exemptions when required for the urgent benefit of the community, clarifying processes for the backfilling of extraordinary council vacancies after an election, clarifying processes for the backfilling of a vacancy due to the election of an incumbent councillor to the position of mayor or shire president, clarifying counts for optional preferential voting and other transitional consequential amendments.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

It has taken quite a bit of time just to name the 24 reform areas, let alone scratch the surface of some of them. As I said, I will touch on a few of them as we go through this today. One area I paused to mention was the consistency in size and structure of councils. I understand from my briefing that this is an area in which there was some change between the consultation paper and the final policy decision of government. I think it was proposed that the upper limit of council member numbers was going to be lower than what the government landed on. I do not want to misspeak by quoting that number but I think it is fair to say there was some change between when the government went out to consultation and where it finally landed on this issue. Many of the initiatives in this bill are linked to the banding arrangement in which the Salaries and Allowances Tribunal—an independent tribunal—effectively categorises all local governments into four bands. It is not clear to me how it does that. I know it is not purely population based. When I read the current determination of the tribunal on local government, it reflected in a couple of short paragraphs that it takes into account a number of factors in allocating bands to local government. Obviously, there has been a decision at some point. Perhaps there is information buried on the tribunal's website, which is not the easiest place to navigate. I do not want to start a debate in my 28 minutes on the usefulness of the myGov website. I think members are well aware of my views on the government's one website strategy. It would be good to try to get some clarity around how the tribunal sets the bands. My initial concern at the briefing was that if we essentially are outsourcing many of the triggers for different treatment in the Local Government Act to the tribunal, we might be at risk. I was told we are not doing that. We are going to adopt and codify the banding structure that it has into the reforms before us. It would be good to understand what the relationship will be between the Department of Local Government, Sport and Cultural Industries, amongst other things, and the Salaries and Allowances Tribunal as an independent tribunal that provides advice and makes decisions to ensure some consistency.

I am sure we want to avoid over time ending up with two banding structures. If we are going to codify the four bands in legislation, obviously there will be a mechanism for changing them—I assume perhaps by head of power and regulations. It would probably be more complex if we ended up in a situation in which the government and the tribunal form different views around the banding of local government, which may add confusion to the way in which we regulate the sector. I understand from my limited research that once upon a time, the tribunal had eight bands that applied to local government. We now have four. As I said, all local governments fall within one of the four bands. Obviously, the tribunal is interested in effectively the remuneration of the chief executive officers and elected members and their relevant entitlements. That is about the limit of its interest. This bill is adopting the banding and applying it in different circumstances.

I started talking about the consistency, size and structure of councils. This is one of those examples in which the policy will be applied differently based on the band categorisation of a local authority. This issue was considered by the Select Committee into Local Government. I will not be able to turn to the exact findings or recommendations or even quote from the report at this point, but the concept of regulating local government by size and scale was something that the committee members heard time and again. I am sure there were some recommendations, if not findings, around making sure that we regulate the sector according to size and scale. The select committee's report has a really interesting table on page 5 under the heading "Diversity in Western Australia local government sector 2018–19". Effectively, it includes a number of factors and has identified the smallest and largest local governments. For example, Nungarin —

Hon Darren West: A great community!

Hon MARTIN ALDRIDGE: Yes, I agree, Hon Darren West. I spent a lot of time living not far from Nungarin.

In 2018–19, Nungarin had 5.1 full-time equivalent staff. The City of Stirling, at the other end of the scale, being the largest employer of staff, had 893 full-time equivalent staff. Obviously, that measure alone demonstrates the significant diversity but also capacity of local government. I could go through a number of other factors, including population. The smallest local government authority by population was Sandstone with 79 people. The largest local government authority by population—probably no surprise—is again the City of Stirling with 221 040 people in the local authority area. The smallest total expenditure of a local government authority was Wandering at \$2.87 million. That is another local authority in Hon Darren West's and my electorate.

Hon Darren West: That's where the best local governments are.

Hon MARTIN ALDRIDGE: Amongst the 63, that is very true.

Again, there are no surprises that the City of Stirling had the highest total expenditure at some \$235 million. It makes sense that there needs to be a size and scale approach to local government. I think we are seeing that in various elements of this bill. I do not know whether it is the first time we are starting to see a size and scale approach taken to how we regulate the sector, but it would be good to unpack that a little further as we progress through the consideration of this bill.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

One of the areas in local government that will see some structural change is the popular vote for mayors and shire presidents. The Local Government Act currently allows local governments to have the presiding member, being the mayor or the president, elected either by the electors of the district through a public vote or by the council as a resolution at a council meeting. Across Western Australia the overwhelming preference is for the presiding member to be elected by the council. Of the 137 mainland local governments, just 27 currently use a popular vote to elect the presiding members. This is where the example of the banding process comes in. For band 1 and 2 local governments, a popular vote for mayors and shire presidents will be required, while band 3 and 4 continue to have discretion over how they elect their presiding member. I know that this is one of the few reforms that did not attract the support of the Western Australian Local Government Association. It states in its response that it opposes this proposal and supports retaining the current provision and that the election of mayors and presidents should be at the discretion of each local government.

I have been helpfully provided a list for these changes. The councils that will be impacted by this decision include Armadale, Gosnells, Augusta, Margaret River, Kwinana, Ashburton, Belmont, Broome, Busselton, Derby, West Kimberley, Esperance, Murray, Serpentine–Jarrahdale, Swan and Wyndham East Kimberley. There are quite a few there and quite a mix of both metropolitan and regional local government areas. The view of the Minister for Local Government in his second reading speech in the other place is —

Requiring band 1 and 2 local governments to have their mayor or president elected by the electors of their district will give ratepayers a direct line of sight to the person who fills this most important leadership role.

Other views could be canvassed on this. Although the view of the minister in his second reading speech is that it will keep the mayor or the president accountable to the electors, another point of view might be a concern that it could lead to a disconnect between the elected council and the mayor or president. I have seen councils when a mayor or president is completely at odds with the rest of the elected members, yet they have the support, obviously at an election that might have happened some time before, to remain for their term of four years. I wonder whether we might get some more circumstances where there is a relationship breakdown between popularly elected mayors and presidents and their elected council members who constitute the rest of the council. I think that is a risk. It is interesting when there are comparisons between voting systems, which I will come to shortly. We like to say that preferential voting is good enough for state Parliament so it is good enough for local government. We certainly do not appoint the Premier of the state by popular vote. We do not appoint the Prime Minister of this country by popular vote.

Hon Dan Caddy: The people know who they are going to get. They know who the leader of the party is.

Hon MARTIN ALDRIDGE: They do not always keep them though.

Several members interjected.

Hon Tjorn Sibma: You don't have a great grasp of history, do you?

Hon Kyle McGinn interjected.

The ACTING PRESIDENT (Hon Stephen Pratt): Order! Hon Martin Aldridge.

Hon MARTIN ALDRIDGE: No, rocks and glass houses come to mind, Hon Kyle McGinn.

I need to express some caution about this approach and the sector has some concerns about it as well. If we simply look at the democratic principle, why would we not want a mayor or a president directly elected? However, when we actually contemplate the dynamic of the governing body of local government, the council, led by a mayor or president constituted by elected members, that is a dynamic that it wants to function, and function well. I worry that this is creating a disconnect between the leader of the council and the rest of the council, or at least that risk exists in my view. The election of the presiding member will involve changes for 22 local government areas, or 50 per cent of band 1 and 2 local governments. One of the other structural reforms that will occur is the abolition of wards for band 3 and 4 local governments. There are almost a dozen band 3 and 4 local governments. We will see some change to their representation through the abolition of wards. They include Denmark, Northampton, Claremont, Cottesloe, East Fremantle, Boyup Brook, Kulin, Menzies, Nannup, Shark Bay and Victoria Plains.

Hon Darren West: Do you know that a councillor in Victoria Plains got elected with 38 votes?

Hon MARTIN ALDRIDGE: I did not know that, member, but I think a member was elected to this place on even fewer, potentially!

Hon Darren West: It was 98. But the Victoria Plains councillor was elected with 38.

Hon MARTIN ALDRIDGE: Of how many votes?

Hon Darren West: Fifty-seven.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

Hon MARTIN ALDRIDGE: That was a majority—they didn't have to go to preferences! Why does the government want a preferential voting system? First-past-the-post. It is all right; I have only 14 minutes left and then Hon Darren West can recite all his facts.

The other matter is the tiered limits on the number of councils. As I said, the government adjusted its policy on this following consultation. This will be linked to the size of population. They will impact around half of the state's local governments. Under the current act, the number of councillors, between five and 15, is determined by each local government and reviewed by the Local Government Advisory Board, with approval by the minister. It is proposed to limit the number of councillors based on the population of the entire government area. A district with fewer than 5 000 people will be able to have between five and seven elected members, and then there is a big jump. A district of between 5 000 and 75 000 people will have between five and nine councillors. A population of more than 75 000 people can have between nine and 15 councillors. These changes will result in some 48 local government areas having their representation compulsorily reduced. That is not something that is new for this government that likes to remove representation from regional communities, but that is a debate for another day when I have more than 12 minutes remaining.

It is interesting that we have accepted at one point the banding structure of local governments based on what appears to be a multifactor assessment by the Salaries and Allowances Tribunal. Here this test is entirely population driven. I want to check whether that is right, because that is what my research has told me. The first observation I make is that there is a big range. It is below 5 000 people, and the next tier is 5 000 to 75 000 people, and then 75 000-plus. I do not have an issue with the first and third tiers, but it is a big range in the middle from 5 000 to 75 000.

Another factor that has not been considered is that some local government authorities literally cover only one community or town; others cover more than 10 distinct communities. Some local government authorities cover an enormous geographic area. The resources that are provided to elected council members are not like the resources that are provided to state and federal elected members, who are given an entitlement to enable them to support and represent people in geographically significant or isolated parts of the state. I thought that factor would have been considered in this new tiering process. That factor might well be considered as part of the State Administrative Tribunal banding; however, that banding will not be used with regard to the number of elected members. There is some contention in the sector about this.

I now want to talk about the recording of council meetings. This issue was also considered by the wonderful Select Committee into Local Government. It stated in recommendation 30 of its report —

The Government consider requiring local governments to provide the Local Government Standards Panel with any audio or video recordings of council meetings that relate to a complaint of minor breach.

This arose from evidence that had been received by the committee from the Local Government Standards Panel. Members can imagine the types of complaints that are made about behaviour at committee or council meetings, whether a minor breach or otherwise. Evidence was provided to the select committee that it was very difficult for the standards panel to test the veracity of information that it received about behaviour because it effectively became an argument between the complainant and the defendant, with one person's view of what had happened versus another. Page 273 refers to the evidence from the Local Government Standards Panel —

If you want the standards panel to operate properly, we have to ensure the veracity of the information that is given to us. Unfortunately, you cannot get that from just the minutes of the meeting, as some of you would appreciate, having been councillors. The minutes really just record the decision. A lot of what is involved in the complaints is the behaviour of the councillors at the actual meeting and things that are said between councillors.

. . .

The only way to check the veracity of that kind of allegation is to listen to the transcript. It does give you a sense of what is happening in the meeting as well and what may have precipitated the circumstance, which is valuable information for the panel, or at least for me as a panel member.

As I have said, that is what led to recommendation 30.

This issue also arose during the COVID-19 pandemic. Members might recall a bill that we passed during COVID-19. The name of the bill escapes me, but that bill contained the largest Henry VIII clause that I have ever seen and that probably has ever been passed by the Legislative Council. That bill allowed the Minister for Local Government to amend any section of the Local Government Act as he or she deemed fit to do. Effectively, that bill outsourced legislative-making power entirely to one person in cabinet. One of the regulations that arose at that time in response to COVID-19 was the Local Government (Administration) Amendment Regulations 2020. There was a risk during COVID-19 that local governments would not be able to meet in person, and that would have had implications on their ability to set and approve a budget, rate their residents, or make a bunch of other important decisions, perhaps

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

not even related to the COVID-19 response but just in the ordinary functioning of local government in every form that takes. I remember that different councils dealt with this in different ways. Some held hybrid meetings. I would be surprised if there was one council in this state that did not introduce some form of audiovisual conferencing. Some councils put their meetings entirely online. I remember doing committee work at the time. In the early days of COVID, hybrid meetings were often difficult to achieve. The accepted view was that they had to be either all in or all out. We have become a bit better at doing hybrid meetings. Last year, we conducted our budget estimates debates by hybrid participation. The local government regulations allowed councils to participate and conduct their business virtually. However, because there was no requirement for councils to provide or live stream their broadcasts, ratepayers and residents in those districts were effectively disenfranchised because they were unable to know the context of the decisions that were made by their local governments. I am, strangely, a regular reader of the minutes of my local council. I have found that there is often not much difference between the agenda and the minutes. The only variation is whether the motion is carried, amended or defeated. People cannot get the whole story from reading a set of minutes. They certainly cannot get an understanding of how the debate occurred, what the debate involved, and how the council ultimately arrived at its decision.

One of the fundamental principles of democracy is transparency and access. I remember that a former President of this place, Hon Barry House, used to say that except in the most exceptional circumstances, the public galleries should always be open to all people to enable them to observe the proceedings of their Parliament. The public galleries had to be closed during COVID-19, as has our gallery on occasion when ratbags have thrown things into the Legislative Council chamber and done other things, but otherwise our galleries are always open. However, when the public galleries were closed due to COVID-19 and the public health risk to the Parliament, the live broadcast still continued.

I have written to the Minister for Local Government about this issue, because I believe that we can do better. I will not be able to explore this fully in the time remaining, but when local governments implement audiovisual meetings, they should be live broadcast, as they certainly can be, or at the very least an electronic recording of the meeting should be made, which would not be difficult. The only requirement at that time was to simply provide the unconfirmed minutes within a certain time frame. My council meets on a Tuesday evening, and I believe that the unconfirmed minutes are available on the Friday. I understand that there needs to be a due diligence process. However, as more of these things start to occur, we need to ensure that local council meetings do not become even more inaccessible to people who want to observe or engage in them. We need to remember that people have a right to go to a council meeting, petition a council, make a deputation on a matter on the agenda, and ask questions. A lot of people do not realise that ordinary ratepayers have these powers. People write to me frequently, as I am sure they do to all members, about local government concerns, and I always remind them of their right as residents or ratepayers to hold their local government accountable. However, that becomes very difficult when councils conduct meetings that are not accessible to the public. This is an area that we need to consider perhaps in a different context from this bill. Although some might see this as progress, we also need to make sure that we put in place the appropriate protections for many of the things that I have mentioned.

I started by talking about the view of the Local Government Standards Panel. It might even have a positive impact requiring band 1 and 2 councils to make an audiovisual recording, and band 3 and 4 to make an audio recording. There will be an exemption process for meetings outside of chambers. It may also become a deterrent for certain types of behaviour that might occur amongst elected members from time to time. It is a bit like CCTV; I do not thing it stops bad people from doing bad things, but it keeps good people honest. Hopefully, this requirement will remind people about where they are and their conduct in particular, and it will not only place some downward pressure on complaints, but also help deal with complaints as they arise. As I said earlier, local governments with five staff may need some support from the department. Beyond technical guidance, they might even need funding support to implement systems that provide good quality audio and visual recordings of council meetings, because some of the recordings can be highly variable.

I really do not have any time remaining. I probably could have spoken for another 60 minutes on the second reading. I am not going to ask the government for an extension, because I suspect that I know what the answer will be; it will be the answer that I always get. But I look forward to engaging in the committee process, particularly through the lens of the many things that I have talked about around the scope and capacity of local government.

HON NEIL THOMSON (Mining and Pastoral) [2.51 pm]: I rise also to speak on the Local Government Amendment Bill 2023 and to lay out a few issues, at the risk of some repetition. I will try not to talk about what my colleague Hon Martin Aldridge laid out, which were the issues at the high level at least. I will try to put a slightly different perspective on things with a focus on my region and some of my experiences in the region as a member of this chamber and also prior to my involvement in this place.

We all agree on the importance of local government and the role it plays in our community. I have seen firsthand the incredible role that the local governments in the Kimberley have played, for example, during the onset of the

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

COVID-19 crisis. They performed phenomenally in responding to some of those challenges, which required local feedback and development, that were hitting the decision-makers at a very fast and rapid pace. In the early stages of the pandemic when movement was shut down across our region and we did not know what was going to happen with COVID, it was almost like a moment in time when everyone froze and stood still to protect our most vulnerable communities. That was driven to a large extent by those four shires that form the Kimberley Regional Group. It was an incredible piece of work. I saw firsthand the advice that was given back to the Department of Health and decision-makers in Perth. Over time, the state moved towards having a hard border and so forth, but it was very much an instantaneous response that occurred at that local government level.

Local government played a key role in some of the advocacy that was going on around some of the hard border exemptions to ensure that the pastoral industry in particular could continue to function and that critical seasonal workers, despite the timing of the border closures, would be able to move from the Northern Territory to the Kimberley as part of their normal flow of employment. That process worked well and I saw firsthand the key role that local governments played in that.

I have also seen firsthand the key role that local governments have with matters that do not normally fall under that banner of rates, roads and rubbish—a phrase that people often use. At a local government meeting the other day, somebody mentioned that another "R" should be added to those three Rs: regional development. That is important because local governments play such a key role in the regional development space, even to the extent of engaging with and ascertaining what the big issues are for those local communities. They have played that role in the Kimberley. I am focusing on the Kimberley at the moment, but I will move to other parts of my region shortly.

Local government has played a key role in dealing with some of the challenges around youth and juvenile justice, for example, and providing advice back to those government forums, particularly to state agencies and working back with the minister. I know that local governments take very seriously and welcome the visitation by senior members of government to their region. I think they would like to see more of that. They take those visits very seriously as well as getting feedback on their responses and how to face law and order challenges and make social improvements. For example, the Shire of Derby–West Kimberley, through the Kimberley Regional Group, has called for more safe houses to be put in place to allow juveniles who might be roaming the streets late at night without supervision to be placed in a safe environment. This is yet to be responded to. I know that local government has been a keen proponent of that.

Sometimes local governments can play a role in the most obscure of areas, for example, in feral animal control. That is a huge challenge for some of the shires in my region. Environmental protection is another area in which local government has to make some decisions—for example, seasonal decisions around closing beaches and making sure that turtle nesting grounds are protected. These are examples of the day-to-day activities undertaken by local governments. Local governments are involved with various cohorts in our community that might be disadvantaged. For example, they make sure that the aged community has better access to services. Another aspect of their work is around public health and engaging with not-for-profit groups in our communities such as the Kimberley Aboriginal Medical Services. I know that that service's relationship with local governments, particularly at a strategic level, has been ongoing and good in terms of providing, developing and working to respond to some of those challenges around public health.

I mentioned earlier this morning about the big challenges for local government in the areas of transport and road safety. I know that Western Australian Local Government Association has a road safety group that provides advice to the community, particularly on helping awareness with matters like cattle on the roads and with running campaigns. WALGA also does quite a lot of work to make sure that our communities operate well.

I am a huge fan of what I see happening in local governments. I want to express my gratitude to all members and councillors who have put up their hands over time to serve their communities, often with very little remuneration. When I see what councillors get paid, I do not think that people do it for the remuneration. I think we can all agree in this place that those councillors put in many voluntary hours, sometimes having to deal with sensitive issues in the community, making sure we have the right approaches to diversity and inclusion, for example, and making sure that we have the outreach to ensure that some of those marginalised groups in our community are able to be encompassed—these are some of the challenges. It is a political environment, as well. We could probably all talk about some of the challenges that occur in our local governments.

I think that the zone structure is fantastic. In my region, we have the Gascoyne, Goldfields—Esperance, Kimberley, Murchison and Pilbara zones. It is interesting to note that the Kimberley zone includes the two island shires—Christmas Island and Cocos Island. They are not part of my region. I have said it would be great to have them as part of my region, but because of the interesting arrangements under the commonwealth, they are not voters in the Mining and Pastoral Region. They get involved in complicated engagements through our constitutional arrangements, but they are integrated into those local government bodies.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

As I mentioned, there are 139 local governments. Each of those operates with a huge set of rules. I have huge respect and trust for local governments. It is easy to bemoan some of the challenges that we see coming from local governments, particularly around planning. We have heard members in the other place utter at length about the lack of action on planning schemes et cetera, but I think that local governments are under enormous pressure. Their compliance requirements are increasing. I stand here today and take a neutral attitude on this bill, because there are aspects I am not that fussed about. If I were Minister for Local Government, there are things in this bill that I would not necessarily be putting forward, but, I must say, there are a lot of challenges. I will go through some of those. There are the black-letter law changes—we are going to change the way people get voted in, and we are looking at issues like the abolition of wards, band 3 and 4 local governments and the impact of that. But, really, at the end of the day, I think that some of this reform may not be as transformational as some of the other challenges that we face.

I pick one area in which I think there is a massive need for change, and that is support in the delivery of waste management. It is a massive cost issue. We are seeing huge regulatory burdens applied for good reason, as we move into more recycling and less harmful impacts on the environment, but, in the regions, it is really costly to do that. I refer to small waste disposal sites, whether they be on Aboriginal Lands Trust land or remote communities, all the way from small communities like Halls Creek through to the larger communities that have the capacity to take some of the more sophisticated approaches—honestly, that is the real reform we need to see. There are huge challenges and costs associated with this regulatory burden. I could take anybody in this place to 20 different locations around the state that face these challenges, and sometimes the state is involved in that—not complying in any real way in some of the waste management, for example—yet, in spite of that, the local governments are there doing their very best to ensure that people comply.

Local governments have a massive role. I reiterate my appreciation and thanks to local governments across my region and the state. We heard Hon Martin Aldridge mention the size and scale of local governments, and we know that we are relying on the Salaries and Allowance Tribunal to make a determination on those bands, but I think that, if we tease it out and break it apart, the complexity is part of that scale. I would like to focus a bit on that. Certainly, in the regions, I think that sometimes reforms are a bit driven by a Perth-centric approach. We look at how things might operate. No disrespect to Minister Carey, he has obviously been very involved in local government and has formed a view on what works and what does not, but some of these regional local governments are incredibly complex.

As I mentioned, the Shire of Halls Creek was a major advocate for, and made an incredible amount of investment in, the upgrade of roads. The shire purchased a fleet of civil engineering machines, side-tipping trailers, graders and things to try to bring that work in-house and create some ongoing employment for people as part of the Duncan and Tanami Roads upgrades, which it is working on now in conjunction with Main Roads. These sorts of complex and hugely expensive projects are well beyond the scope of a shire that has a population of not even 2 000 people. I am glad that the minister listened. As Hon Martin Aldridge rightly said in his contribution, there was a proposal to limit the number of councillors in local governments. I think that the Shire of Halls Creek was in line to have its number of councillors reduced from seven to five. I use the Shire of Halls Creek as an example, because there are many local governments in that band 3, I think it was, that were going to have their numbers reduced down to that level. I am sorry; it was the district population being not more than 5 000, not the local government band. I correct that for *Hansard*. I think that at one stage there was a suggestion that local governments with a population of less than 5 000 would have their number of councillors reduced, but that shire has managed to retain seven councillors, which is good. I commend the minister for listening to feedback from the Western Australian Local Government Association and others. The complexity of decision-making is great. We know that many wise heads in a room often results in better outcomes. Sometimes people have to travel great distances; sometimes they may not find it easy to attend meetings. In regional areas, people often have to travel great distances for health service or family reunion or other purposes, so having those extra councillors is vital. There has been some movement on that specific issue of the number of councillors, and I think that is good. I know that the City of Kalgoorlie-Boulder will have a reduction in its number of councillors. The city does not seem to be too concerned about that. It has a higher population, so it will be able to have up to nine members; I know that it currently has more than that on its council, but it will still have nine councillors. I think that there was some sensible movement in the council sizes. That highlights the complexity of the work that is underway.

I note that some of the shires in my region will have a reduction in their number of councillors. For example, this part of the legislation will impact the Shire of East Pilbara—this is beyond my region, but I will speak about it, because nobody else will—the Shire of Christmas Island, the City of Kalgoorlie–Boulder and the Shire of Ngaanyatjarraku. I was trying to contact the shire just to get its read on it. The Shire of Ngaanyatjarraku is unique with a very difficult demographic configuration. I am not sure of the wisdom of reducing of reducing the number of councillors in the shire. Again, if we add the criteria of size, scale and complexity, one would suggest that the complexity is enormous.

Hon Martin Aldridge interjected.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

Hon NEIL THOMSON: I thank Hon Martin Aldridge. For the sake of *Hansard*, Hon Martin Aldridge, meant all the roles and the communities. Shires like Ngaanyatjarraku, Halls Creek and Wyndham—East Kimberley often have a very strong relationship with the federal government because there is a lot of the support for the programs that operate in those shires, which unfortunately have high levels of welfare dependency in their communities and high Aboriginal populations. They require a lot of support from the federal government. Members of the Kimberley zone have been in Canberra for the last few days doing some lobbying work on specific issues of need. To be honest, someone in the Town of Cambridge—I mean no disrespect to a particular local government—a metropolitan shire, town or city does not necessarily have to deal with this sort of complexity. I am sure there are other complexities that these shires, cities and towns in the metropolitan region have to deal with, but there is a huge reach with diverse approaches to service delivery and the fourth R, regional development, which is absolutely critical to service. I thank Hon Martin Aldridge for raising the issue of the involvement of committees. There is even just sheer travel time. A lot of members of these local governments have to tie in things that are happening in Perth.

Hon Kyle McGinn: They are using Zoom a lot.

Hon NEIL THOMSON: Hon Kyle McGinn talks about the use of IT and Zoom. I appreciate the comment. That came out of the pandemic, and it was something people really worked on. There are still massive challenges to make sure telecommunications work efficiently. From personal experience, sometimes these things do not always operate seamlessly and many times we have to revert to the trusty old Telstra phone on speaker to deal with a Zoom meeting that has gone awry. Let us hope some of these requirements to record meetings and so on can be delivered by local government in some of these difficult-to-access places.

There has been a push with the issue of wards. I am not speaking in any specific order on this because I will be part of the Committee of the Whole House going through the bill. It deserves a fair bit of scrutiny. Things need to be put on the record. The Western Australian Local Government Association put out a comprehensive table on the impact of reforms to clarify which shires are affected. Only six shires are required to abolish wards. I will speak briefly on that. I understand they are band 3 and 4 areas, which are Cottesloe, Denmark, East Fremantle, Menzies, Shark Bay and Victoria Plains. The Shire of Menzies is in my region. There is probably little bit of discontent because there is a feeling of needing people to represent regions. I note some feedback I got from the Shire of East Pilbara and the Shire of Broome, which are band 2 shires with wards. They were not forced to do anything, but I would like things to be clarified because there was some informal feedback about the fact that there might have been pressure to remove wards due to implications of not removing them. I give notice of that so the minister representing the Minister for Local Government can comment on it. I note that the Shire of East Pilbara did not want to remove its wards, and it does not have to. There will be a proposal to reduce the number of wards to three. The shire has thought about the retention of those unique wards on the eastern part of the East Pilbara, which includes communities like Punmu, Kunawarritji and Kiwirrkurra. Those are unique wards and have almost exclusively Aboriginal populations. If it were not for those wards, a person from one of those communities would find it very difficult to be elected and get on the council because they would be drowned out in the voting process. It is so hard in the election process for someone who lives in a small community like Punmu. They will have maybe 20 or 30 voters at the most. Newman would have the dominance. It is a wise approach to retain those wards to make sure there is proper representation. I think the Shire of Broome is deciding to remove wards as part of this process. The two councillors from the community on the peninsula will probably not find it quite so easy to be elected, but I believe it was a decision of the council. I raise that point just to make it clear that wards are not a bad thing, particularly in those complex and diverse shires, where wards are a good thing.

I turn to the list of shires that have to abolish wards. The Shires of Shark Bay and Menzies are two local government areas in my region that have been forced to abolish wards. I do not think that is necessarily a good thing because it takes away the ability to have more discrete representation that does not reflect the key town in a community but maybe the pastoral industry, Aboriginal communities or some other remote communities that might not normally have access to the decision-making processes.

I turn to mayoral elections. A few shires on the list now have to go to the direct election of mayors. I put on the record my disagreement on this in our regional shires in particular. I have spoken extensively to councillors and there is a fear that the collegiate nature of local government will disappear; that is the worry. To be blunt, we have seen some of the challenges in the Town of Port Hedland, where there is a directly elected mayor, and whatever people like to say, the situation there is not necessarily ideal; the mayor will need to face the electors at some point in time. But at the end of the day there is a level of collegial engagement in those shires where the mayor is a peer. I think that is the better way, particularly for regional shires. Maybe it is okay in some of the bigger cities like the City of Armadale; maybe that works. The City of Joondalup has a directly elected mayor. Campaigns are run with a lot of candidates. It is a big city and is able to run that process. The City of Gosnells is another one. I will not comment on the Shire of Augusta–Margaret River because it is not in my region. There is also the City of Kwinana, the Shire of Ashburton,

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

the City of Belmont and the Shire of Broome, which I can comment on. I do not think it is something that has been warmly —

Hon Pierre Yang: Can I just say that the City of Gosnells does not have a directly elected mayor at this stage.

Hon NEIL THOMSON: That is correct, but it will be required to under these changes. I am mentioning only the ones that do not have a directly elected mayor and will have to move to this system. This is the list from the Western Australian Local Government Association.

Hon Pierre Yang: Kwinana has a directly elected mayor.

Hon NEIL THOMSON: It does; it is on the list from WALGA. I thought that was the case. The member might be correct. I am reading from some material I got from WALGA. I appreciate the interjection. We will make sure that we have that right. For the sake of *Hansard*, I will put a caveat around that: this is what I have received. I thought the City of Kwinana did, but I might be wrong. I am sure that WALGA is right, but who knows?

Several members interjected.

Hon NEIL THOMSON: There you go. We have now clarified it; thank you. For the sake of *Hansard*, WALGA is right; its material is correct.

Hon Martin Aldridge: It's been vindicated.

Hon NEIL THOMSON: Yes. The interjection by the honourable member got me worried a little bit. I do not like being wrong. When such an esteemed member from the other side raises an issue that really troubles me, I get rattled. A lot of other members could interject and it would not bother me in the least, but Hon Pierre Yang is normally so accurate that I would never want to question him on this matter.

There is the Shire of Ashburton, the City of Belmont, the Shire of Broome, the City of Busselton and the Shire of Derby–West Kimberley, which is quite a small shire to have a directly elected mayor process. That is an interesting one. There is the Shire of Esperance, the Shire of Murray, the Shire of Serpentine–Jarrahdale, the City of Swan and the Shire of Wyndham–East Kimberley. Three shires in the Kimberley will now have to have presidential-style elections. I am sure the right person will get up, but what will happen if there is a bit of disagreement and a majority of councillors do not agree with the president? I will be blunt: in that hypothetical situation, it could become toxic.

Hon Peter Foster interjected.

Hon NEIL THOMSON: There are comments on this matter by those on the other side. I am just making the point that we talk about owning this issue ourselves. We had a referendum on a republic. We did not manage to get there, but I know that there was a lot of discussion about directly elected presidents and how that could twist things around. It is an analogy I use. My honourable colleague raised the issue of having a directly elected Premier. We could have that as a thing—just tick a box.

Hon Martin Aldridge: Don't encourage him!

Hon NEIL THOMSON: I am sure that Hon Mark McGowan, MLA, would love that, because then he would not have to deal with the rabble called the party room! That would be absolutely fantastic.

Another issue is that some councils will have a reduction in representation and a directly elected mayor. Those councils include the City of Bayswater; the Shire of East Pilbara, which is in my region; the Shire of Harvey; the City of Kalamunda; the City of Karratha; the Shire of Manjimup; the Shire of Mundaring; and the Shire of Northam. These are the councils that will have fewer heads around the table to make decisions. What is so bad about having the numbers? That is a question I have to ask. It is a rhetorical question, but I am not sure that anything will be gained from this. Let us hope that the City of Albany, the Shire of Beverley, the Shire of Bruce Rock, the City of Bunbury, the Shire of Chapman Valley, the Shire of Christmas Island, the Shire of Collie, the Shire of Coorow, the Shire of Cranbrook, the Shire of Cunderdin, the Shire of Dalwallinu, the Shire of Dandaragan, the Shire of Dowerin, the City of Fremantle, the Shire of Gnowangerup, the City of Greater Geraldton, the Shire of Irwin, the City of Kalgoorlie–Boulder, the Shire of Kent —

Hon Darren West interjected.

Hon NEIL THOMSON: I could keep going. There is the Shire of Ngaanyatjarraku, which I have mentioned. I am not going to go through all of them because members can access this themselves. Only 71 of the 139 shires mentioned by Hon Martin Aldridge will not be affected by these changes. Will it make a huge amount of difference? I think that WALGA came to the position in the end that it probably will not. There has been a lot of debate and there is probably some discontent about how effective this will be. But it is what it is. It is what has been put forward by the minister. I certainly think some of the rhetoric about the reforms has been a little overstretched. This is quite an

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

administrative reform. There are some aspects that we agree with, such as some of the accountability mechanisms, but that is part of the continuous improvement that should go on at any stage. Well done to the minister for that.

There will be some other changes, particularly the issue of optional preferential voting, which WALGA was not particularly keen on. This may not be WALGA's reason, but my view is that it will potentially lead to more coordination around group voting. People will put themselves before the community by having a go. First-past-the-post voting may not have the best result in some circumstances. The optional component is probably a good thing. We have certainly seen some of the challenges with preferential voting as part of the state electoral reform. I want to talk a bit about that, because we had this reflection about ourselves and how democratic we are. There has been some rhetoric about how democratic the reforms are that will be put in place under this bill. We saw the reform that was put through to abolish our regional representatives in this place. We are the last class of those who come here to represent our regions. Some members opposite were really happy to embrace it. They were quite happy to go to a statewide system. I do not believe that any of the rhetoric about that is going to play out in reality. It is a bit like the discussion about the wards. At the end of the day, we are going to see a diminution in the representation in those complex, hard-to-get-to areas. The regional members in this place who were elected will know full well how difficult it is for their communities to have services delivered. The people in the regions face unique challenges that are not necessarily faced by the people of Perth, and there is one that I would like to see more focus on. There will be reform around owner-occupiers on the roll. I think the clean-up of the roll is a great piece of reform. There will no longer be sham leases whereby people try to set themselves up to vote in the City of Perth election when they live somewhere else and do some kind of artefact of a lease to try to get on the roll. That is all fine.

I want to look at the Pilbara for a moment. Right now, the Electoral Commission is going through a reassessment. It is not a review; it is a process of looking at the boundaries of electoral areas.

It ties in with broader issue of reform in our local governments. For example, the Shire of East Pilbara has a population of almost 10 000 people. If the census were done properly, the fly-in fly-out people who work in the Pilbara would have to register their address in the Pilbara. We should really look at that because, from recollection—this could be wrong—there are many more than 10 000 jobs in the east Pilbara. The number of jobs in that region may be in the order of 50 000. I say 50 000 with a word of caution but I know it is a big number from when I last spoke to the shire. We talked about it, and it was a very big number. People might want to have a look at that and see how many there are, but it is certainly a lot more than the population. We have a huge number of FIFO jobs in that region; we have a massive amount of wealth; and we have huge demands on local government for service delivery as a result. They even have to manage airports, for example, to make sure that all those people can travel seamlessly in and out of the east Pilbara to their jobs.

Looking at it a bit more, it comes back to the role of local government. Those volunteers in the east Pilbara are dealing with an economy the size of economies in many countries. I do not need to tell government members about that; they all know about it. They have some incredibly complex and difficult work to do because the decisions they make have an impact on housing affordability—for example, the sewerage service delivery. Some of our local governments actually provide services that local governments in the city do not necessarily get involved in. We have that issue.

The population of the east Pilbara at the last census was 9 760 people. I know the Electoral Commission grabbed a little bit of the east Pilbara and put it into the Kimberley, and I do not know what will happen at the next redistribution. It is going to be a nightmare. I would hate to see all of the east Pilbara thrown into the Kimberley. That would be a mess. How could a member for the Kimberley and the east Pilbara service that area? It would be impossible. That is where we are trending. If you put together the populations of the City of Karratha, the Town of Port Hedland, the Shire of Exmouth and the Shire of Ashburton, it is about 50 000 people, but 15 000 people voted at the last election. That is because a lot of those people are not even citizens. We have a huge number of people from other countries coming in and working in these places. If people want representative democracy, I think we have to look deeply at how we do that. The point I am making is that the complexity of the local governments in the Pilbara that I mentioned is just enormous. I think the community needs to appreciate that. I do not think this reform even touches that. We need to do a lot more to make sure local governments in those complex areas actually deliver for their communities in the way that they should. We are seeing it breaking down.

We talked about reform to the electoral roll. If a proper count was done, in the order of 10 per cent, it could be higher—who knows—of people who are eligible to enrol are not on the electoral roll. At the last election, the Pilbara had the lowest voting rate, with something in the order of a 69 per cent turnout. It was very low. These are the sorts of numbers that filter into decision-making on the reduction of representation in our region. I think there needs to be a stronger focus on making sure that everyone who is eligible to vote is on the roll at both the local government level and the state government level. We should make sure that everyone who is eligible to enrol to vote is enrolled. The voting numbers do not reflect the number of people who live in those communities; they have zero reflection on the complexity of those economies or the number of jobs in the regions. That is hard work that needs to be done.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

We have to make sure communities are represented. It is easy to play around with the theoretical approaches and say, "We've going to have few wards here and this and that" and bring in preferential voting. Honestly, although I disagree with it, it will probably not make a lot of difference at the end of the day. It is great that the government can use this bill to say, "I'm a great reformer", but it is not doing the hard work to make sure that it delivers outcomes for our community, particularly in relation to abolishing the regions in this place—the removal of the voice of the regions. That is what is happening. We are seeing the removal of the voice of the regions. It is being picked away bit by bit.

Several members interjected.

The ACTING PRESIDENT (Hon Dr Sally Talbot): Member, could you sit down for a moment, please. It has suddenly got very noisy in here. I know that we all miss Hon Alannah MacTiernan and her invitation to a bit of biffo on a Thursday, but I thought we had put those days behind us. We have only got a little while to go, so can we just all keep very calm.

Hon NEIL THOMSON: This is a good opportunity to get the message across. Real reform would be strengthening the voice of the regions, enabling those local governments to have a better voice in this place.

HON DR BRIAN WALKER (East Metropolitan) [3.36 pm]: Unlike many members in this chamber, I do not have the benefit of direct experience with local government. I have chosen to take the path listening to those who do, councils, shires, lawyers and others interested, to inform me about what is really going on. On the face of it, the Local Government Amendment Bill 2023 is very sensible legislation, and I must congratulate, if you like, the minister for doing an excellent job. There are, however, questions I need to ask because I find that I am unsatisfied at present. After Committee of the Whole, I will probably have a better feel for what is actually going on.

Let us be clear about what we do not have. We do not have the green bill that the government promised us. As a result, we have not had the level of consultation that we were promised either. I read the *Hansard* of the other place. I note that a lack of consultation was also raised there. The minister responded that there had been so many inquiries and panel discussions that a green bill was no longer relevant. I take that on board. I am sure the Western Australian Local Government Association and Local Government Professionals were consulted—and perhaps even listened to. The public, on the other hand, was largely shut out of the process, not least because the minister made it very clear that he did not intend to deviate from his last discussion paper and was only seeking feedback on the way in which the reforms might be implemented rather than on the reforms themselves.

I will not make any comment about the reforms because they are on paper and we will discuss them in some detail during Committee of the Whole. But it might be worth noting that the current act, when it was proposed in 1994, was the subject of a green bill that led to somewhere in the region of 11 public forums, almost 700 written submissions, 45 seminars, and substantive correspondence with more than a thousand individuals and bodies leading up to the parliamentary debate. I am relying on the second reading speech from 1995 for those numbers, in case people are wondering where I am getting those numbers. That level of consultation stands in stark contrast to what we have seen from the current government.

Should we be concerned? We have a wealth of experience. The Premier was the deputy mayor of Rockingham back in the day. The current Minister for Local Government was the Mayor of the City of Vincent. In our chamber here we have members who have extensive experience at local government level so I am sure there is plenty of experience that would have been reflected in the current legislation but I still have some questions.

One of the areas I began to question was a stated aim from the Labor Party's platform. I took advice a few weeks ago that maybe my information is out of date from 2019 but the 2021 Labor Party policy platform gives some information about its local government intent. At chapter 1, "Enduring Labor Values" on page 5 it states at paragraph 18 —

WA Labor will:

. . .

c. Proactively pursue a 50% representation target on all Western Australian local councils;

That is excellent. It is a good idea. As a political party moving forward, getting more trained members via the local government is a fantastic idea and I would fully support that were I a member of the Labor Party. It is an admirable political target. It is also an admirable political target if the government is seeking to transform local government from what had originally been nonpartisan community-based efforts to improve the lives of people at a local level. That has been turned into what we see in the eastern states, which is political and politicised food fights. Local government then becomes a staging post for the leap into state or federal politics, and I think that would be a loss for Western Australian local government. There is no doubt that some of our politicians come up through that school. We already have examples in our chamber and our Premier as well. I know this will not stop. Those who have

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

cut their teeth in local government provide excellent advice and standing in Parliament. I have seen this with my own eyes in this chamber. However, I do not believe it is anything like the majority of members in this chamber or in the other place, and I am perfectly happy that that is the case.

Much has been made about the different aspects of optional preferential voting. In my relatively short contribution to the second reading debate, I intend to talk about some of the details of the current legislation being proposed. One of my areas of concern is, as mentioned earlier by other speakers, the optional preferential voting model. Optional preferential voting is a very good system. I thoroughly approve of it. However, we are looking at an optional preferential voting system in a system in which there are no compulsory votes. Such a system for the state government, where we have compulsory voting, gives a very good view of what the community is saying. If we have optional voting and 30 per cent of the population can rock up, the numbers will be skewed. These changes could benefit the Labor Party in its aim of attaining 50 per cent of seats across our councils. How? It will allow party-affiliated candidates—I am talking in theory, of course—to preference their fellow travellers. It is probably not advantageous to declare their affiliation during their campaign because it would open them up to the claim they are engaging in partisan politics rather than serving the general public. That concerns me and I suspect it will force other parties to do likewise. We would therefore be moving into a system of politicising the local government —

Hon Peter Foster: Do you realise people are already doing that?

Hon Dr BRIAN WALKER: Yes, I do but I do not think we should encourage it. I thank the member for that. I like the idea of people being nonpartisan and working in a nonpartisan way to serve the local population. That is just my personal preference. It would also force non-aligned and Independent candidates into forming factions and cliques. I do not know whether that is the best solution for local government but I am happy to be corrected based on other people's experience. We could also see things like dummy candidates appearing, for want of a better term—candidates whose reason for standing is not to win in their own right, but simply to funnel votes to someone else. We are now getting into the nitty-gritty of quite serious politicking and we ought to be serving the people. Has this matter been thought through to the end? I do not think this is a deliberate policy on the part of the people who created this bill but I see this as a possible law of unintended consequences. I may be wrong but I can see the risk.

Hon Kyle McGinn interjected.

Hon Dr BRIAN WALKER: Yes.

WALGA did not support the idea of optional preferential voting either and I think we ought to listen to the people who are engaged at that level. There are other things here but bear in mind I do not have the experience. I am really hoping to hear from those who are more experienced. On the abolition of wards for smaller councils, my personal experience has been in the wheatbelt. Looking at the smaller shires there, they are struggling to firstly find members who are willing to stand up and be voted for and, secondly, representation at a local level by people who know the local area. We in the Legalise Cannabis WA Party have no philosophical issue with the abolition of wards for smaller tier councils but we do have an issue with the way in which it is being progressed. Colin Barnett's ill-fated attempts to force mergers onto unwilling councils should have taught us something—that governments need to bring the local government sector along with them, rather than drag them kicking and screaming. I am very keen to see how this progresses. Debate will succeed where diktat will almost always fail, at least as willing partners are concerned.

The same is also true of the mandatory elections for the mayor or president in larger local governments. I had a fairly extensive submission, which I presented last year on behalf of the Legalise Cannabis WA Party to the minister's recommendations—the consultation exercise last year. Back then, we thought we were getting a larger, more comprehensive bill. One size does not necessarily fit all. Clause 16 of the bill before us allows the Governor, on the advice of the minister, to issue a change order for the number of councillors a local government has, or the number in a particular ward. Such a change order will apply, if I understand the bill correctly, "as if the change order were regulations made under this Act". In the representative minister's reply to the second reading debate, I would like some guidance on whether change orders are disallowable here in the Legislative Council, as regulations would be. I suspect they are not, and, if I am right, that is a worrying path for the government to go down if it is committed to taking on board the concerns and the wishes of an individual local community.

Others have already spoken about the idea of directly elected mayors. Purely on a personal level, I like the idea of directly elected mayors and presidents, but it is not something I think we should be forcing onto those handful of councils who find themselves at odds with the concept. Most, if I have understood the figures correctly and other speakers will surely confirm this, have either of their own bat or after petitions from local ratepayers, opted to implement this change. I imagine more would have followed suit without the need to impose it upon them as a requirement. I am equally certain that there would have remained some councils that, for reasons unique to themselves, would have preferred to retain an internal election process. If their ratepayers are happy with that, I wonder why we would go to such lengths to override their views. We are dictating what should happen rather than listening to what people want. Section 2 of the act clearly states that we are looking to increase community

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

participation in local government, while at the same time requiring councils to be accountable to their ratepayers. That is admirable, yet here we have an example of overriding the wishes of local communities to defer to a formula that fits the centre of Perth. It is a one-size-fits-all solution. I am not convinced on this point and I remain worried. Perhaps in the Committee of the Whole we can get some clarity on that point.

Others again have also suggested that we ought to be concerned about the ideas of sustainability. I have spoken repeatedly in this chamber of my support for the concept of sustainability. I am very attached to it. Without it, we are going to be in deep distress all through our society. I cannot help but notice that the concept of sustainability has been moved in the proposal before us. I think this is very important. It was originally mentioned in section 1.3(3) of the act, where it is stated —

In carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity.

I am fully on board with that. Clause 4 of the bill before us deletes that section entirely. It has been moved, under this bill, to clause 21, where it now states, in a better statement —

... the general function of a local government must be performed having regard —

It does not even say "due regard", but simply "regard". That is something that can easily be ticked off, then dismissed —

to the following -

- (a) the need
 - (i) to promote the economic, social and environmental sustainability of the district; and
 - (ii) to plan for, and to plan for mitigating, risks associated with climate change; and
 - (iii) in making decisions, to consider potential long-term consequences and impacts on future generations;
- (b) the need
 - (i) to recognise the particular interests of Aboriginal people; and
 - (ii) to involve Aboriginal people in decision-making processes;

I ask members to please note that I heartily welcome this robust language. My only concern is its location within the bill. Why would that concern me? My learned friends on either side of this chamber might correct me if I am wrong, but a number of external lawyers informed me that the movement of this clause in particular is significant. Traditionally, a weightier understanding has been given to concepts encapsulated in part 1 of the Local Government Act and interpretation of all other clauses then flow on from that positioning. If that is the case, it appears possible—I stand to be corrected—if not likely, that for all the fine words we have heard, we are watering down this concept by moving it from section 1 to section 3. This move was not foreshadowed in the consultation phase, which took place last year. It has effectively come out of the blue. In recent weeks I have heard from a number of councillors who are concerned about that. I am certain that I would not be alone in saying that climate change and the needs of future generations are not concepts that should be easily discarded. I fear that by downgrading this provision, we may be doing just that. I will be particularly interested in understanding from the minister the legal understanding of downplaying section 1 to section 3 if the force of that recommendation has been diluted—weakened, if you like—such that we are putting less attention, less force, on the need for sustainability at local government level. I will move on from that.

There is the concept of extraordinary vacancies. I see merit in the new provisions for filling extraordinary council vacancies, including the option to backfill if there is an eligible candidate from a recent ordinary election. I have consulted with councillors in my electorate of East Metropolitan Region, which has highlighted just how expensive it can be to hold a single extraordinary election. I have heard examples of \$60 000 or \$70 000 being bandied around. That is not loose change, and it is ratepayers' funds we are talking about. I wonder whether that change in backfilling will be offset by the potential additional costs associated with the introduction of optional preferential voting. I would be interested to know whether the minister has any figures that suggest what that change will cost the average local government in dollar terms.

Reading the bill, I can well imagine that it will make election counts considerably more complex and, by definition, also more expensive. The WA Electoral Commission could provide governments with software to help them navigate the additional requirement, but how much will that software cost, has it been designed yet and what additional staffing provision, if any, will there be on local governments to make it work? Those are potential issues that I am hoping the minister could shed some light on when she is next on her feet.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

I turn to the concept of parental leave. My children are somewhat older now; the last one is about to leave school. One of my staffers is expecting a child next month. I have just prepared him for the weight of change that is about to fall on his shoulders. I am wholly supportive of the provision of parental leave for councillors who give birth or adopt a child, or have a partner who gives birth. I think that is very sensible modernisation, and I completely support it. I do have a concern though. Why is the government doing this piecemeal when there has long been talk of updating legislation to give councillors access to superannuation payments as part of their remuneration? It is interesting that the lack of superannuation payments at present will disadvantage those very councillors who are likely to be helped most by the additional parental leave—young women who, because they are in their child-bearing years, are unlikely to be in receipt of superannuation payments from another employer and potentially for some considerable period while they raise their children in the family home. It would have been sensible to bring on both provisions at once—superannuation and parental leave—unless of course the government has abandoned the idea of superannuation for the foreseeable future, which I think would be a mistake. Although I support the parental leave provisions before us today, I wonder at the reasoning behind their inclusion in this bill rather than in a later, more comprehensive, amendment bill. Again, I repeat that the green bill that was promised almost certainly would have resulted in such a recommendation feeding through to the final iteration of that bill.

Mention was also made of the statewide caretaker periods. These caretaker periods prior to an election appear sensible on the face of it, although I would not want these to cripple the functionality of local government. It is worth remembering that local council elections are biannual events, so caretaker periods would be a remarkably regular hurdle for local governments to navigate. As it stands, the bill might tie the hands of the entire council, even though only half of its members will be up for re-election at any given time. Is it really necessary or are we being overly prescriptive?

When it comes to being overly prescriptive, we also need to talk about standardised meeting procedures. They are innocuous enough at first glance, but when we consider their imposition, it gives rise to the following question: how many councils do not currently have adequate meeting procedures in place, and why have those lapses not been dealt with on a case-by-case basis before now? I assume that the vast majority already have perfectly functional systems in place. That leads me to worry whether we are placing an unnecessary burden upon those councils that are already performing at or, indeed, above the standard and we could now bring them down to a common denominator, all in the name of a one-size-fits-all approach. I hope we are not. Perhaps the minister with carriage of the bill can reassure me in that regard when she gives her speech in reply.

I began my remarks by noting that one thing that was not in front of us was the green bill. We were promised that, and I think we all agree that we should have had that. I want to close by noting something else that is not in the bill—a funding commitment. I have looked at bills we have recently passed and say that the legislation is fine but how are we going to implement it? Where is the funding coming from to implement the bill? We watched the Department of Local Government, Sport and Cultural Industries suffer budget cut after budget cut. There comes a point when I wonder whether it will be able to deliver anything but the most basic of its oversight functions. I am looking forward to Hon Wilson Tucker's speech about funding IT services. That will be very interesting. In a time of surplus, I would have thought reform might better have been started at the centre rather than out on the peripheries. Nowhere in the bill before us is there any provision to enhance the functions or the budget or the department to allow its staff to do their jobs more effectively. Instead, it is proposing to shift responsibility onto individual councils, with no sign of additional funding to allow them to comply.

I am now going to speak about cannabis, as I am sure members expected, because I have long been a fan of the idea that legalised cannabis could easily lead to a licensing head of power granted to local governments on an opt in, opt out basis. You were expecting it, were you not, colleagues?

Several members interjected.

Hon Dr BRIAN WALKER: We could then reap the money from cafe and cannabis club licences. I suspect that model would not find much support in Treasury but it would certainly provide a valuable source of revenue stream for cash-strapped councils. Of course, it remains a debate for another time.

I have listened to experienced retired politicians and active councillors comment critically. By "critically", I do not mean negatively; I mean comments on how to make improvements on the bill. That is really our purpose. It is a good bill. How can we make it better? Some have said words to the effect of suspecting this to be just the latest in a series of buck-shifting and buck-saving exercises designed to allow people to wash their hands of responsibilities. I tend not to think like that. I do not personally have the experience to comment on that view but I will be happy for colleagues here in the chamber with relevant experience to reassure me and set me straight on the matter that the intents are as we expect.

I suspect that the results of these reforms will be to see local government rates continue to rise. The funding issue is going to be there and rates will have to rise to meet that. Successive governments of either persuasion will say

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

that it is not their fault and blame the councils for the decisions we make now, which will force changes upon them, which cost cash. I would be very delighted to be proven wrong, but members may recognise my concern that perhaps much of what is before us is motivated by party politics rather than a case of genuine engagement with stakeholders and the community at large, leading to sensible and reasoned change. I am happy to be convinced of the opposite. I look forward to Committee of the Whole. I am an optimist, I stand ready to learn from this bill and I support it.

HON WILSON TUCKER (Mining and Pastoral) [3.59 pm]: I rise to make my contribution to the second reading debate on the Local Government Amendment Bill 2023. I state from the outset that I will be supporting this bill. I state also that my knowledge of local government is fairly limited. It is confined to putting out my rubbish bins on a Monday, and even then I occasionally get that wrong.

Hon Dan Caddy: That's essentially because you're in a Tuesday area.

Hon WILSON TUCKER: That is exactly right, member. That is my first mistake, clearly.

Hon Dan Caddy: Just make sure you put the right stuff in the right bin!

Hon WILSON TUCKER: That is the other part that I also get wrong, honourable member, but I will get there eventually.

A lot of members in this chamber have more experience with local government than I have, so I will be listening intently to the debate during the passage of this bill. I support the bill. Some parts of this bill are very sensible. The bill seeks to codify what good councils are already doing to standardise the number of councillors and remove ghost ratepayers who can potentially help to stack election results. That is all good stuff.

In my contribution today, I would like to not focus on the content of the bill but rather do a slight pivot, as my honourable colleague Hon Dr Brian Walker does quite frequently, and talk about the missed opportunity in this bill to address some of the feedback contained in a recent report from the Auditor General titled *Information systems audit report 2022: State government entities*. The report is backdated and covers the period 2021–22. This is the fourteenth information systems audit report from the Auditor General, and the Auditor General will continue to produce these reports on an ongoing basis. This report summarises the strength and resilience, or in some cases the weaknesses, that the Auditor General and her hardworking officers have found in local government IT systems. The Auditor General noted in her report that an increasing number of services and interactions between people with not only their local government, but also the state government are taking place online. That creates a larger digital footprint for hackers who want to target local governments. The evolving nature of hackers means that local governments need to place greater emphasis on securing their online systems and that they keep up with current trends and do not fall behind and expose any glaring weaknesses in their IT systems.

The Auditor General made 325 findings across 53 local government entities. I note that nine per cent of those findings were considered significant defects or weaknesses in IT controls and systems, 70 per cent were considered moderate, and 21 per cent were considered minor. On face value, that nine per cent does not sound too bad. However, in the Auditor General's own words, it was disappointing to find that 69 per cent of these findings had been carried across from 2020, the previous year, to 2021. From talking to the Auditor General, some of these findings were considered to be low-hanging fruit. They were easy wins for local governments to fix up. We heard multiple accounts of passwords that had been written on a sticky note and plastered on the side of the monitor. We heard one account of how a server at a local government had been positioned in a toilet block. That is not necessarily a security weakness; it is potentially just a health and safety risk. When we talk about low-hanging fruit, people can remove the need to use a sticky note by getting a password manager. I think that costs about one dollar per user. That is a very quick and cost effective way of removing that defect. The Auditor General found that for 69 per cent of the findings, no action has been taken. That is obviously very disappointing, as the Auditor General pointed out.

As part of her reporting process, the Auditor General will look at a local government's IT systems and make detailed findings. The local government will then be given a detailed summary of the findings that have been made and the deficiencies in their systems, and a blueprint for how it should try to fix that up. On the back of that, the council is required to develop a management plan, in which all the sensitive information has been stripped out and put that on the council's website so that it is publicly available. The Auditor General does not have any visibility into whether the management or action plans have been followed up. That is a bit of a black box. The only accountability mechanism for councils is from ratepayers who ask councils questions about whether they have followed up with their management plan and put in place practices and processes to ensure that their personal information is secure. However, when we look through that chain of events, the concern is that there is a chink in the chain, because that process is not being followed up.

The Auditor General mentioned that the biggest reason that councils gave to her office about why 69 per cent of the findings that had been made by the Auditor General last year had not been acted upon was in most cases not resourcing constraints but a lack of awareness about the need to put in place proper controls and processes. The

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

main reason that was cited was cost. I will dig into this a bit more. There was not a regional versus metro, or city versus country, divide on this issue. In some cases, regional councils did a lot better than their metro counterparts. The Auditor General was of the view that this came down to the proficiency of the local government's IT managers. If good people were in place, they put in place good processes and procedures and lifted the game of the whole council and helped improve its score. It is refreshing to see that there is not a regional divide, as is the case in other areas. Nonetheless, there is a general lack of awareness and also a cost restriction that is a barrier for a lot of councils.

I have given a couple of examples of low-hanging fruit. We can deduce from this report that not all these findings will be easy to address. There may be large migration projects from legacy systems, which will obviously take a lot of time and energy. There are a couple of sayings in the IT world. One is, "Have you tried turning it off and on again?" I can confirm, having spent about a decade in the software development field, that that is a legitimate troubleshooting step.

Hon Dr Brian Walker interjected.

Hon WILSON TUCKER: I am telling the truth, honourable member. The other is, "If it's not broken, don't touch it." If a legacy system is humming along in the background with an application that is running the financial systems or HR systems or whatever it might be, and it continues to work, people leave it in the darkness without touching it. Over time the operating system will become out of date, the software company will stop releasing security patches for it and hackers will find vulnerabilities. Potentially there might be changes in staff and the new generation of developers will not have the expertise to dive back into a legacy system, to look at legacy code and to debug or fix it, and there is no desire to touch it. It is hard to justify, from a business perspective, when a company wants X dollars to migrate a system to not produce a new functionality, but just keep the lights on with existing functionality. People might say, "But what about this shiny piece of functionality or service that we can give to our clients?", or "We can spend six months and, say, \$100 000 going backwards in trying to prevent something from breaking that is already working." The reality is—not just with local governments, but with any sector—that the longer things are left, the more entrenched that system becomes and eventually it will break or it will have to be moved and it will have to be rectified using a big bang approach. In the long run, it is less cost prohibitive to go back and make smaller changes or iterations, or to bite the bullet and migrate the system earlier, than to leave it sitting in the darkness for 20 years.

I asked the Auditor General a few questions about the cost side of things. I asked what funds local governments can access to address not necessarily the low-hanging fruit, but the big bang migration projects related to some of these findings and vulnerabilities highlighted by the Office of the Auditor General. I also asked about the digital capability fund, which is available to state government entities with these legacy systems. Those entities can put in a grant application or a request asking for funds to migrate a system. That is what the digital capability fund is there for and it seems to be doing its job. The Auditor General was of the view that this digital capability fund was not available to local governments. This is a little bit outside the scope of what we are dealing with in the clauses of this bill, but I am interested in any commentary on whether local governments have access to this digital capability fund; and, if not, what other funds are available to them. In terms of having to bite the bullet and do these migrations to fix up some of these risks, perhaps they do not have access to any funds except for the ratepayer dollars.

My other question is around utilising the Office of Digital Government to provide centralised services to local governments. In the same way that state government entities have access to the digital capability fund, they also have access to the Office of Digital Government to provide some cost-cutting services. Rather than individual state government entities reinventing the wheel countless times across WA, they can access shared services and utilise people with a high degree of expertise in a certain area to save money and time. To centralise that expertise in one area makes sense. As part of the Office of Digital Government, a security operations centre provides cybersecurity experts to provide a real-time view of hackers trying to access networks in state government entities. I asked whether local government had access to that service in particular, or any service offered through the Office of Digital Government. The answer was no, again. I think that the Office of Digital Government is looking at potentially putting in place some top-down processes and procedures that could give some guidance to local governments, but, again, I would like to request some commentary in this regard. It makes sense to talk about centralisation when the Office of Digital Government has a higher capability and can give guidance and potentially create some cost-saving benefit for these councils.

In summary, I support the Local Government Amendment Bill 2023. I have some questions, mostly about information technology systems. It is disappointing that 69 per cent of the vulnerabilities that were found by the Auditor General have been carried across. I daresay that if we look back at the other reports as well, that similar percentages will be found. More awareness and potentially more funds are required for local governments to fix these deficiencies and protect the personal information of Western Australian ratepayers.

HON JAMES HAYWARD (South West) [4.15 pm]: I stand to make a contribution on the Local Government Amendment Bill 2023. Traditionally, reforming local government has been a very difficult process in Western Australia. It has never been easy for a lot of reasons. One reason is because of the vastness of our state and the massive

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

differences between shire councils, and the need to create change that will work for the small Shire of Murchison as well as for the Cities of Wanneroo or Joondalup in Perth. Those local governments have similar responsibilities, but the level of sophistication in a shire compared with the city councils is massively different. It has always been a very difficult task. I would like to congratulate Minister Carey for the work that he has done here. When I have met with him in the past to talk about these matters, I genuinely believed that he had a commitment to finding the best way forward for local government, and to be fair and reasonable. The vast majority of changes that he has proposed in this bill will bring about positive changes for local government. On that basis, he should be congratulated for his work.

I want to speak briefly about some of the changes. The caretaker period will be an interesting change. I am not sure that it was all that critical. Generally speaking, I do not think that city councils rush off to sign up multimillion-dollar deals the week before an election. Traditionally, councils usually take a long time to make a decision about things. I hope that these provisions will not make life even more difficult for councils in terms of getting things through. Councils meet at different rates. Some councils will meet weekly or bi-weekly and some will meet only once every three weeks. Depending on how the caretaker period falls, it could have some impact on a council's ability to do some work, but I have no issue with the change, other than that it will need to be carefully managed through.

I turn to creating consistency in terms of the size and structure of councils. I may get some criticism about this, but I actually think it is a very smart move. The nature of the work for local government councillors has changed significantly over the years, with the availability of telecommunication options and shire websites. Around 20 years ago, a local councillor's phone would not stop ringing because somebody would be upset that a cat was living next door, that their bin was not emptied or whatever their particular issue was. Often that councillor would be literally working at the coalface to deal with complaints and issues raised by members of the community. These days, the vast majority of those types of inquiries are managed by the council itself through its website, Facebook apps and other types of technology, as well people having the opportunity to attend in person. I do not think that has diminished the role of councillors at all. Councillors are responsible for running their local government; I am just saying that the role has changed. Because that role has changed, I think that there is an acceptance that councils can potentially run leaner than they have before because they do not have those added areas of responsibility.

The changes to lease arrangements are good. It amazes me that this continues to happen in this modern world. I am aware of issues in the south west whereby people have run for seats using their mother's address or rented a parking bay somewhere or something like that. That has always surprised me. At the end of the day, the local community often knows anyway, so I did not really understand why that was a great plan, but it has obviously worked and people have previously been elected that way, so I think that those changes make sense.

I do not have any comments to make about parental leave—I think that is something that the state is entitled to ask councils to do—or the principles in the act. Again, I have no real comments to make on that. I think that it makes sense to extend the election period because, certainly in regional WA, there are sometimes significant issues with the post. In my experience in local government, I have not ever heard of anybody abusing the electoral roll; however, again, obviously the minister has had some feedback that that was an important thing to do, so I have no issue with supporting that change. Again, I do not think that it will make a big difference.

I refer to the publication of candidate information. Again, I think that these are subtle changes and will not make a difference to how local governments run. Perhaps this will give people more opportunity to share their story when they are running for a local seat.

Obviously, there are big changes being proposed to the voting and counting provisions. Those changes are going to make counting far more sophisticated and difficult; I do not think there is any doubt about that. But I think that this is a step in the right direction. I will give members a few reasons why. At the last mayoral election in Bunbury, Mayor Jaysen de San Miguel won the mayoral election with 1 496 votes. In total, 7 530 people voted. That is just a touch under 20 per cent of the total votes, so he was elected as successful mayor on less than 20 per cent of the available vote. The runner-up, Amanda Yip, got 1 393 votes, so she was only 103 votes behind the mayor. She had about 18.5 per cent of the vote. We can see with those numbers that the mayor is walking around the City of Bunbury-Jaysen de San Miguel is doing a fantastic job, and the city is very pleased to have him, and I give him a shout-out and thank him for his work—but the reality is that four out of five people in his community did not vote for him. Moving to optional preferential voting would rapidly and massively change the level of support that any individual mayor will have in the future, because they will have the support of over 50 per cent of their community through the preferential voting system. I think that is really a step in the right direction. I know that some people are not so keen on it, but I think it will work very well. Even in smaller shire councils that do not have mayors but have presidents, I think that being popularly elected makes sense. I think there is a higher level of accountability. There is an argument that people might vote for the popular guy and he may not have much experience, but the reality is that people get the person they voted for. I think it is a fairly transparent way of dealing with local government elections. The reality is that whoever is voted mayor or shire president will have to lead that group of people, they will have to work it out, and they will work it out—they already do.

[COUNCIL — Thursday, 30 March 2023] p1709b-1728a

Hon Martin Aldridge; Hon Neil Thomson; Hon Dr Brian Walker; Hon Wilson Tucker; Hon James Hayward; Hon Dr Brad Pettitt

I turn to clarifying council plans and plans being published on the website. Again, I do not see these things as being massive changes. The next clause refers to community engagement charters and community surveys. I think that community surveys are a great idea because the opportunity to get data from local governments right around the state of Western Australia will certainly give the state government some great feedback, but it will also make it a competitive space for local governments who want to excel in their area, and I think that natural competitive streak will encourage better outcomes for ratepayers.

The payments for committee members will be a big change to what has happened in the past, but I do not think it will be a significant change for local governments to manage. I am probably not a supporter of the proposed changes to the paying of education expenses. I am not sure whether that is local government's role, but that option will be available moving forward. The grouping and tiering of local governments through regulation makes sense, because it will bring about a more uniform approach to local government across the state, and I think that is something worth supporting.

The backfilling of ordinary council election vacancies will be a fantastic step forward. It really made no sense at all that when a sitting councillor who had served two years of his four-year term ran for and was elected as mayor, the council had to hold an extraordinary election to fill the vacancy on the council. That was just a complete waste of time, effort and money for that council. I think this is an excellent idea. I foreshadow that I will seek to move an amendment on this once we get into the committee stage, because what is currently being proposed is that only members who resign or leave in their first year will be subject to these provisions. I think it makes sense to backfill, from the latest ordinary election, members who leave in the first and third year.

With that, I finish my contribution. Again, I congratulate the minister for the work he has done in this space, and I look forward to the committee stage.

HON DR BRAD PETTITT (South Metropolitan) [4.26 pm]: Knowing that we have only a short time —

The PRESIDENT: You will get about a minute in, member.

Several members interjected.

Hon Dr BRAD PETTITT: That was a local government joke!

Several members interjected.

Hon Dr BRAD PETTITT: Where do I start? I have a feeling I should just start later!

I rise to share my thoughts on the Local Government Amendment Bill 2023. I will start by making a quick comment. I think that the amendments proposed in this bill are very sensible and I will be supporting them. I pay a special note of thanks to Minister Carey and also the advisers and departmental staff who yesterday gave us a really good briefing that outlined very clearly what this bill will cover and the many sensible recommendations that it makes. That said, I am not without criticism. I will talk about some of the extra things that I think should have been done, but I will probably get to that further down the track.

I guess one of the key successes to acknowledge in this bill is that it actually captures many of the expert recommendations from the *Local government review panel: Final report* and the *Report of the inquiry into the City of Perth*. I think it is really important to see those recommendations captured in this bill. I spent 16 years in local government, and I think that when local government works, it is one of the best forms of government, but I think that, reflecting on those 16 years, I would certainly have welcomed many of these reforms, because I think that they will make things better.

Debate interrupted, pursuant to standing orders.

[Continued on page 1739.]