

LOCAL GOVERNMENT AMENDMENT BILL 2023

Second Reading

Resumed from 30 March.

HON DR BRAD PETTITT (South Metropolitan) [2.18 pm]: I stand today to continue remarks I started some weeks ago on the Local Government Bill 2023. As I said previously, I think this bill contains many good and much-needed reforms that will strengthen the local government sector, including preferential voting, which will bring things back in line with state and federal elections; a newly standardised and rational caretaker period, which, again, I think makes a lot of sense and will bring things in line with state and federal elections; and also some commonsense regulations around the publication of leases, grants, contracts and planning decisions. These are all really good reforms. As I said previously, it is pleasing to see that many expert recommendations of the Local Government Review Panel and the Inquiry Panel into the City of Perth are reflected in the bill. All those good things said, I think some things could have gone further. If I were to critique this bill, I would say that at the heart of it the reforms do not go far enough. In many ways it is a lost opportunity.

To close, I think local government has seen reform going on for a decade or perhaps more and has experienced the instability and uncertainty that goes with that. I do not think what we have before us will close that out. In many ways, I think local government has a sense that there will still be more reforms going forward. This was an opportunity for government to be bolder. Of course, the government has a large majority in both houses to enact some of the evidence-based changes that have been called for by multiple reports and experts for a long time. I will highlight a couple of key parts of that. The first one that I highlight is that obviously there has been a lot of talk about how we can cut red tape through the local government reform process, and I think that often has merit. But, of course, one of the ironies is that parts of this bill will increase red tape, rather than cut it. Perhaps the prime example is around how sham leases and those kinds of things will be dealt with.

The idea of sham leases was uncovered during the inquiry into the City of Perth, which found numerous instances of councils using sham leases as a basis for voter enrolments and claiming eligibility to run as a candidate. This bill will create an extensive list of rules and requirements that local governments need to enforce to maintain their owner-occupier rolls. The legislation will enable businesses and individuals who are not residents of an area to be on the roll and to vote in the local government election. The enfranchisement of businesses or non-resident landowners is wholly unique to local government elections. We do not do this at federal or state elections. Someone who does not even live in the area can vote in a local government election. We will end up with new rules to deal with the complex legal definitions and concepts around leases and exclusive use of a property that local governments will be left to decipher. It will no doubt prove to be highly burdensome for some local governments with sizeable owner-occupier rolls. This approach makes little sense to me.

Both the Local Government Review Panel and the inquiry into the City of Perth recommended the abolition of the right of non-resident occupiers to enrol in non-government elections. I think they were good recommendations. It is also important to remember that businesses can nominate not one but two voters to be on the roll, meaning that businesses have twice the voting power of individuals. This government, rightly, fiercely pursued reforms to enact one vote, one value in this house, but this does not seem to have been given any consideration in equalising the vote power of businesses or citizens in local government elections. When I queried this during my briefing on this bill, the representative minister advised that the reason for not reforming the enfranchisement of businesses was that so many local government reforms over recent decades had fallen over because they were too ambitious and this bill is trying to walk a fine line of acceptability to ensure that these reforms will not face the same fate.

During the debate on this bill and in the feedback from the sector, there has been little pushback. We have seen a move to preferential voting, a reduction in the size of councils, the abolishment of wards and a range of things such as this that have seen some pushback, but not that much. There is a realisation by this government that it has the numbers in both houses and that it can get these things through. I think this is a real lost opportunity to take this further and take forward some of the changes that the experts have recommended.

It is worth noting that radically reforming business enfranchisement at local government elections is not just something that I and the WA Greens are pushing for; nor is it just the recommendation of the Local Government Review Panel or the inquiry into the City of Perth. It is WA Labor's own party platform. It is confusing to me why this government is not removing the right of property owners to vote in local government elections. I think that was a really important opportunity that has been lost.

Even putting aside my criticism of business enfranchisement as a whole in local government elections, if businesses can continue to enrol and cast two votes in elections, it is imperative that appropriate protections be introduced for who those nominees can be. I was assured in my briefing that it will be dealt with in the regulations, so it repeats some of the issues that were uncovered in the City of Perth inquiry. That is one lost opportunity in this bill.

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Another one is the move towards compulsory voting. Again, many things this bill will do will result in a better alignment between local government elections and what happens at a state and federal level. Compulsory voting has not been followed through. Quite a large survey was done by the local government reform group, which has 2 000 members. Some of those are local government-elected members and many have an interest in local government in the Perth metropolitan area and regional WA. When the group asked this question, it found that 74 per cent of people supported compulsory voting and only 17 per cent favoured voluntary. I think that idea of aligning how local government voting works—we have done it in other parts—is another lost opportunity and should have been part of the bill that we have before us today.

Finally, on lost opportunities, I could not help but reflect on the data amendment, which is another one that has not been touched. For those members who are not familiar with this, I refer to the ability of local governments to pretty well get in the way of amalgamations and the like. I raise the issue because I think everybody who looks at the sector thinks that there are too many local governments. There are. There is an ongoing sense that at some point we are going to see further local government reform and amalgamations. I think the data amendment goes a bit too far in how it offers almost a veto. We had an opportunity to amend that whilst giving local governments a strong say in how amalgamations happened and ensuring that it was not a simple veto right. We saw that with the last local government reform when, I remember, the City of Fremantle spent millions of dollars going down a reform route, which we agreed with and supported, only to see that cut off at the knees at the very last minute after a series of local government votes saw at least some of those local government amalgamations not proceed. I think there needs to be a process for orderly amalgamations and how we do that, and especially ones that can encourage amalgamations that local governments themselves can initiate and drive, and only then will we get parts of the sector as always about to be reformed. I think that is one of the key issues for me.

A final issue that I want to raise is one that I will come back to in Committee of the Whole as well. It is around some of the changes to how the act deals with some of the key intents. The original act from 1995 has a quite clear part that will be removed in section 1.3, “Content and intent”, which states —

- (3) 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.

A range of people from local government, and from outside local government but with an interest, have contacted me because they are concerned that this key subsection relating to content and intent of the act will be removed and replaced by another clause in a different part of the act under a broad category, in section 3.1, “General function”. The bill will frame these things in a slightly different way and in a different location. I was assured during my briefing that there was no intent to water down these key bits, but the idea that local government acts for both current and future generations on environmental, social and economic matters is really important. It needs to be said that the new act will be less precise on this and will merely ask that local government has regard—that is the important word—for environmental sustainability, future generations and climate change. There are concerns that it is being watered down. The other key bit is that the bill refers to actions around mitigating and responding to climate change, rather than getting in front of it and acting to reduce carbon emissions and those kinds of things. Some local governments are concerned that their ability to act in a proactive way may be unintentionally watered down in this process. I think it is worth returning to this in Committee of the Whole to make sure that we have got this right, because it would be fair to say that if this were the case, it would be a retrograde step that nobody would want to see.

My final point is that the bill will make some big changes that will place greater imposts on local governments. I encourage the state government to work with smaller local governments in the regions and to provide them with the support they need to adapt to these reforms. Although many of these changes will have only minor impacts on the operations of most local governments, smaller and more resource-constrained local governments will bear the biggest burden in striving to be compliant.

As I said at the start of my contribution, there is a lot to like with this bill, but there will also be some lost opportunities as we go forward. I look forward to unpacking some of that further in Committee of the Whole.

HON SOPHIA MOERMOND (South West) [2.32 pm]: I first state that the reasons for the Local Government Amendment Bill 2023 make great sense. From my medical background, I developed a great liking for protocols, as they lead to greater regulation of processes and continuity of care. They also allow for greater clarity in what needs to be achieved and how it should be achieved.

There are many differences between various areas of this great state, whether we look at local industries, population density, population composition, the local environment, the number of tourists or the local climate. All these factors bring different considerations. Nonetheless, if we have similar structures in place across the state, it will make it

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easier for the population to understand the role of local government and the role they can play themselves, plus it will increase transparency and, hopefully, provide more clarity around accountability as well.

Unlike many other honourable members in this place, I do not have any local government experience, so I was surprised to hear that meetings were not recorded or accessible via live stream. This certainly should be the norm in a state as vast as this for a variety of reasons, but especially accessibility and transparency. This brings me to the issue of funding that Hon Wilson Tucker touched on in terms of the IT side of things. To be honest, I have no idea what that will entail or how much funding will be needed, but I am sure it would be worth investing in local government to make it more cohesive overall across the state.

At the beginning of this Parliament, electorates were abolished, much to the chagrin of many people in the regions. They are well aware that there is a Perth-centric approach and that they have to fight for resources because of that. I am concerned that this bill may affect some smaller councils and wards in the regions and that they will miss out on funding and expertise with these changes. The gap between 5 000 and 75 000 people is quite large and could possibly create disadvantages. In my opinion, representation should be based on not just population size, but also area covered. One issue raised by councils in the south west, for instance, is bushfire management. Although population density might be low, the area covered might be quite large and have a variety of factors that require management by councillors, including tourism, the safety of property, the environment and funding, meaning that a councillor might have greater responsibilities and be expected to have a much greater knowledge base. Would that be fair to that person, especially when we consider that the remuneration of councillors is not great? It is a lot of responsibility and knowledge for a small team to carry. All the aspects that I have mentioned will be impacted by climate change, with an increase in major weather events already occurring in this state and around the globe.

I realise that what I say here is unlikely to have any impact on the outcome. However, I wish for the new system to be fair and that lower population areas will not miss out on representation and resources. Overall, I think the bill is great. I love the idea that parental leave will now be included; I was surprised to find out that it was not standard. I like preferential voting—that makes sense, too—because I think it gives more power to voters in terms of where their votes go. The standardisation of processes across the board also makes a lot of sense. I appreciate the amount of work that went into this bill, and I look forward to the committee stage.

HON STEVE MARTIN (Agricultural) [2.36 pm]: I rise to make a brief contribution to the second reading debate on the Local Government Amendment Bill 2023. I have a very long background in local government. In fact, I was reminiscing earlier with the member for Balcatta, David Michael, in the members' bar about our time on the Western Australian Local Government Association state council and how we sat through endless WALGA meetings and governance reviews; I believe WALGA is going through another one at the moment. I have a significant background in local government. I was a shire councillor in Wickpin for 20 years and shire president for 10 years. I would hate to add up the number of hours I have spent at council meetings, council briefings and committee meetings, but it was a joy to represent my community. I have great empathy for and understanding and appreciation of the many local government councillors in Western Australia at all 139 councils across the state. I put on record my appreciation for the great work they do. At least in the smaller regional councils, they are effectively volunteers. I know that some payments that councillors from larger councils now receive have increased and that is good, but it is almost a different sector in regional WA. I will confine most of my comments to that, because there have been some wonderful contributions from other members about the broader impacts of this bill.

I appreciate the effort that the minister has put into this bill. I knew and worked with Minister Carey when he was in local government. He is passionate about this sector; nobody doubts that.

We have before us phase 1 of the reforms in the 107 clauses and 130 pages of this bill. I wonder, however, how much it will achieve for the sector, and particularly for the residents of those councils. It is a great deal of work. We have heard from other members about some of the impacts of the bill.

There are some good things in the legislation. The caretaker period is a worthwhile change and allowing backfilling in the event of a vacancy to avoid an election will save councils some dollars. There are a number of other things. Sham leases are interesting. As far as I am aware, we have never had a sham lease in Wickpin. We would love some lessees to come to Wickpin to take up some of our spare blocks. I am sure that it has happened in the city, but that is not an issue for us. If that is important, and apparently it is, it will be covered by this piece of work.

From my experience over time in the local government sector, I know that the workload, compliance burden and red tape have grown inexorably. If one were to talk to a CEO or a councillor—not before the changes that were made in 1995 but in the last 20 years—they would say that every time they hear from a state or federal government, they want more from them for the same amount of money, or less. Sadly, I do not see that changing much with the Local Government Amendment Bill 2023. There is some tinkering around the edges, but, as Hon Dr Brad Pettitt mentioned, the government could have been bolder. I took what I thought at the time was a very sensible step when council amalgamation was discussed in my patch. Hon Kyle McGinn, that is exactly the reaction people get

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at shire meetings, and I am not in the least offended. I took the approach to changes in my patch that to have the same boundaries we had had for a hundred and something years did not make a lot of sense. I was dealing with businesses, in particular farmers who had taken their properties from 600 acres to 8 000 acres, but the local government boundaries had stayed the same. I got involved by talking to my neighbours and people in neighbouring shires about four or five shires amalgamating into one based around our regional centre. In our case, we all knew where that was. We progressed that process, as we heard from Hon Dr Brad Pettitt, at great expense over a long period. We spent months, years probably, on that. I was pushing quite strongly for it to happen. At the last minute, I stepped forward and everybody behind me stepped back and said, “Hang on, we’re not sure about this”, and it fell over. We attempted to do it voluntarily. In my view, it was inevitable. I was wrong. I thought it would happen imminently, but I got that wrong. The locals spoke, they got their way and the boundaries remain the same.

Sadly, then and still today, the boundaries were the least of that argument. Shire boundaries certainly matter to locals, but how a council operates does not have much to do with its boundaries. I do not see much on that in this bill. Even though it is phase 1 and there will be a lot more to come in phase 2, I do not see this legislation changing much. For example, the cost shift will continue to grow. The local government share of the state’s vehicle licence revenue has gone from 27 per cent to 19 or 20 per cent. I am not entirely sure of the percentage, but it has certainly dropped. For as long as I have been around, the Australian Local Government Association has been calling for a greater share of commonwealth revenue to try to catch that up because it continues to be low. The cost shift continues every time the state government requests a change for which we have to do a mission statement, a corporate plan, a governance plan or a bloody—excuse the French!—17 000 page document that we have to hire a consultant for. They just add to the costs and the impost on ratepayers, and not much is achieved by them. They are all carefully filed in a drawer somewhere. I do not see the required changes in this bill.

I will make a couple of comments about transparency and accountability. I read a number of contributions from members of the other place and of the Council, and we seem to expect an awful lot from local government when it comes to transparency and accountability. Obviously, nobody is going to argue that ratepayers and citizens should not know what is happening in their local council, but the demand for, dare I say it, gold-standard transparency is increasing from the state government. It is not just this one. Let us be honest, it is from both shades of government, and it is often demanded of small local governments. For example, in the last budget street lighting changes were going to be fairly flat and local governments could budget appropriately. Apparently, out of nowhere, with, I gather, no consultation with the sector, the cost of street lighting to local governments has gone through the roof. There was not a lot of transparency and accountability there. On all sorts of issues, the state—I am talking about all state governments—can act to impose things on local governments with hardly any stakeholder consultation, which is the phrase that people rattle around, and local governments can either take it or leave it. Sadly, most of the time they end up taking it.

There are a couple of other issues. I have a particular view on the election of mayors. I saw that a number of issues arose in councils—larger than mine, obviously—when an elected mayor had a mandate. They had taken their platform to the public. We are all elected so we know what that is like. There is an election and we get all fired up. Mayors would get their mandate and charge into the chamber, but would be staggered when the vote was 7–1 or 9–2, because they had a mandate. They went to the public in a popular election and had been elected so they could charge into the chamber and get their way. That was the cause and the seat of a lot of the conflict that I saw in councils. The Premier is elected by the Labor Party and I have the view that the internal election of a mayor or shire president by the elected officials, councillors, is a more sensible option. Of course, mayors are already directly elected in a number of places, and it works some of the time. This legislation will extend that process.

The number of wards and councillors gets a look-in in this bill. The Minister for Local Government stated his view on wards in the other place —

The issue of wards was noted by a couple of opposition members. We have seen a consistent trend away from wards. I will give an example. The Shire of Kulin has four wards. The shire’s east ward has one councillor for 48 electors. I do not think anyone would argue that that is particularly democratic.

Jim Sullivan was president of the Shire of Kulin. For 27 years, Jim, who lives east of Lake Varley, would travel 150 kilometres in to town to do the meeting and then drive 150 kilometres home. He spent 12 years as president and 27 years on the shire. He has recently been made an honorary freeman of the Shire of Kulin. He represented the east ward. The Kulin shire extends another 25 or 30 kays west of Kulin, so it is about 180 kilometres from Jim’s home to the western end of the Kulin shire. At least the 48 electors in the east ward of the Kulin shire would probably think that that was a democratic process. I am a little concerned about some of those wards that have a useful purpose. If the locals think it is a good idea, they should be allowed to remain. The minister is correct. We got rid of wards in my shire because we thought it made sense. If the people of Kulin think that it is appropriate to retain wards, I am not sure why the state government necessarily has to have a view.

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Hon Darren West: I have no doubt Councillor Sullivan would've been re-elected many times without wards.

Hon STEVE MARTIN: He may have done but that is assuming there is another Jim Sullivan who is willing to do 150 kays back and forth. I do not know why the state necessarily has to have a view on that. Similarly, on the number of councillors, the council of a small shire may want to have eight or nine councillors. It is not about saving money. The sitting fee in those small shires might be \$50 for a shire meeting or \$25 for a committee meeting, so it will not save any money. The government has the view that somehow we need fewer shires. The state has 139 shires and cities, and if the government does not want to do anything about reducing that number, there will be a lot of councillors. Again, I am not sure why the government needs to have a view on that. I would have thought that the locals would sort that out amongst themselves. For example, if they have a difficult time getting councillors, that attrition will take place organically. Serving shire councillors are now being told, "Thanks very much; we don't need you after October." People willing to make a largely voluntary contribution to support their community are now being told that they will not be required, which is disappointing.

Preferential voting has been the topic of some conversations. There has been a discussion about politics in local government. Some of those who are nervous about preferential voting have been painted as saying, "Don't be naive; there's politics in local government now." Of course there is! Indeed, the Minister for Local Government said as much in his contribution in the other place. We know that. Those of us who are concerned about the change are not saying that there is no politics in local government now and that when the government makes this change, we will be swamped with politics in local government. It is there now. My concern is that the change will increase the involvement of politics in local government. We can certainly make a case that that will occur. I do not want to verbal Hon Dr Brad Pettitt but I will refer to a point he made in his initial contribution many weeks ago in March—by the way, it is ironic that this discussion of the Local Government Amendment Bill 2023 is taking months to complete. I know that Hon Dr Brad Pettitt was very sincere in his commitment to his community in Fremantle when he was involved in local government so I am not having a crack at him. However, in his contribution he said —

When I first ran for local government as a councillor in 2005, the election was based on preferential voting, which was good.

...

In the lead-up to that election, we had preferential voting, but literally in the months before, the Barnett government changed it to first-past-the-post, which of course created quite a lot of confusion. I was running in quite a friendly manner with other councillors; we knew it was a preferential vote, so we knew the community would decide. Then, all of a sudden, those of us who had lots in common realised that a first-past-the-post system was going to require some of us to pull out ...

That is in fact a political party, although not in that case. In preferential voting, political parties organise a ticket and harvest the preferences to get someone up. It is naive or disingenuous to suggest that this change will not add to the political involvement in local governments. Perhaps in the larger metropolitan and regional councils that is appropriate, but it will be unfortunate if that is the case. Western Australia is unique in Australian jurisdictions in that the level of politics in local government is quite low, especially when one considers places like New South Wales.

I will conclude my remarks. I wish the Minister for Local Government and his hardworking team that has put this bill together well. The amount of consultation that has been going on for years is obvious but, sadly, I do not think this bill will reduce red tape or make it easier to be a councillor, to run a council or, most importantly, to have an impact on the ground to improve the lives and circumstances of the people who live in council areas.

HON JACKIE JARVIS (South West — Minister for Agriculture and Food) [2.53 pm] — in reply: I thank all members who have spoken on the Local Government Amendment Bill 2023. I will try to answer as many of their concerns as possible, but we will no doubt explore them in more detail during Committee of the Whole.

The McGowan government is continuing to deliver the most significant reforms in local government in more than 25 years. This bill provides a range of reforms that will deliver greater transparency and accountability for ratepayers, as well as cost savings and efficiencies for local governments. As we know, the reforms include a number of measures, such as the introduction of principles in the Local Government Act 1995 to recognise greater involvement of Aboriginal Western Australians in local decision-making. The bill formally recognises tiering of local governments based on the existing salaries and allowances framework. This issue was raised by a number of members. I note that Hon Martin Aldridge raised queries about the banding of local governments. It is envisaged that the Salaries and Allowances Tribunal will continue its existing practice of independently making band determinations. Regulations specifying the bands for the purposes of regulations will mirror the tribunal's determinations, assigning each council to a band. Any changes to the tribunal's determinations will be dealt with in regulations on a time-to-time basis as appropriate. It also should be noted that the government's reform proposals relating to tiers and bands have been grouped, with bands 1 and 2 together and bands 3 and 4 together.

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The bill also provides reforms to council planning, streamlining the way that local governments plan for their future service delivery. The government believes that the bill will reduce red tape, although I note that Hon Neil Thomson, Hon Dr Brad Pettitt and Hon Steve Martin raised concerns about red tape. This reform will introduce a range of measures to reduce red tape, such as the simplification of financial statements through the introduction of model financial statements, particularly for those smaller councils in bands 3 and 4; the simplification of service planning through council plans, which will need to be reviewed less frequently; and new templates that local governments can use and adapt, which should also save time and resources. The backfilling provisions in the bill will reduce the need for extraordinary elections, which, of course, can be very costly.

A few members raised the idea that more red tape equals more costs. When considered as a whole package, this bill will reduce the cost burden on local governments. There will be a significant reduction in the administration burden across local governments. Hon Dr Brad Pettitt talked about managing online registers. It is thought that most of this data should be held and collected by local governments anyway.

A number of members referred to the reintroduction of preferential voting, which obviously better aligns local government with state and federal elections and provides ratepayers with a greater say in local government. Hon Dr Brian Walker and Hon Steve Martin referred to the cost of backfilling. Optional preferential voting will enable the order of all candidates to be identified and take into account the preferences of the electors of a district at the time of voting. This will replace the need in most situations for an extraordinary election when a vacancy occurs on a council, which, of course, will save significant financial resources for local government authorities.

The bill will reform the size and structure of local councils and ensure that the size of a council is better aligned with the size of a local population. Hon Martin Aldridge referred to the alignment of a council's size with the local population. The honourable member is correct that the government amended the proposal around the maximum size of councils with a population of fewer than 5 000 people to seven members, including the shire president, which is up from the original proposal of five members.

Hon Neil Thomson and Hon Steve Martin discussed the removal of wards. This reform is clear; it is only proposed to abolish wards for councils in bands 3 and 4. There will be no requirement for local governments in bands 1 and 2 to abolish wards. Hon Neil Thomson provided some examples of councils, including the Shire of East Pilbara, that had been pressured to remove wards. The notes I have state that the shire undertook a ward and representation review to consider how to phase in the proposed reduction in council members. Further, the Shire of East Pilbara engaged with the minister's office through that process in a very positive manner. Through that process, the shire itself identified that it had an existing ward with just 10 electors, one of whom was obviously elected to council. I understand that the shire is proposing to adjust its wards to make ward representation more even across the district. I have no notes on the example Hon Steve Martin raised, but Hon Neil Thomson mentioned the Shire of Menzies, which currently has two wards and seven council members. As of January 2023, the Shire of Menzies had just 179 enrolled electors, so it is hard to see in this situation that abolishing wards would result in reduced representation. Obviously, it is recognised that ratepayers pay the costs of elected representatives, so the proposed reduction of councillors in bands 3 and 4 should help to reduce costs.

One of the reforms will be clear standards on how local governments will communicate with a diverse range of people in their district. The bill will also introduce establishing community engagement charters, through which local governments will be able to consider how best to undertake community engagement that facilitates, as one example, the participation of Aboriginal people.

A number of members spoke positively about caretaker provisions, which obviously is one of the reforms. This bill will formalise statewide caretaker provisions. Hon Dr Brad Pettitt noted that many councils already observe caretaker periods, but this will make it consistent across the state.

Some members, I think particularly Hon Dr Brad Pettitt, raised the concern of sham leases. The honourable member was concerned that maintaining a database of business owners would be burdensome. To be clear, we have tried to get a balance. The bill will provide stronger rules to ensure that only people with legitimately owned or leased property may be enrolled in the local government electoral roll. The bill will not abolish the rights of people who legitimately own and occupy property, and it will not stop them from participating in local government elections. For example, many small businesses are eligible to participate in local government elections because they lease and operate commercial property within the district. I note that Hon Dr Brad Pettitt felt it made little sense for them to be voting in the election, but it is important to note that eligible owners of property and businesses are important stakeholders and commonly contribute to local government revenue through rates. They access or benefit from local government services, and they have a stake in decisions and policies that impact the local neighbourhood in which they operate their businesses. That is why that reform has been included.

This reform has an improved framework on how council members will receive information and advice from their CEO, and the bill will establish council communication agreements. The bill will also introduce specific

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requirements for the videostreaming of council meetings and for audio recordings for smaller council meetings. I think Hon Martin Aldridge noted that many local governments used videoconferencing during COVID, but it should, hopefully, reduce the number of complaints about conduct at council meetings.

The bill's reforms also include formalising meeting procedures and standardising them across Western Australia. Hon Dr Brian Walker asked the question: is the proposal for standardised meeting procedures a result of any local governments being identified as having a deficit in this regard? We are probably all aware that there have been many examples of this function at council meetings, and confusion results from different procedures and quirks at individual local government meetings. The idea of this reform is to ensure that ratepayers across the state have the same rights and can follow the same processes when engaging with council through a public question time.

I thank Hon Sophia Moermond for her comments. Particularly, I note the special entitlements of parental leave that will obviously allow any member who is welcoming a new child into their household to take parental leave, which I think is a good step forward.

The question of the direct election of mayors was raised by several members. As far as we are aware, at every poll of ratepayers about the method of election of the mayor or president, ratepayers have always voted for the right to elect a mayor or president. Hon Martin Aldridge used the example that we do not directly elect the Premier at state elections. The point of note is that the public always has clear visibility of who the candidate for Premier is when they are voting. That is why we will have direct election of mayors.

Hon Steve Martin had some concerns about the cost of local government planning. This bill contains proposed changes that will simplify the system of integrated planning and reporting. As part of these reforms, it is proposed to simplify local government service planning, including new templates, as I have discussed before, that will be available for use.

I note that many members who contributed have a long history of serving on local government, and I want to thank them for their input and firsthand experience. I thank everyone for their contribution and commend the bill to the house.

Question put and passed.

Bill read a second time.

Committee

The Deputy Chair of Committees (Hon Dr Brian Walker) in the chair; Hon Jackie Jarvis (Minister for Agriculture and Food) in charge of the bill.

Clause 1: Short title —

Hon MARTIN ALDRIDGE: I thank the minister for quite an extensive reply to the contributions of several members during the course of the second reading debate. I want to pick up on a couple of things in clause 1 in due course, but from the outset I indicate that, although I know others will be engaged in this bill, it is certainly not my intention to spend a lot of time on clause 1. It is quite an extensive bill, and it is probably more relevant to focus the committee stage on the significant number of clauses before us. In the second reading speech, the minister mentioned that public consultation occurred on the proposed reforms between 10 November 2021 and 25 February 2022, and that over 200 submissions were received through that process. Is the minister in a position to provide us with some understanding of the submissions received? The sort of information I am looking for is how many submissions were from local government entities versus private individuals or other organisations. I am sure the government has this information after assessing what was considered significant consultation. To the extent that it is possible, I am looking for a summary of the responses to the proposals from the 200 submissions that were received during the consultation process.

Hon JACKIE JARVIS: I am advised that there were 233 submissions in total, of which more than 80 were from local governments. I do not have a summary to hand, but unless a respondent had asked for their submission not to be publicly published, they were published on the local government website. I understand that over 200 submissions were published. Some were redacted if respondents had asked them to be; however, in summary, most of them were published on the website.

Hon MARTIN ALDRIDGE: In assessing more than 233 submissions to be precise, I guess to the extent possible, because some submissions may not have equivocally supported or not supported a proposal, has the government collated that information to say, for example, that for the proposal relating to optional preferential voting, 200 submissions supported it, 30 opposed it and three did not have a view?

Hon JACKIE JARVIS: We do not have a collated list of themes, if you like, which I think is what the member is looking for. Changes were made based on the submissions. I am advised that the department and the minister read all the submissions. I guess the best comprehensive summary is the final package of reforms released online in July 2022. I understand that that report contains a comprehensive summary of what had originally been proposed

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and how the reforms were changed or amended. Therefore, that is an indication of changes made as a result of the submissions. We do not have a list of themes per se, but I think that the online published report gives us an understanding of the themes acted upon.

Hon MARTIN ALDRIDGE: The report that the minister talked about is the post-consultation report; is that right? I probably did not get the title right.

Hon Jackie Jarvis: Yes.

Hon MARTIN ALDRIDGE: That report is publicly available and provides a level of detail that would give the reader an understanding of whether a proposal was supported or otherwise and the extent of that support; is that correct?

Hon Jackie Jarvis: Yes.

Hon MARTIN ALDRIDGE: Is the minister in a position to table that document?

Hon Jackie Jarvis: Apologies, member; I might take advice on that.

Hon MARTIN ALDRIDGE: I will leave the minister to take advice.

Hon JACKIE JARVIS: Apologies, member; I will correct that. The final report that was published does not break down the submissions by theme, as I said. If the member is asking whether there is a direct correlation with a number or percentage of submissions asking for a particular change, it does not do that. It just reports on the original proposals put forward and the changes made. I am not sure whether I have answered the question.

Hon MARTIN ALDRIDGE: I think we have an understanding. The government does not have a spreadsheet that says: with respect to the proposed reform that a mayor or president in a tier 1 or 2 council shall be directly elected by the people, 80 said yes, 80 said no, and 40 did not say anything. We do not have that information.

Hon Jackie Jarvis: That's correct.

Hon MARTIN ALDRIDGE: I turn to my next question. In the second reading speech, the minister said that the submissions received indicated broad support for the reforms. Obviously, the minister said that the Minister for Local Government and the department read every submission; that is something I have not done, and probably something that the minister in a representative capacity, as I am in a shadow ministerial representative capacity, has not done either. But with respect to broad support, I assume that that is a subjective view formed by someone—I assume the minister—that the reforms have broad support, failing that there is something that can demonstrate that the majority of reforms were supported by the majority of submitters, for example.

Hon JACKIE JARVIS: I am informed that if the member and I had read the submissions, we would have seen that there was broad support for most of the general themes of the reforms, and that the Western Australian Local Government Association also issued a media release stating that it broadly supported the reforms. There were also a number of workshops. The advice I am given is that there was broad support for the reforms.

Hon MARTIN ALDRIDGE: With the benefit of the three people at the table assisting the minister, who I suspect have read all the submissions, the presentation that I received from advisers when I was briefed listed 24 separate policy initiatives. Let me ask the question this way: did any of the 24 policy initiatives not receive broad support?

Hon JACKIE JARVIS: I am advised that it is probably a little more complex than saying some received more support than others. Obviously, there is a wide range of stakeholders. An example I have been given is that some of those 24 policy initiatives had very strong support from ratepayers and less support from elected councils and vice versa—some had very strong support from elected councillors and those involved in local government versus ratepayers. With such a wide range of stakeholders, it is difficult to say that an individual policy was supported by all groups across the board. Broadly speaking, the 24 policy initiatives had some level of support, it just varied according to who the stakeholder was.

Hon MARTIN ALDRIDGE: That is a very big spectrum we are dealing with, minister. “Some level of support” could be one government member making a submission to the government saying they supported all of the 24 policy initiatives. I think we will move on.

The other question I wanted to ask was about the reform process itself. This is obviously tranche 1 that has been referred to. I understand that there will be a tranche 2. I do not know whether there are further tranches beyond 2.

We know what is contained in tranche 1 because it is before us now. Can the minister give us an understanding of when tranche 2 might be considered? A better question might be: Where is tranche 2 in government consideration? If it is known, what is tranche 2 likely to entail?

Hon JACKIE JARVIS: I am advised the document released on 3 July 2022 that listed all the proposed reforms essentially gives an indication of tranche 1 and tranche 2, because if they are not in this bill, they will be in tranche 2. Tranche 2 is currently being developed. There are things in that such as a local government inspector

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and monitor. With the bill in development, there is ongoing consultation with the sector. I am advised it is expected to be produced later this year.

Hon MARTIN ALDRIDGE: This is my last question on this point before I defer to a colleague. The consultation on all of the reform is effectively done because the initiatives the minister mentioned—the local government monitor and code of conduct reforms—will all be in tranche 2. Is it fair to say that all of the remaining matters from the consultation will form part of tranche 2, or will additional matters be included and will there therefore be a separate consultation process for that?

Hon JACKIE JARVIS: I am advised that the member is correct. Everything that was published in that document of 3 July 2022 makes up tranches 1 and 2. The consultation going ahead now is on implementation, so it is not envisaged that there will be any changes.

Hon WILSON TUCKER: When we last discussed this bill, I posed a few questions in my second reading contribution to which I did not hear a response during the minister's reply, so I thought I would pose them again during the debate on clause 1. To give a bit of background, I am not talking about any specific clauses in the Local Government Amendment Bill. My second reading contribution was mostly focused on the Auditor General's recent report into IT systems, *Information systems audit report 2022—Local government entities*. A number of deficiencies were found by that report. The first question I have is on the ability for local governments to access the digital capability fund, which is available to state government entities. I understand that local governments do not have access to this fund that is used by state government entities to help with large IT system migration projects to plug up some of these weaknesses and bring their IT systems into the twenty-first century. It was the Auditor General's understanding, and mine, that local governments do not have access to the digital capability fund. Could the minister please confirm that that is the case; and, if they do not, what other funds do local governments have access to to help with some of these large IT system migration projects?

Hon JACKIE JARVIS: The member did indeed raise the Auditor General's report into local government IT systems. To be clear, local governments are responsible for managing their information systems. This is core business for local governments. The bill does not directly address IT systems, and the act does not directly deal with computer systems. The digital capability fund was established to drive investment in digital transformation across the WA state government. The fund is available only to state government entities; the member is correct that it is not available to local governments. I note that this is core business for local governments. The local government reforms will include a range of measures, however, that will assist local governments to share resources and enable the simplification and standardisation of routine processes, such as new model financial systems. That should ease some of the administration burdens for local governments. The reforms will support local governments to share resources and coordinate their investment. There are case-by-case instances of a statewide imperative to assist with IT systems. An example I have been given is the stop puppy farming legislation for which the state government is developing an essential registration system that will be made available to local government. That is an instance of a statewide imperative; it makes sense for the state government to assist. But, by and large, IT systems are the responsibility of local governments.

Hon WILSON TUCKER: I thank the minister for the response. I move on to the second question I posed in my second reading contribution, which, in the same vein, was in response to the Auditor General's report. It is about access to shared resources offered through the Office of Digital Government, similar to how state government entities can access the digital capability fund. Do local governments have access to any shared resources offered by the Office of Digital Government to identify and mitigate online cybersecurity threats?

Hon JACKIE JARVIS: Member, I obviously do not have advisers here from the Office of Digital Government. It is outside the realm of this bill. I think there is an opportunity for the member to engage with the relevant minister on this separately, but it is not part of this bill and it does not form the basis of this bill.

Hon NEIL THOMSON: I rise to ask some general questions about the genesis of this bill and where we are today. My understanding is that the reforms came out of the process announced in 2017. The Local Government Review Panel was established and provided a report in 2020. I note the recommendation of that panel was for a complete rewrite of the legislation. Is the government still contemplating a complete rewrite of the legislation?

Hon JACKIE JARVIS: No, member.

Hon NEIL THOMSON: The panel had some very experienced people on board and was chaired by David Michael, MLA, and it put together some recommendations. One of the recommendations was that there needed to be a reduction in the amount of text in the new legislation to make it more accessible. I might be paraphrasing the words a little there, but it certainly referred to a reduction in the amount of text. Why did the government choose not to go down the path of a root-and-branch review of the act? Was there any reason for that?

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Hon JACKIE JARVIS: I am advised that a full rewrite of the act would have been years in the making. Obviously, we had a failed amalgamation process under the previous government. It was really important that we focused on the parts of the 1995 act that do not work effectively. There is a level of dysfunction across some local government areas and processes and the minister thought it was really important that we move to address that level of dysfunction, rather than getting bogged down in a full rewrite of an act when that could take many, many years to achieve an outcome.

Hon NEIL THOMSON: The minister said that the Minister for Local Government made that call. For the record, the panel said —

Local Government Acts are among the most lengthy and complex pieces of legislation in any jurisdiction.

I assume that refers to the Western Australian version. It said —

Currently the 1995 Western Australia Act and Regulations run to more than 700 pages, while there are also elements of the Local Government (Miscellaneous Provisions) Act 1960 that are still operational.

Clearly, the committee raised that concern. Notwithstanding the minister's response about the time it would take to do a complete rewrite of the act, will we see any streamlining of the existing act by the time we get to phase 2 or will we continue to see the number of pages of this legislation increase, as would appear to be the case with this reform?

Hon JACKIE JARVIS: The member has referred to 700 pages. I believe that includes the regulations relating to the act.

Hon NEIL THOMSON: It is the act and regulations.

Hon JACKIE JARVIS: It is obviously a complex act. The minister's imperative, as I said, is to deal with dysfunction in local government now and to fix the issues now. The length of the act or the number of regulations is not the imperative. The imperative is to make the act functional.

Hon NEIL THOMSON: The minister is saying that the Minister for Local Government did not think the panel came up with a valid criticism of the legislation and regulations, even though it seemed to be a focus of its recommendation or points that it made. It also said that a new act should —

Incorporate new measures to expand self-regulation (notably independent Audit, Risk and Improvement Committees) as part of a flexible regulatory regime that can respond quickly to unexpected circumstances (such as COVID-19).

Will the bill before us today in any way expand self-regulation and create the additional flexibility that we might need to see in a contemporary local government regime?

Hon JACKIE JARVIS: I assume the member is referring to local government authorities and how they will monitor compliance with the act. I am advised that will be dealt with in tranche 2 with the introduction of inspectors and a compliance framework. This bill includes an opportunity for exemptions to the act in case of emergencies.

Hon NEIL THOMSON: I thank the minister for that clarification. It is good to hear that some of the recommendations of that panel will be adopted. Another recommendation in the report was to —

Minimise the use of Regulations (which tends to enable more extensive and detailed oversight and intervention, and which requires time-consuming parliamentary drafting) by providing standardised guidelines and model codes, charters and local laws. Local governments could modify these 'minimum' provisions but would have to justify significant departures from them to the Joint Standing Committee on Delegated Legislation.

I can see the intent here. It seems to be one that I certainly would support, but I have failed to find that kind of approach permeating through the bill thus far. It appears that, if anything, some of the provisions become more prescriptive rather than less prescriptive. I would like to ask as part of the clause 1 discussion why the minister has not at this stage—maybe it will be picked up in tranche 2—taken a more light-handed approach in providing standardised guidelines and model codes, charters and local laws. I assume that local laws would be at the discretion of local government. Why does it seem that we have gone in a different direction from what the panel recommended given the need for flexibility going forward?

Hon JACKIE JARVIS: With regard to why there was not a more light-handed approach, it is important to remember that this package of reforms was done in conjunction with the sector and its advice was taken on how we would implement these reforms. Ratepayers also have a level of concern about local government dysfunction, and we have seen some very high profile cases of financial impropriety. It is a balance between having a light-handed approach and making sure that there is enough rigour in the act to ensure that ratepayers are protected, because, at

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the end of the day, they are the ones who fund local government. I understand that in tranche 2, there will be a series of ministerial guidelines around best practice that will provide more of that light-handed approach that the member is seeking.

Hon NEIL THOMSON: Thank you for that clarification. Just touching on the issue about the time taken, here we are in 2023 but the commitment was made in 2017. The panel got together in 2018 and I believe it finally put out the report in May 2020. This has been around. We know that local government reform can be fraught with difficulties. One of the headline titles in the panel's report is "Moving Quickly". The experts on the panel, led by David Michael, MLA, could see how difficult this would be and the resources that would be required to rewrite the act, so they put forward a pathway. They talked about—I will paraphrase it and I will read some of the detail—setting up strategic elements such as overarching principles and putting the strategic intent in the first tranche. They really were looking to provide some strategic direction. I am not sure how that was going to be achieved without completely rewriting the act, but I assume that they looked at the front end of the act and then at dealing with those difficult issues in the second tranche. Some thought seemed to be put into that by the panel. I wonder why the minister did not. I know that the minister is representing the Minister for Local Government and is not able to directly explain why he did not take this approach. The panel's report says —

... the Panel's assessment is that a substantial package of strategic changes to the Local Government Act is required within months, not years.

Within months, not years —

This could be done in one of three ways:

The panel was very careful to outline how —

- (a) Amend and restructure the existing Local Government Act to bring together its key strategic elements as a 'front end', but leaving most of its provisions unchanged for the time being;

A clear recommendation was made by the panel. John Phillimore is another expert the government has utilised for other types of reviews. We have seen the submission put out by the Labor Party about the Legislative Assembly. It is a very interesting submission. We get these experts who come in. There were some people on that panel whom I hold in very high regard. I am not so sure about the advice necessarily. That given by John Phillimore has always been perfectly good. In relation to the panel, led by David Michael MLA, a very capable member of Parliament, I again ask: why did the minister not take any note of the recommendations of the panel and restructure the Local Government Act to bring together its key strategic elements as a front end but leave most of its provisions unchanged for the time being? Why did he not do that?

Hon JACKIE JARVIS: The member has referred a number of times to the Local Government Review Panel. This package of proposed local government reforms has been informed by a number of bodies of work and consultation, including the Local Government Act review conducted by the Department of Local Government, Sport and Cultural Industries between 2017 and 2020; the Local Government Review Panel, which the member referred to; the report of the City of Perth inquiry; the final report of the Select Committee into Local Government; direct engagement with the local government sector and the community; and other reports to government, including authorised inquiry reports. The member has referred to one element of that whole package—the Local Government Review Panel.

Hon Neil Thomson interjected.

Hon JACKIE JARVIS: I have not finished my answer. Taking all of that into account, and obviously the direct engagement with the sector, the reform package was developed based on six major themes: earlier intervention, effective regulation and stronger penalties; reducing red tape and increasing consistency and simplicity; greater transparency and accountability; stronger local democracy and community engagement; clear roles and responsibilities; and improved financial management and reporting.

Hon Dr BRAD PETTITT: I return to the issue of the implications and intent of some of the changes to the act that I raised during my contribution to the second reading debate and that multiple people involved in and around local government have raised with me. Section 1.3(3) of the act refers to "the needs of current and future generations". It is proposed that subsection (3), under section 1.3, "Content and intent", will be removed from the Local Government Act. It is a quite strong part of the act, and states —

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.

People are concerned because, as they understand it, the new provision will be under proposed section 3.1(1A) and the general function of a council will be required to be "performed having regard to" sustainability, future generations and climate change. Will the use of the word "regard" change the implication of how local governments

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perform their duties in relation to this? The concern is that this provision will be watered down and that it will refer to general functions of the council. What are the implications of that change?

Hon JACKIE JARVIS: I am advised that that broad principle will remain but that the bill will move it from part 1 to part 3 of the act. This is only a drafting change. Part 1 deals with introductory matters and includes definitions. Part 3 relates to the functions of local government. Since these new principles are intended to inform local governments on how they perform their functions, it is appropriate that they sit within part 3.

Hon Dr BRAD PETTITT: I return to the second part of my question. What are the implications of inserting the word “regard”?

Hon JACKIE JARVIS: I am advised that there will be no practical change.

Hon Dr BRAD PETTITT: The bill refers broadly to future generations and the need for local governments to respond to them. The new definition is more specific and refers to climate change and mitigating impacts. Mitigating the impacts of climate change is certainly an important role of local government, and I do not dispute that, but that could be read, putting it in simple terms, to exclude not adding to climate change by producing emissions. Why is proposed section 3.1(1A) written in this way and will it exclude reducing emissions from being a core function of local government so that it will look at just the impacts of climate change?

Hon JACKIE JARVIS: I am advised that the proposed subsection that the member referred to simply provides broad principles. The definition means that local governments must consider climate change mitigation but they will not be limited in what they can do, and they will be able, obviously, to take that further step with measures to prevent climate change. I am advised that it is literally just a broad principle that we will insert into the act.

Hon Dr BRAD PETTITT: I think it is a legitimate concern and I want it to be really clear, so that if this is ever contested with a local government that acts on climate change and reduces its emissions, there is not the unfortunate consequence that the council is told that it is not within its remit because this proposed subsection is explicitly worded to say that local governments should focus on mitigating the consequences of climate change. The explicit words used in the proposed subsection make me nervous. I want some comfort for the sector and those who are looking carefully at this legislation to assure them that it will be very much within the remit of local government to be proactive to reduce emissions and not just look at mitigating climate change.

Hon JACKIE JARVIS: We are talking about section 3.1, “General function”, which states —

(1) The general function of a local government is to provide for the good government of persons in its district.

If a local government decides that prevention of climate change falls under “the good government of persons in its district”, that will be okay, because proposed section 3.1(1A) says —

Without limiting subsection (1), the general function of local government must be performed having regard 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;

The member put forward the scenario that it could be contested. I am advised that it would come under section 3.1(1) of the act, which states —

The general function of a local government is to provide for the good government of persons in its district.

Hon JAMES HAYWARD: How many local government by-elections were held in the last 10 years or the last term of local government? Does the minister have any idea how many were held and the cost over any period of time?

Hon JACKIE JARVIS: I am advised that we do not have a full list of by-elections that have been requested or undertaken in the past. We refer to by-elections as extraordinary elections. An example that has been provided to me is the recent City of Wanneroo mayoral election, which cost \$308 996, or \$2.28 per elector. In June 2022, the Western Australian Electoral Commission estimated the cost of an extraordinary election would be \$320 000 for over 135 000 electors, which equates to about \$2.36 per elector. I am advised that six requests for extraordinary elections are pending under the current act, but I do not have a comprehensive list.

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Hon JAMES HAYWARD: They are obviously some big numbers. The City of Wanneroo is obviously a very large local government. In doing the background and research about the potential changes to the backfilling elements proposed in this legislation, apart from those big numbers, was any other feedback sought from local governments? Was there any other research? What else was happening in the background that has informed this move to propose backfilling?

Hon JACKIE JARVIS: I am advised that the recommendation on backfilling came directly from the local government sector. Throughout the consultation process, it had strong support from local governments and the local government sector. As we have outlined, the cost to local governments of extraordinary elections is significant. I had some notes earlier that gave an example of a smaller local government authority for which it cost around \$50 000 or \$60 000. As I said, the recommendation had strong support from the local government sector.

Hon JAMES HAYWARD: I do not disagree. I think there are some real strengths in this part of the legislation and I am certainly supportive of it. Does the minister have any idea how effective the proposal will be in reducing the cost of extraordinary elections for local governments? Given what has occurred in the past and this new legislation, if we put a filter, if you like, over some of the past extraordinary elections, how effective will the new legislation be in reducing the need for them altogether?

Hon JACKIE JARVIS: My advisers expect that these provisions will reduce the need for most extraordinary elections as backfilling will be able to occur within 12 months of an election, which apparently is when most resignations occur. There was a balance between making it quite straightforward but also making sure there were benefits to ratepayers and local governments. The bill also includes an extended period in which a vacancy can be held over ahead of an upcoming election. The feeling is that the need for most extraordinary elections would be reduced.

Hon JAMES HAYWARD: I do not want to harp on about this too much, but I want to touch on the minister saying most resignations would likely happen in the first 12 months. Is that something on which some research has been done or are there some numbers to support that? Why would a councillor run for council but be likely to resign within 12 months?

Hon JACKIE JARVIS: I do not have the raw data in front of me, but the agency has advised that, in its general experience, resignations from local governments generally happen within the first 12 months or in the final 12 months of someone's sitting period. I cannot provide comment on why individual councillors may wish to resign. The general feeling is that, as people are getting towards the end of their term and perhaps not seeking to run again, they may be more likely to retire. They also may be elected and discover it is not for them or that the time commitment is too great. I am advised that both the extended period to hold a vacancy and the opportunity to backfill within the first 12 months should address most of the need for extraordinary elections.

Hon JAMES HAYWARD: I have one final question on the election part. If the new legislation had been in place for the City of Wanneroo, would it have saved the city from spending the money on that election?

Hon JACKIE JARVIS: I am advised that we do not have the dates in front of us so we are not sure when the election was versus when the resignation was.

Hon JAMES HAYWARD: Moving to a different issue, the minister said that Minister Carey is particularly interested in getting on with some of the more urgent things that need to be done rather than waiting an extended period for the act to be completely rewritten. I understand from local government that there are very big concerns around issues with the standards panel, breakdowns in communication and the relationship with some councillors, including how disruptive some of these things have been in local governments. The minister may have alluded to a couple of fairly high profile examples here in the metropolitan area, but councils have also been significantly impacted in regional areas. Why was the method of dealing with those types of problems within councils not part of this initial legislation, given it is quite critical?

Hon JACKIE JARVIS: The matter to which the member referred will be included in the inspector reforms for tranche 2, which, as I mentioned, are part of the ongoing drafting considerations and will be introduced this year. Obviously, we are working with local government on implementation to make sure that we get it correct.

Hon Dr BRIAN WALKER: Earlier we heard the question about support for the bill. The figures provided were maybe a little nebulous. The figures that have been reported to me is that of the 200-plus submissions, 88 came from local authorities and, of those 88, 87 were in support and they mostly parroted the Western Australian Local Government Association submission. WALGA is, of course, part of the group that also comprises Local Government Professionals WA and, of course, the government, so naturally it is in favour of the proposals that have been made. Of the 26 community submissions, seven were in favour, and of the 75 individual submissions, only 11 were in favour, which is 87 to 84 and not a crushingly large majority in favour of the proposals. It would appear that the balance was made up of the anonymous submissions. Can the minister confirm those figures?

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Hon JACKIE JARVIS: No. I am a little confused. The member referred to 88 LGAs and 26 communities and then he rattled some off some other —

Hon Dr BRIAN WALKER: I said 75 individual submissions.

Hon JACKIE JARVIS: What are the 26 communities the member referred to?

Hon Dr BRIAN WALKER: Seven were in favour and of the individuals, 11 were in favour, giving 87 versus 84.

Hon JACKIE JARVIS: The member is correct in that of the 233 stakeholders, 88 were LGAs, and they did indeed refer to WALGA, which is obviously the professional body. I am advised that of the other submissions—the rest of the 233—it was not a basic, “Do you agree with all of these reforms or do you not agree?” More broadly there was support. Some people had different issues with individual items. It is too hard to categorise and say that they all supported everything. I am advised that generally most of the reforms were supported. All the submissions were read and it was felt that there is general support for all of the reforms. Some may have only commented on one particular policy area and just because one person comments on and disagrees with only one policy area, we cannot assume that they disagree with all the policy areas.

Hon Dr BRIAN WALKER: Indeed, there are certainly elements of the bill that are very admirable. As has been pointed out, this could be a very costly exercise. The question is: has the community been properly informed and given a point of view? This will affect us in the future.

I refer to the Select Committee into Local Government, which was chaired by Hon Simon O’Brien, and to recommendation 4 of its final report, which states —

Explanatory memoranda accompanying a Bill should be required to address the potential impact of the bill on local governments, including any costs of complying with and administering the proposed legislation.

Specifically, the Minister for Local Government’s second reading speech in the other place did not address this issue, which, I think, is an issue about which we ought to be concerned because long laid plans have been laid in place but the costing will be considered in more detail in later aspects of this bill. It would have been fairer if we had had the full picture of the costs that will be involved, and this leads to the question about how well the community was consulted, which then leads me to the green bill, which I mentioned in my second reading contribution. I understand that the green bill was proposed over many years. Can the minister tell me which year or when the government decided against the proposed green bill?

Hon JACKIE JARVIS: The first part of the member’s question referred to the cost of the exercise; it is not clear what costs the member is referring to so I will leave that one unless he has a more specific question.

The minister made it clear in 2021 after the state election that he was not considering a green bill and that the imperative was to deal with local government dysfunction sooner rather than later.

Hon Dr BRIAN WALKER: Reference to the green bill was made repeatedly by the former minister, and with very good reason because it is an extensive document and bill that requires a multitude of changes that will impact on society and each one of us. I take on board that the minister decided in 2021 after the election that he was no longer interested in the green bill. Can the minister give me the reasoning behind that change?

Hon JACKIE JARVIS: The minister considered the number of high level and very expensive inquiries into local government dysfunction and, as I said, the decision was made to progress in this manner.

Hon Dr BRIAN WALKER: Of course, there will be repeated mention of the potential savings that will be made. We will take issue with that, I am sure, in the later stages of the Committee of the Whole. Was it the minister alone who made that decision or was it taken on advice; and, if so, on whose advice?

Hon JACKIE JARVIS: The advisers I have with me today cannot answer that question and I do not have insight into that.

Hon MARTIN ALDRIDGE: There are a few other issues I want to canvass in clause 1 carrying on along the lines of what a few speakers asked and it also featured in the minister’s second reading reply. I refer to the contention, if I can call it that, that exists between perhaps the government’s view that as an overall package, this bill will reduce the burden and cost on local government and the view of some others—I do not think that I am among them—who have suggested that aspects will increase the burden of cost on local government. Was the bill subjected to assessment by the better regulation unit, which is what it is now called after formerly being the regulatory gatekeeping unit? Was its regulatory impact assessed and, if so, is the minister in a position to provide that assessment?

Hon JACKIE JARVIS: The member referred to the better regulation unit. My understanding is that it is part of the cabinet process, but I might need to take some further advice on that, perhaps when we break for dinner tonight. Obviously, if it is part of the cabinet process, it will remain cabinet-in-confidence. I should point out, however, that WALGA was involved with the consultation on both the structure of the bill and the implementation. We consulted

Hon Dr Brad Pettitt; Hon Sophia Moermond; Hon Steve Martin; Hon Jackie Jarvis; Hon Martin Aldridge; Hon Wilson Tucker; Hon Neil Thomson; Hon James Hayward; Hon Dr Brian Walker

widely, and those issues of cost burden were not raised or had been dealt with through the drafting of the bill. I can take some further advice and come back to the member. I will take that on notice.

Hon MARTIN ALDRIDGE: I thank the minister; that would be appreciated. I certainly can recall instances when regulatory assessments have been tabled on bills, so I hope that is not an obstacle, as the minister suggested it could be.

Hon Dr Brian Walker referred to recommendation 4 of the Select Committee into Local Government —

Explanatory memoranda accompanying a Bill should be required to address the potential impact of the Bill on local governments, including any costs of complying with and administering the proposed legislation.

The context of this recommendation was more about the growing list of state law that fell within or was to some extent the responsibility of local governments. Obviously, the bill here directly impacts local governments. For the minister's benefit, the government's response was —

Explanatory memoranda are prepared to provide greater understanding of the legislation, including the intent. The potential impact of legislation on local governments, business or the community is a matter that should be considered as part of the regulatory impact assessment process.

It would be good if the minister can take that information on notice and report at some stage later this evening.

In my second reading contribution, I raised that one of the focus areas of the Select Committee into Local Government, its report and the evidence it heard was about the need for a size-and-scale approach to the regulation of local government. I said in my second reading contribution that this bill contains obvious evidence in the policy initiatives that this is being done. What I was not sure about was whether this was the first time. I think the minister said that this was the first significant reform to the Local Government Act in 25 years or thereabouts. Were there other instances of size and scale for tranche 1 reforms before now, or is this the first real, genuine attempt to address the size-and-scale issue in local government?

Hon JACKIE JARVIS: I am not sure that I have a clear answer, but I will do my best. What I have been told is that, obviously, there have been bills that have had an impact on local government and some changes, such as allowing electronic meetings. I am advised that the Salaries and Allowances Tribunal has previously refer to tiering in local government, but as I said in my second reading speech, this will be the first significant reform that specifically regulates local government. That is what I am advised.

Hon MARTIN ALDRIDGE: I was not directly linking those two issues; I was struggling in my second reading contribution to think of some others. The SAT is obviously a very different matter, largely around the remuneration of elected members and CEOs. I was struggling to think of another example in which size and scale have been used to the extent that we see in some of the reforms before us.

The minister mentioned this in her reply and confirmed something that I had alluded to in my second reading contribution about an example of when the minister or government had changed its view as a result of the consultation process. I think it was for local authorities with fewer than 5 000 people, and the original proposal was to have five elected members, but following consultation that was subsequently raised to seven members. Are there any other instances of the reforms changing materially as a result of consultation, apart from that example?

Hon JACKIE JARVIS: I referred earlier to the fact that they—the original proposal and then the change—were all published on the website. I do not have that list available, but we could probably get that list to table for the member. That was essentially the list.

Actually, we do have it. I table the list of current provisions, original proposals and amended proposals.

[See paper [2187](#).]

The DEPUTY CHAIR (Hon Sandra Carr): Members, noting the time, I will now leave the chair for the taking of questions.

Committee interrupted, pursuant to standing orders.

[Continued on page 1831.]