

LOCAL GOVERNMENT AMENDMENT BILL 2023

Second Reading

Resumed from an earlier stage of the sitting.

HON DR BRAD PETTITT (South Metropolitan) [5.03 pm]: I will continue my contribution to the second reading debate on the Local Government Amendment Bill 2023. As I said last time, I rise to speak in support of the bill. I think it contains many good elements and much-needed reforms that will strengthen the local government sector. I am pleased to be able to support those. These recommendations mirror many of the recommendations that came out of the Local Government Review Panel and the Inquiry Panel into the City of Perth. I am very happy to support those recommendations.

I thought it would be useful to highlight some of the key aspects that I think are good, and I will also make some comments around what else I think could and should be done. It would be fair for me to say, as someone who was involved in local government for a long time, that this sector always feels like there is a wave of new regulations and change coming from the state government. Of course, the last major changes were attempted under the Barnett government. As someone who was a mayor at the time, I know that we spent literally millions of dollars on those changes, only to see them abandoned at the last minute. Interestingly, the City of Fremantle had negotiated quite a good outcome and had got to the point of being supportive of the changes, yet they still did not go ahead because the whole process was set aside. That is at the heart of some of my concerns—that by not going far enough and resolving some of those bigger issues, there is a danger that there will be a sense that there is more work to be done. The local government sector never has the sense that it can just get on and do its job without the fear of constant and regular change. I will come to that in a minute.

In many ways, I think this is a really good bit of work. It will make some good, clear, sensible changes. I congratulate the government for where it has got to. The first of those changes is the shift back to preferential voting. It is important to remember that, except for the last 12 or 14 years, we had preferential voting for many years in local government. It obviously works at the federal and state levels and is a much more democratic system, so I am pleased to see it back for local government.

I have to tell a very quick story here. When I first ran for local government as a councillor in 2005, the election was based on preferential voting, which was good. Four years later, I ran for mayor. 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; otherwise, we would end up with a perverse outcome. That happens in first-past-the-post voting, as similar candidates force each other out. I think preferential voting, and especially optional preferential voting as planned, is a good, sensible way forward, and one that I hope remains robust. I hope that it does not revert when we get a coalition government back, as that backwards and forwards is not healthy. I hope this will be locked in with support from both sides for a sensible, ongoing and continual way for local government to hold elections.

There are a lot of other really good changes around the election process in terms of the publication of greater information about candidates to help inform voters, and some of the flexibility around that. I forget whether it was 150 words or 150 characters, but people had to try to squash it in. Some ability to expand that is good. The bill will also establish a newly standardised and rational caretaker period. I know there was a lot of angst around that when I was in the City of Fremantle. Interestingly, we practiced, by convention, a similar caretaker period to what has been proposed, because we recognised that it was the right thing to not make major decisions in the lead-up to an election. Having this standardised for all local governments to follow is a really good and sensible move forward. Again, it is broadly in line with what happens with elections at the state and federal levels. It is a really good, commonsense reform that will undoubtedly improve and add clarity to local government election processes. I am very pleased to support those aspects.

I am also really pleased to support some of the changes around transparency and the provisions to increase the type of information that local governments are required to publish on their websites. There is no doubt that many of these reforms will benefit both the local government and the communities they serve. At the heart of local governments functioning well, there is a real sense of transparency and the trust that comes with that transparency. The more we can build that transparency and, ultimately, public trust is a really key element of communities trusting their local governments. Following on from that, in many ways they become highly functional. One example of this that I think is worth highlighting is the publication of key performance indicators for CEOs and the performance of CEOs against those indicators. That is really transparent as there is an expectation of what a CEO does, which is really good. We should ultimately look at that not only at a local government level, but also at a state government level. I imagine that if we could extend this to directors general, CEOs and their equivalents at a state level, they

would set a really good example of a higher standard. I often think that there are lots of good things like this that local governments have done and continue to do that in many ways raise the bar for governance that I think can be taken up at a state and federal level.

I also liked what I think were called council plans, which will replace the community strategic plans. It is fair to say that if we ask the average community member or council member—perhaps I should not say that—who has read the community strategic plan, lots of them could not tell us what was in it. The idea of having a short sharp document that clearly defines what local government does and then communicates that with the community is great and what we need. When we were doing our first strategic plan at the City of Fremantle, I was quite proud when we got it down to a very thin document—maybe 10 or 12 pages. I cannot remember exactly how long it was. I thought that was a good plan. The truth is that the more we put in, the more it disguises and blurs what we are really focusing on and trying to do. Communicating clearly to the community what we are trying to do is really important. That is a classic case of less is more. Having that template and a good brief plan that we can communicate is a really good initiative.

Another example in this space, which I think is a good one, is the ability to enact regulations requiring the publication of registers of leases, grants, contracts and the like. Again, this comes down to transparency—making these things visible and doing away with the lack of trust that sometimes emerges. This is one of the key things that came out of the City of Fremantle again and again. I do not know why local government gets tarnished with this because the overwhelming majority of local governments have quite good governance. In local governments, there is a sense—people like to throw this around—of “jobs for mates” or “deals for mates”. By publishing registers, we will get around that. There will be a clear sense that a footy club is given a lease of a certain amount. It may be below the market lease on the clubrooms, facilities and hall but that is for a good reason—because people want to keep that footy club in their town. That is a really transparent way of doing that, which is really important. Setting it up will make it easier and the way of doing these things will become a new better normal for local governments. We could probably also see that occur at other levels of government. It would really help navigate these tensions and see these things happen. These are really good sensible shifts.

I attended the briefing yesterday. I will not go through everything. The briefing was a really good way of going through each of the aspects of the bill. This bill will make many good, sensible and often overdue changes that I really think will make the local government sector function even better. In my experience, it would be fair to say that when local government functions well, it is a really good and quite nimble level of government that can do really good work. Unfortunately, we regularly see times when local governments unravel and that becomes pretty public. Many of these changes will help see less of that. That is certainly the intention, and I am really quite supportive of that.

I will make a criticism of the bill, but I hope members take away that I think the bill is good. My criticism can be boiled down to the simple point that the bill does not go far enough to resolve some of the broader issues of a sector that has operated under a cloud of looming reform for a long time. I understand that the state government had hoped that this bill would in many ways close out that period of uncertainty, and a second bill is obviously coming through later in the year. Obviously, the process has been going for five years now, and local governments always have a sense that these things are changing, and they are not quite sure where they sit. I do not think it is good or healthy for local governments to function in that kind of space. However, the need to put local government reform to bed is a bit of a lost opportunity here because some things have not been done. I will give two examples that are probably worth highlighting. Some of these changes are bolder and what I would think of as evidence-based changes that have been called for by experts in multiple reviews. These were not in the most recent reviews referred to by Hon Martin Aldridge in his speech, but in some of the earlier reviews. I think it is a bit of a lost opportunity.

A key theme of the local government reform process from the last five years has been cutting red tape, and that is a good thing. Perhaps a bit ironically, a significant portion of this bill is constructing a rather complex framework of potential red tape in an effort to regulate the use of sham leases. Regulating the use of sham leases is really important because, obviously, we have seen some of the implications of them. They were used for two reasons: for people to pretend that they were able to run for a seat, and so they could vote. An issue with sham leases that certainly came through in the inquiry into the City of Perth was that we saw several people leasing toilets or cupboards for small amounts of money, and that is all people needed to lease to be an elector in the City of Perth. There are some really good and sensible changes that will see those things made much more difficult. This bill will create an extensive list of rules and requirements that local governments will use in maintaining their owner and occupier rolls—rules and requirements that enable both businesses and individuals who are not local residents but own or otherwise occupy properties in the area to a vote in local elections. For me, this is one of the key bits that is a lost opportunity. Complex rules will be needed to manage this. The idea that we give businesses and non-resident landowners a vote feels to me a little bit like some kind of weird and rather archaic process. Compared with somebody who actually lives in an area, people can get an extra vote—or an extra two votes—if they own some land and own a business in an area. I think that is something that should have changed.

Debate adjourned, pursuant to standing orders.