LOCAL GOVERNMENT AMENDMENT BILL 2011

Introduction and First Reading

Bill introduced, on motion by **Mr G.M. Castrilli (Minister for Local Government)**, and read a first time.

Explanatory memorandum presented by the minister.

Second Reading

MR G.M. CASTRILLI (Bunbury — Minister for Local Government) [12.12 pm]: I move —

> That the bill be now read a second time.

I am pleased to introduce the Local Government Amendment Bill 2011. The bill comprises four parts and includes amendments to the Local Government Act 1995, as well as consequential amendments to the Salaries and Allowances Act 1975 and the Rates and Charges (Rebates and Deferments) Act 1992. This bill is a consequence of the major reform agenda for Western Australia's local government sector that I initiated in February 2009, with the aim of building a local government sector with the capacity to operate at best-practice levels and deliver optimal services to metropolitan and regional Western Australian communities into the future.

The amendments contained within the bill are aimed at strengthening the ability of local governments to deliver services to their communities and at addressing significant governance and public administration issues. The key amendments provide for a new disqualification provision for council members so that they cease to hold office when elected to Parliament or when convicted of a major crime; extending the Salaries and Allowances Tribunal's existing power to provide recommendations on the levels of local government chief executive officer salaries and remuneration so that these become binding determinations with which local governments must comply; the inclusion of a new power for the Salaries and Allowances Tribunal to set the levels of fees and allowances paid to council members; the addition of a new head of power to enable regulations to be made to regulate the types of investments in which local governments may invest their money; and the inclusion of a new power to enable the minister to suspend a council for up to six months and/or require members of a council to undertake remedial action if a council becomes dysfunctional.

There has been extensive consultation with state government agencies, local government and other key stakeholders in identifying key areas of reform. Consultation undertaken on the principles for the amendments contained within the bill has occurred through the Western Australian Local Government Association and feedback was obtained from its members. Both WALGA and the WA division of Local Government Managers Australia have expressed in principle support for the majority of the proposed changes. WALGA assisted the Department of Local Government in undertaking three months of consultation with the local government sector on various reform priority proposals. I took that into consideration in developing these amendments.

The Salaries and Allowances Tribunal has also assisted in developing the proposals in the bill relevant to its functions. Consultation on the proposed regulation of local government investments has also been undertaken with the community banking sector. Further consultation will be undertaken to inform the development of those regulations. The bill also includes further provisions requested by the Minister for Energy and WALGA to clarify the ability of local governments to impose service charges for underground power and to provide relevant rebates for pensioners. Some minor drafting improvements to the Local Government Act 1995 have also been included in the bill.

Strengthening the legislation under which local governments operate is critical to achieving good governance. The government recently brought into operation new laws to require all local governments to develop integrated 10-year strategic plans. This will further build the capacity of local governments to be responsive to their communities.

I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.