

LOCAL GOVERNMENT — AMALGAMATIONS

799. Mr D.A. TEMPLEMAN to the Minister for Local Government:

I refer to the Premier's comments that the state will probably be forced into large deficits.

- (1) How can the minister justify pushing ahead with council amalgamations that will cost approximately \$100 million when he does not even have a business case for this proposal?
- (2) If the minister is pushing ahead with these reforms, when will he put the sector out of its misery and actually announce the new council boundaries for the metropolitan area?

Mr A.J. SIMPSON replied:

- (1)–(2) I thank the member for the question. The announcement will be in due course—very soon. I am working through a 750-page report. In Adelaide at the moment is a conference —

Several members interjected.

The SPEAKER: Member for Mandurah, thank you! I am very interested in this answer.

Mr A.J. SIMPSON: For members' information, currently in Adelaide there is an outer metropolitan growth conference happening. I have eight mayors, presidents and councillors away this week —

Dr A.D. Buti interjected.

Mr A.J. SIMPSON: We are still working through the process of trying to put it together. There will be an announcement very soon. I will work through that process very soon. The member asked about the funding of this reform process. To understand where we sit at the moment, recently New South Wales announced a reform package. There was \$58 million in that for the reform process—\$200 million in total. If members were to look at \$58 million divided by 7.5 million ratepayers, and then divide that by the number of local governments, it will come out with a process of about \$3.7 million per new entity born. We have \$3.7 million on the table as well; the same ballpark figure. The money is on the table. It is in this year's budget. I have already had talks with the sector. They are keen to bring on the loan perspective earlier. We are working with them to try to get that brought on a bit sooner. The sector is very much ready for this reform process. Like us, they are anxiously awaiting the announcement.