

LOCAL GOVERNMENT REFORM

Motion

MR F.M. LOGAN (Cockburn) [4.26 pm]: I move —

That this house condemns the Barnett government for introducing a deceitful local government reform process that has created confusion across metropolitan councils and despair for mayors, councillors, their staff and tens of thousands of ratepayers.

That motion, I think, was justifiably expressed by the thousands—not hundreds—of people who turned out at 7.00 pm last night outside Parliament House to express their anger and despair over the local government process directly to the Minister for Local Government. I am very glad this motion came on today because it is in keeping with the emotions and comments expressed last night by the thousands of people from across metropolitan Perth who expressed their views and concerns about the so-called local government reform process. This motion gives words to their despair.

I will firstly deal with the issue of deceit. The Leader of the Opposition addressed the crowd last night and referred to a number of statements that had been made prior to the last state election by members of the government. Of course, one of the most prominent members of the government—the Premier—made his views clear on the so-called local government reform in his summer 2013 newsletter to residents, many of whom were outside Parliament last night. There were residents from Mosman Park, Claremont, Cottesloe and part of Nedlands, all of which fall into the Premier’s constituency of Cottesloe. Those residents and constituents, including the ones who were outside Parliament House protesting last night, received a Residents’ Newsletter from the Premier in the summer of 2013, in which he stated —

I have always believed that a combined council covering Claremont, Cottesloe, Mosman Park and Peppermint Grove makes sense, however claims that the State Government will use its powers to force such an amalgamation are simply not true.

That is what the Premier said in the summer of 2013. That statement has been proved to be incorrect, misleading and deceitful. The Minister for Local Government will stand and say that there are no forced amalgamations. However, when the minister and the Premier realised that they were unable to force amalgamations on local councils in the metropolitan region because their own backbench members were opposed to the removal of the Dadour provisions, they chose instead to take the path of boundary changes. The end result is exactly the same—effectively, forced amalgamations—but it is achieved through a different method, one that does not mean the Premier and the Minister for Local Government have to fight their own backbenchers in the Liberal party room.

Let us consider the statements made by the Minister for Local Government as reported in *The Armadale Examiner* on 21 February 2013. In a debate between the member for Armadale, Mr Tony Buti, and the Minister for Local Government before 50 prominent Armadale businesspeople over breakfast, Mr Simpson was reported as saying that he supported forced amalgamations. Later on 21 February 2013, the minister, as the member for Darling Range, put out a statement that reads —

I recently made some remarks at a local forum that the Liberal Party supported forced council amalgamations. The Liberal Party does not support forced amalgamations, I got it wrong, it was my mistake. I apologise for the confusion this has created.

Dr A.D. Buti: Member for Cockburn, I remember that debate very well, don’t I?

Mr F.M. LOGAN: The member was there!

Dr A.D. Buti: When the member for Darling Range mentioned that forced amalgamations were Liberal Party policy, I asked him to repeat it. The minister repeated it, so it is interesting that he got it wrong.

Mr F.M. LOGAN: I think in his heart of hearts what the minister said at that debate in Armadale was exactly what he truly felt and believed he was able to do as the Minister for Local Government. He probably got a phone call from Dixie or the Department of the Premier and Cabinet to say, “Tony, you’ve got it wrong. Remember, we don’t support forced amalgamations; we do support boundary changes. Of course, Tony, they are exactly the same, but we do not support forced amalgamations.”

Dr A.D. Buti: He is a much more honest man than the Premier.

Mr F.M. LOGAN: The member for Armadale is probably right: the Minister for Local Government says what he thinks! Unfortunately, he was forced to say what he does not think when he was forced to put out that statement saying he got it wrong.

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The minister cannot honestly say that this motion is incorrect, given what I have just said to the house. This motion refers to the deceitful local government reform process and the confusion created across metropolitan councils. The minister cannot possibly say to me, or other members in this house, that there is no confusion and the process was not deceitful. It is impossible for the minister to say that. The minister was confused about the process. He said one thing to a meeting of 50 prominent businesspeople at Armadale and later on he had to retract what he said. If the minister was confused, how does he think the millions of ratepayers across the 35 councils feel?

Mr R.F. Johnson: Hundreds of thousands, not millions!

Mr F.M. LOGAN: There are probably over a million, as Perth is a big place now.

Mr R.F. Johnson: Yes, but some live in the country. I am not speaking against your motion, as I agree with it. I believe in the truth.

Mr J.M. Francis: I know that, member for Hillarys. If it created confusion for the minister, it has to have created confusion for the ratepayers in the 35 councils in metropolitan Perth.

Mrs G.J. Godfrey: There are only 30.

Mr F.M. LOGAN: Thank you very much, member for Belmont.

I do not want the minister to get up and say that this motion is incorrect and I have it all wrong, because he can see from what I have presented to the house that I am quite correct in using the words “created confusion” and that in fact the minister himself was confused.

The despair that has been created is paramount for some people. Members in this chamber have all received a letter from Mr Len Glamazina—if they have not, they will—who is a constituent of mine in Cockburn. Mr Glamazina is a heartfelt, strong supporter of Cockburn council and a very active member of the community in Cockburn. Mr Glamazina, along with many other people with Croatian backgrounds who live in Cockburn, feels absolutely let down by the state government because the proposal that the Minister for Local Government has put to the Local Government Advisory Board splits Cockburn council into three. The minister would be aware—he knows Cockburn very well—that a significant amount of the infrastructure around Cockburn, from its days as the local roads board to the very excellent council it is today, was contributed to and built by local members of the community, particularly the Italian and Croatian communities. The site on which the council offices are located was given to the Cockburn council by the Spearwood fruitgrowers association, which was mainly made up of Italian and Croatian farmers, for the purpose of establishing a proper local council building and associated facilities. The map that the minister has put to the Local Government Advisory Board has the head office and depot of Cockburn council being siphoned off to Fremantle council. Members of that community are beside themselves, and I will give the minister an idea of how angry they are. When the previous leadership of Cockburn council proposed moving from its current location to Cockburn Central, where the council owns land, to make it part of that growing town centre, the local Italian and Croatian community nearly lynched them. They said, “You can’t do that. We gave you this land. You are here because we gave you the land and we said this is where the heart of the community is going to be. You are not going anywhere”, and the proposal was defeated. That happened about a decade ago. The Minister for Local Government can imagine what they are thinking now—“Here it comes again and this time the government is doing it.” The minister can therefore understand why they are beside themselves with anger over the proposition that he has put to the Local Government Advisory Board on the proposed carve-up of the City of Cockburn. It is because they feel their contribution to local government is a personal thing and they are bitterly opposed to what the minister is putting forward.

That is an example of the despair that I refer to in the motion that tens of thousands of ratepayers feel. Despair is felt by not only the fruit and vegetable growers of Cockburn, but also residents across metropolitan Perth. The residents of the City of Canning, for example, are as angry and bitter at what has been put forward over the destruction of Canning council as are the ratepayers of Cockburn. Shire of Kalamunda residents and ratepayers are equally as angry and bitter with the government and with the whole supposed reform process because of the propositions the minister has put forward to the Local Government Advisory Board.

Mrs G.J. Godfrey: They have put in a local government amalgamation plan.

Mr F.M. LOGAN: I know that they have put in a local government amalgamation plan, but that is not what this government—the member for Belmont’s government—is doing. Wake up! Just get with the program! Do not think about what they are doing; the member for Belmont should think about what she is doing. She, as a member of the government, is causing absolute heartache for people out there. If she thinks that she is not doing that, she should have come outside Parliament last night and told the crowd that and seen the response.

Extract from Hansard

[ASSEMBLY — Wednesday, 9 April 2014]

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Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

I turn now to some of the issues surrounding the local government reform process and the impacts on finances, both at the local government and state government levels. On 25 October 2012, nearly 18 months ago, former member of the Legislative Council Hon Ed Dermer asked the minister representing the Minister for Local Government a question without notice about local government amalgamations, which reads —

For each of the financial years 2008–09, 2009–10, 2010–11 and 2011–12, what is the total cost to the state government of the local government authorities' amalgamation process, including, but not limited to, spending on reports, inquiries and departmental work?

Therefore, at that time, 18 months ago, Hon Ed Dermer effectively asked the minister representing the local government minister how much the process of local government reform had cost to that date. Hon Robyn McSweeney replied —

I thank the honourable member for some notice of the question. Over the past four financial years, the total cost of amalgamation activities has been \$8.8 million. The 2008–09 figure is \$0.4 million, the 2009–10 figure is \$3.1 million, the 2010–11 figure is \$3.1 million and the 2011–12 figure is \$2.2 million. These figures do not include departmental staffing costs.

Therefore, 18 months ago the cost for the process was \$8.8 million without including departmental staffing costs. At that time, as the minister would be aware, nothing had been achieved. At that stage four years of investigation had been undertaken, the Robson report had been undertaken and requests had been made of both the Western Australian Local Government Association and the 30 individual local councils to investigate their own processes of amalgamation and boundary changes, and to be involved in the whole local government reform process. The sword of Damocles had been hanging over their heads from the first WALGA meeting at Exmouth with the former minister, the member for Bunbury, who had threatened them that if they did not get involved in the process and did not amalgamate voluntarily, he would force them to amalgamate. That is how this whole local government reform process started, the minister will remember, back in 2008–09; yet in October 2012 at least \$8.8 million had been spent and nothing had been achieved. It is now mid-April 2014. I expect that the figure is now well over \$10 million and probably higher, again not including departmental staffing costs. And where are we? We are in a process in which the minister continues to say to this house, to ratepayers such as those outside Parliament last night and to councils themselves, “I can't do anything. I can't interfere. Everything is now currently in the hands of the Local Government Advisory Board. I will wait for it to report back to me and then I'll either agree or disagree with it.” That is what the minister is telling people. The minister very carefully skates over the point that he has already put his proposition to the Local Government Advisory Board. I note that the minister never refers to that. He never says, “There's not much I can do because I am waiting for the Local Government Advisory Board to advise me. But, by the way, did I give them a proposition in the map that I put forward to them as my proposal?” He does not say that because that involves a whole series of boundary changes, which has created even more anger among the 30 councils. The minister skates over that all the time. He never mentions that in this house. He certainly did not mention that outside the house last night when he addressed the angry ratepayers from the councils. That is part of the confusion that in turn is part of the despair that this motion goes to.

Mr A.J. Simpson: But you do know that eight councils put in for boundary adjustments in that process?

Mr F.M. LOGAN: Absolutely, and I will be coming to one in a minute. Cockburn council has as well, but it is doing that as a result of frustration and having been worn down. Remember, the council has been going through this process that this government initiated with threats in 2008–09. The minister cannot deny that threats were made, because they were. There were threats, and Cockburn council has been going through this process for the last six years. We know that up to October 2012 it has cost the government \$8.8 million, and it is probably over \$10 million now if we count up to today. It has cost local governments themselves a far greater amount than that. Millions and millions of ratepayers' dollars has been spent by local councils themselves on this supposed reform process. It is not that they wanted to do it; they had to do it. The minister himself knows that when he speaks to councils they say that they are required to respond because the minister has asked them to put in propositions, suggestions and boundary changes that they seek or suggest to the government. They were bound to respond to the Robson report. They were also bound to respond to other proposals and directions that the previous local government minister had given them. A continued effort has been put in over and over again by local councils over the past six years to comply with the wishes of the state government in this supposed reform process. For example, the City of Cockburn put a significant amount of effort into responding to the directions given by the minister prior to the Robson report. Then it put a significant amount of effort into responding to the Robson inquiry, which, as the minister knows, suggested that the boundaries of Cockburn remain where they are. There were a number of options, but one of the clear options, and the best option, was that the boundaries remain where they are.

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Where is the Robson report today? It is in the bin. The proposition that the minister and the state government put to the Local Government Advisory Board was not based on the Robson report. That report has gone; it is in the bin. We cannot possibly say that councils are not confused. Of course they are confused. Does the minister know how many twists and turns and somersaults they have done over the past six years to comply with the local government reform process? So far, all they are going to get is carved up through this deceitful way of forcing amalgamations. It is deceitful because the minister is using boundaries changes, and, as everybody in this house knows, the minister is using boundary changes because the government was in fear of bypassing the Dadour provisions. The minister knows that and I know that. Everybody in Western Australia knows that because they saw the Premier get out of his car at the steps of Parliament House and change his view on the whole process before he went into the Liberal Party meeting room on a Tuesday. The minister knows that; we all know that.

Mr M.H. Taylor: The Kwinana, Fremantle and Melville councils are all fully supportive of the minister's proposal.

Mr F.M. LOGAN: Why would they not be?

Mr M.H. Taylor: I think it's a good model.

Mr F.M. LOGAN: I am sure the member does because he is a ratepayer in Melville. Why would those councils not be supportive? A financially sustainable council such as Cockburn, which is worth hundreds of millions of dollars, is to be chopped into three and given to Kwinana, Fremantle and Melville, and the member for Bateman says that they all agree. Of course those councils agree. Why would they not agree? They will get one-third of Cockburn. Does the member know which part of Cockburn Melville will get? It will get one of the richest parts of Cockburn. It will get the Bibra Lake industrial estate. The member for Bateman should check the amount of rates that are paid by the Bibra Lake estate. No wonder Melville is rubbing its hands with glee. The member should check how much money comes out of that industrial estate. He says that those councils agree. Of course they agree. They would have to be stupid not to agree to such a proposal. Just because those councils agree, it does not mean that it is right. There are two reasons why it is wrong: morally and ethically it is wrong; and economically it is wrong. A sustainable, self-reliant local government will be carved into three.

I want to turn to the costs of carving up the City of Cockburn, and the member for Bateman touched on this issue.

Mrs G.J. Godfrey interjected.

Mr F.M. LOGAN: Madam Acting Speaker, I am getting interjections from someone who was a prominent member of a local government. She is somehow defending this process. If she had stepped outside last night and said that, she would have been lynched. I am ignoring the rubbish that is being put forward by the member for Belmont.

I turn to the economic costs of carving up the City of Cockburn as an example. This is also for the benefit of the member for Bateman and the member for Belmont, if she can understand it. This study was done by the AEC Group Ltd, which is an international company based in Queensland that specialises in economic modelling and local government financial sustainability. I would like to address this study at length, because the modelling done by this economic group for the City of Cockburn is extremely important. I hope that the Local Government Advisory Board takes it on board very seriously. The AEC Group concluded that the state government proposal represents a high-risk approach that introduces significant additional complexity, challenges and uncertainty. The self-nominated boundary changes that have been put forward by the City of Cockburn to the Local Government Advisory Board, which the minister just referred to, are, according to the AEC Group, simpler, less complex and less disruptive. Let us see what the AEC Group said about the proposal put forward by the minister to the Local Government Advisory Board to deal with the City of Cockburn. The member for Bateman has said that Kwinana, Melville and Fremantle think it is great. The AEC Group study shows that, firstly, the state government proposal will cost nearly \$100 million to implement changes to Cockburn, Fremantle, Melville, Kwinana and East Fremantle when compared with \$24.3 million for the Cockburn community's proposal.

Mr M.H. Taylor interjected.

Mr F.M. LOGAN: The member for Bateman should read the report, and I will quote from it.

The ACTING SPEAKER (Ms L.L. Baker): Member for Bateman, do not talk back to the speaker. If you just wait a minute, you will have a chance to speak. I am sure that you will contribute to this debate, because it sounds as though you are really interested in it. Instead of yelling interjections from behind the speaker, I ask you to wait and give your contribution.

Mr F.M. LOGAN: The AEC Group study shows also —

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2. Claims of stranded assets —

That is what the member for Bateman has just referred to —

and disruption to services from the State Government’s proposal are correct.

3. The City of Fremantle (rated as having “vulnerable” finances in 2012) is less sustainable under the State Government proposal than it is under the Community Proposal because it ends up with less revenue to assets coverage.
4. There will be a \$43 million impact on the current Developer Contribution Scheme that supports hundreds of millions of dollars worth of future development in the Cockburn region.
5. There will be a significant impact on statutory planning processes across the Cockburn region that will have a substantial economic impact.
6. Rates increases for those residents who live in Cockburn but end up in new other local Government areas under the State Government proposal.

The minister knows that is correct. Finally —

7. Rates decreases for Kwinana ratepayers in a united City of Cockburn–Kwinana under the Community Proposal.

The Cockburn community steering group put its own proposition to the Local Government Advisory Board and made the following comments on this report —

“The economic study demonstrates that uniting Cockburn and Kwinana does result in a bigger, stronger city and it provides more benefits to people in both communities than the carve up proposed by the State Government. It also shows that Fremantle is more sustainable not less if it does not have to look after suburbs with old assets and growth areas needing new infrastructure currently in Cockburn,”...

“We strongly urge the State Government to read this report from cover to cover as it is the most detailed and up to date economic study conducted by anyone during the current Proposals period. We encourage the State Government and other Local Governments to put forward their financial figures for the cost of local government reform so that there can be a fully informed debate on this important issue.”

That goes to the heart of this local government reform process. It is not economically rational to do what the minister is proposing to do. It is deceitful in the first instance because of what was promised to the voters of Western Australia prior to the last state election and what is happening to those voters, particularly the metropolitan ratepayers, now after the state election.

As members can see from the final point, the only groups that have come up with an economic rationale for any future amalgamations or boundary changes are the local governments themselves. The minister has been called upon on numerous occasions in this house, and as late as last night outside Parliament by the thousands of ratepayers who came from across metropolitan Perth to protest about the so-called local government reform process, to present the business case for this process. The minister has been asked to present the financial modelling that would justify his proposal to the Local Government Advisory Board on this so-called local government reform process. The councils have done their bit. Cockburn council has done probably more than many other councils have done in economically modelling what the minister proposes and comparing that with what it would have sought to achieve had it been allowed to go about this process in a voluntary manner. It has done significant economic modelling to compare the two, and it has presented that to the Local Government Advisory Board. I believe it has presented that to the minister as well, or has sent copies to the minister. Yet the minister and his predecessor, and the government that the minister is a part of, have done nothing to justify the reasons behind this so-called local government reform process. The minister has presented no business case for this process. He has presented no financial modelling to show that savings will be made, efficiencies will be gained and ratepayers will be better off. There is nothing to say that—nothing. I am certainly waiting for contributions from members in this house to prove that. If the minister has something to show, he should show that. When the minister gets up to speak, he should show where the savings to the state and to local government will be, and where the ratepayers will be better off, and argue his case. That is what the minister should do when he gets to his feet to speak on this motion.

I want to come now to the proposal put forward by the City of Cockburn. The City of Cockburn has put forward a very significant and detailed proposal to the Local Government Advisory Board. As the minister knows, the City of Cockburn has compromised on its boundaries. It has made the suggestion to the Local Government Advisory Board that it lose part of its boundary to the City of Melville. That will only partly please the member for Bateman, because the City of Melville will not get its hands on the really juicy part, which is the commercial

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and industrial ratepayer rich part of the Bibra Lake estate. It has also suggested that parts of Leeming go into the City of Melville and parts of Hamilton Hill go into the City of Fremantle, and that the northern boundary be brought to Winterfold Road and Farrington Road.

Had this government gone about this task in the way that the Labor government has argued for—that is, that local governments that want to amalgamate and change their boundaries should be able to do so voluntarily and should be supported by the state government—the government would probably have reached this outcome. However, that is not the path that this government has chosen. Under the proposal that has been put by the City of Cockburn to the Local Government Advisory Board, the ratepayers will probably have to cover the funding for that proposal. Over a three-year out year timetable, the boundary adjustment costs as put forward by the City of Cockburn will total \$6.5 million, with \$0.2 million in 2013–14, which has nearly passed; \$3 million in 2014–15; and \$3.3 million in 2015–16. That will be the cost of bringing together the City of Cockburn and the City of Kwinana and changing the northern boundary of the existing City of Cockburn.

Mr A.J. Simpson interjected.

Mr F.M. LOGAN: I am not sure of the total number of ratepayers that will be passed over.

Mr A.J. Simpson: An interesting point can be made about the rating differential, and that will be a challenge for the reform process in trying to equalise the rates. The member mentioned the industrial area of Bibra Lake and also the commercial part of it. What has amazed me as the minister in this world of rates is that whenever I meet with the Cockburn ratepayers, one of the things that comes back is that it is quite expensive in terms of rates. I notice you were very quick to point out from the financial statements that the council has \$7 million in the bank. But it still had a five per cent rate increase last year.

Mr F.M. LOGAN: It did.

Mr A.J. Simpson: This area is one of the things that comes across my table quite regularly—that is, trying to find equity in rates where you can get an even keel or a rating bracket that can be worked on so we get what is called an even rating across the metropolitan area. Cockburn, like many other municipalities, is experiencing a lot of growth. There is new stuff happening—greenfields and that does cost money, so it's always hard to balance.

Mr F.M. LOGAN: I concur with the minister over the disparity in rate increases from council to council and the justification for those rate increases. I am sure all of us as ratepayers sometimes scratch our heads when we read the bill coming through the door with a note saying, “By the way—your rates have just gone up by 9.9 per cent.” We cannot understand what we have got for it. I point this out to the minister, although I am sure he is aware that Cockburn is sustainable not only in terms of its economic fundamentals, but its annual cash flows. Its sinking funds are probably the envy of most councils in Western Australia and its rates are still less per household than that of the City of Kwinana.

Mr A.J. Simpson: It is a small council.

Mr F.M. LOGAN: Yes, of course it is a small council. In terms of the services—the minister knows this—the services that Cockburn provides to its ratepayers are, I would put to the minister and members in the house, unequalled when compared with those of other councils in Western Australia. Its services are superb! The minister knows the extent of services the City of Cockburn provides, particularly its social services, yet it is still able to have a rate base per household that is less than that of surrounding councils. That shows the City of Cockburn's level of economic sustainability. It is financially sound, it has significant savings and it has a surplus in its income, yet it still has a lower rate base per household than those of surrounding councils. That is evidence of a sustainable council. Why would the minister chop it into three? Why would he take a successful model for local government, chop it into three and give the portions to higher rate-based councils that have less in terms of what they can offer ratepayers? Why do that? That is not local government reform. As the minister knows, I have put forward petitions with thousands of signatures to this house, and I still have got thousands more signatures to put forward. The petitions state that this is not local government reform; it is politically motivated destruction of a local government. Is it politically motivated? Yes. I will quote the Premier, who provides the government's full justification for the local government reform process. In this house on 27 February this year, the Premier stated —

It is self-evident that we should reduce the number of local authorities to around half of what it is, and local government understands that.

It is “self-evident” that we should reduce the councils—this is the Premier speaking. There is no justification for reducing the number of councils by half. There is no business case; there is no financial modelling. It is just “self-evident”. That is what the Premier believes. Every member of the Liberal Party knows that this local

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government reform process is coming straight from the Premier, who has been driving and pushing the process from day one because he believes there should be half the number of councils in metropolitan Perth than there currently is—namely, there should be 15 instead of 30. All government members know that. We know that they know that because a number of the minister's own colleagues who are very dissatisfied with this process have told us that the minister knows about this. That is why this motion stands before the house. It stands before the house because the process has been deceitful from day one. It has created confusion, anxiety and bitterness across the 30 local councils of metropolitan Perth. That was most self-evident last night outside this house in the dark when thousands of ratepayers from a significant number of councils—some as far away as the other side of the hills—made their way into Perth to voice their dissent at this process, to voice their dissent to the Minister for Local Government and to demand that this process stop. I fully support their call, and I ask the members of the house to support this motion.

MR D.A. TEMPLEMAN (Mandurah) [5.16 pm]: We have been through a very long and laborious process with the government's so-called local government reform process. The sad thing is that, initially, when the process was commenced by the previous Minister for Local Government, there was broad-scale support for reform by many involved in the local government sector who were engaged in talking about what local government should look like into the future. Indeed, as we continue to modernise our economy, and as our population in Western Australia continues to expand rapidly into a much more diverse community, the willingness to talk about the future is there. I maintain that the initial comments of the previous minister about the government's proposal to reform local government were not based on any sound principles or arguments that were presented as reasons for it, but the government still had people in the truck who were prepared to start the journey in determining what local government would look like. However, this truck of local government reform very quickly became bogged, it very quickly got out of the bog and became becalmed and it hit a number of obstacles, and, now, of course, it has deviated around some very important principles that have, as the member for Cockburn said, only angered the sector even more.

This whole process from 2009 onwards has been botched. I will tell members why. It has been botched because the government consistently has changed its words and assurances about the reform process to the sector. The only consistent thing the government has done is to be inconsistent. That is why the government has betrayed the trust of everyone involved in the sector. The government could have been open and honest and said to the people involved in the sector—to its elected members, its staff and its communities—that the government was going to reduce the number of councils in the metropolitan area or in Western Australia generally, remembering that the previous minister's original comments were that the government was going to reduce the number of councils in Western Australia.

If from the beginning the minister had presented to the people of Western Australia, councils and the sector a clearly articulated evidence-based analysis of why the number of councils needs to be reduced and how that fits in with trying to ensure that councils are viable and deliver appropriate and effective services, and that ratepayers would not be worse off, we probably would not be here arguing and debating this motion. The very fact that from the beginning the minister did none of that means he has failed to even get to the starting line in explaining it. The new minister has never been able to articulate to the community the basis for why his proposed reform is required and is so necessary. He has never articulated in public forums what the reforms will cost, with local government electors, at Western Australian Local Government Association conferences or Institute of Public Works Engineering Australia conferences—he and I were at one recently—or with Local Government Managers Australia. He has never articulated what a sustainable council's profile will look like or underpinned why he seeks to do what he is doing now.

The member for Cockburn gave a good overview of some of the things that the government did earlier with the Robson report findings and responses and asking councils across Western Australia to submit sustainability plans and to provide ideas about what made their councils tick. All those things were done in good faith. The councils thought, "If this is part of the process of reform, we will do it." It cost them money and the minister keeps moving the goalposts. Every time councils thought they understood what the minister was on about, he would suddenly change it. He has been consistent at being inconsistent. What do we know now? We know that the minister made public statements that the government would get rid of the Dadour provisions because they are outdated. The Premier himself said that they are undemocratic. He said the government would bring legislation into this place to get rid of the Dadour provisions. We have not seen legislation to delete the Dadour provisions. Why? It is because the minister started to show his inconsistencies again. Some of his backbenchers and so-called friends in the National Party suddenly said, "Hey, wait a second. This might be a slightly broken promise." Therefore, the minister had another thought bubble. In a pattern of inconsistency the minister said the government could get around that. Last November, or late last year, the minister brought in the Local Government Amendment Bill and the Labor Party was criticised for not totally opposing it. However, nothing in

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the Local Government Amendment Bill jumps out that is ultimately controversial, because the government took out the bits it was going to put in because its backbench and National Party members told the minister not to put in that bit about the government directing policy. Therefore, that bit was taken out. The minister's second reading speech was different from the actual bill that was introduced into the house because the government's first two amendments took out provisions that were the key planks of the bill. The minister took them out and again showed his inconsistency. The minister is consistent at being inconsistent. We were left with a bill that was gutted.

Mr M.H. Taylor: Did you inconsistently support us?

Mr D.A. TEMPLEMAN: The member for Bateman should be very careful.

Mr M.H. Taylor: Still inconsistent.

Mr D.A. TEMPLEMAN: There was nothing to vote against. The government said it would eliminate the Dadour provisions. If it had done that, there would have been blood on the floor, but the government was gutless and could not do it. Government members knew that their constituents out there —

The ACTING SPEAKER (Mr N.W. Morton): Member for Mandurah! Thank you, member for Bateman. I am listening to the member for Mandurah. Member for Mandurah, direct your comments through the Chair, please.

Mr D.A. TEMPLEMAN: I would like to, because there are a few things I want to say about you, Mr Acting Speaker, in the nicest terms, about a meeting we went to in Kalamunda a few weeks back; I will talk about that in a minute. The member for Bateman will rue this. A fellow used to sit in that seat over there; his name was the late Hon Phillip Pental, and he used to say, "You will rue the day." The member for Bateman and anyone else on that side, including the member for Belmont and the Acting Speaker, the member for Forrestfield, will rue the day if they do not take this seriously. If they reckon a few thousand people out there was not a big number or an example of the anger that they hold for the government —

Mr C.D. Hatton interjected.

Mr D.A. TEMPLEMAN: For the benefit of Hansard, the member for Balcatta said there was only a few hundred. He may be a one-termer as well. Sunshine, be very careful! The fact of the matter is this: there were people out there last night and there are people in the communities of Cannington, South Perth —

Several members interjected.

Mr D.A. TEMPLEMAN: In your own electorates, you goose! Who are some of the most vocal people against local government reform? They are in your own electorate, you goose! If you do not see that, sunshine, you will be a one-termer and you will be out of here at the next election and we will see you in the courtyard as a former member pilfering around and looking for something to do! Do not be so stupid and think that what happened last night in front of the steps of Parliament House and what is happening in communities throughout the metropolitan area is not serious. Government members cannot discard them as this minister is doing; that is what he has done. He said that these people here are misinformed and misled and they do not understand what is going on. Members opposite are very, very wrong if they think that. There is a growing sentiment of absolute anger with Liberal members of Parliament, the Premier and the minister. There is a growing anger and disdain for the government because people now recognise that not only were they lied to at the 2013 election when the government said there would be no forced amalgamations, but also all throughout this process the government has not told the truth and it has not let them have their ultimate say. The government has now, through its minister and its proposals to the Local Government Advisory Board, said to the people of Belmont, Kalamunda, Forrestfield, Cockburn —

Mrs G.J. Godfrey: Mandurah.

Mr D.A. TEMPLEMAN: Not Mandurah. The member for Belmont should be careful about what she says in this place because it is very often wrong. The people in South Perth, Victoria Park and Serpentine-Jarrahdale, the electorate represented by the minister, are saying that the government has abused their trust. There are no better people of community standing to quote to government members than the Liberal Party's own people—not Labor members of Parliament. It is not Labor supporters in Kalamunda or Forrestfield but the government's own Liberal Party supporters who are saying that government members are idiots. The government is not listening and it does not understand what it is trying to do to our communities. Let us hear from some of them.

Several members interjected.

The ACTING SPEAKER: Members, there are a lot of interjections going across the chamber. I am trying to listen to the member for Mandurah. For the purposes of Hansard, could we just refrain from that commentary and could the member continue.

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

Mr D.A. TEMPLEMAN: On 6 March, Hon Clive Griffiths, a long-serving member of the upper house— Liberal Party establishment—went to the meeting in South Perth that I attended along with the member for Victoria Park. He said there that there needed to be strong representation from the seven elected members of Parliament and that constituents were not getting it. He urged the crowd to do a whole range of things—some of those people were here last night. He put pressure on the Liberal Party and told it that it is not listening to and standing up for the community it is supposed to represent. Let us talk about Gordon Masters, who was at the Forrestfield —

Mr M.H. Taylor interjected.

Mr D.A. TEMPLEMAN: You had better be quiet, member for Bateman, because I tell you what, son, you might have a 15 per cent majority, but we all know that in politics there ain't no such thing as a safe seat, sunshine!

The ACTING SPEAKER: Member for Mandurah, through the Chair, please. Member for Bateman, thank you.

Mr D.A. TEMPLEMAN: Let us look at Gordon Masters, another member of the Liberal Party who is an ex-member of this place. He spoke at the meeting that you were at, Mr Acting Speaker (Mr N.W. Morton)—I am glad you are in the Chair now because you cannot counter any of this!

The ACTING SPEAKER: Member, on that point, I just remind you that under the standing orders you are not allowed to draw the Chair into debate.

Mr D.A. TEMPLEMAN: I am not.

The ACTING SPEAKER: I am just warning you.

Mr D.A. TEMPLEMAN: The fact is that at that meeting Gordon Masters said this is trickery and that people are being conned. The same message was given at the South Perth meeting when my very good friend the member for South Perth, who is becoming a better friend all the time, spoke and was quoted afterwards in the media. He said that what the minister is doing to use boundary changes rather than amalgamations is inexcusable. He said, "We've been conned." They are not words from the Labor Party, but from the government's own member. Read the transcript of what happened in the upper house when members were debating the amendment bill and look at who else spoke out. There were the same things. What did Simon O'Brien say? He actually went even further and said that what this government is trying to do is tripe.

Mrs G.J. Godfrey interjected.

It is tripe, member for Belmont; it is a bit of offal. It looks awful and some people eat it. The people of South Perth and the people of many communities in Western Australia are not accepting the government's tripe. They think it is tripe. It looks like tripe, it smells like tripe; it is tripe! That is what it is. Government members are stupidly defending it.

The ACTING SPEAKER: Member for Mandurah, direct your comments through the Chair, please.

Mr D.A. TEMPLEMAN: They are stupidly defending it, just like the member for Forrestfield, when he went to the meeting that I was at. There is one thing that I hope people in politics learn, and I have learnt this from the theatre. Good people in theatre know and sense their audience. People have to have a sense of their audience; they have to know when the audience is against them, for goodness sake. They have to know when the audience does not like them and when the audience is not listening to them. Last night the Minister for Local Government had no idea. It was the most flawed performance in front of a crowd I have ever seen; it was awful. It was like watching a scene from *Game of Thrones* of someone being drawn and quartered in front of me—it was awful; it was ghastly. Things were spilling over onto the steps; it was awful. The same thing happened to the member for Forrestfield at the meeting —

The ACTING SPEAKER: Member!

Mr D.A. TEMPLEMAN: I am allowed to use that term, because you were there, Mr Acting Speaker.

The ACTING SPEAKER: Member, I have warned you once already and I am warning you again that you cannot draw the Chair into the debate through your contribution.

Point of Order

Mr W.J. JOHNSTON: This was ruled on previously by the Chair. It is allowed to simply explain what the member sitting in the Chair has said. That is not drawing him into debate; it is simply reporting the truth.

The ACTING SPEAKER (Mr N.W. Morton): Thank you, member. I am just warning the member for Mandurah.

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

Debate Resumed

Mr D.A. TEMPLEMAN: When a member of the public asked the Liberal member who was present at the meeting that afternoon why he was doing this and what it would cost, which is a very good point, the respondent said that he would try to find out. I got up and said he did not know and that not even the minister could tell us. I said we had asked the minister the same question and he could not tell us how much this whole process would cost. Then a Liberal gentleman got up and asked where Hon John Day, the member for Kalamunda, was—the member who represents Kalamunda. He was missing in action. I wrote this down. The gentleman said, “John Day has done absolutely nothing in 10 years. He has shafted us in Kalamunda.” That was a comment by a constituent there. Number after number stood up and said, “I vote Liberal; I am a Liberal. I am a lifetime Liberal voter.” That is what they were saying. One bloke got up and made what I thought was a beautiful comment towards the end of the forum when there were a couple of hundred people there. People were asking why the government was doing this to Kalamunda and asking for the analysis of why the government, this minister and this Premier had arrived at this policy.

[Member’s time extended.]

Mr D.A. TEMPLEMAN: Just on time; I am hitting my stride!

At the end of the meeting, the gentleman I mentioned stood up and said, “Look, I will use this analogy: this is a forced marriage. We are a very reluctant partner and it will be a very expensive wedding, which we the ratepayers will have to pay for, and it will end up in a very messy divorce.” I thought that was a beautiful analogy. He and others asked why the government was doing this. Never in this whole process has the government asked why. I have been asking why because there have been legitimate questions asked about what the Labor Party’s policy is. I will say, again, what our policy is because I think it is a legitimate question to answer. I have told this to the Western Australian Local Government Association, to Local Government Managers Australia, to the Institute of Public Works Engineering Australia and others. Firstly, this is our approach: any local government reform—this is substantial—must be done from a level playing field and must be evidence based. Come at it from an evidence base. Say why it is being done and show the analysis that has been done: this is why the plan works and why it will be good. Make it evidence based. The government has not given us any evidence at all; it has not given any analysis. Secondly, recognise that any reform affects people and people cannot be dismissed, members for Bateman and Balcatta. Do not dismiss people who come out at seven o’clock at night to stand up for their communities. The government’s comment was that there were only couple of hundred people at the rally. Sorry, I do not care whether there were only a couple of hundred; I do not care how many people there were. They are people who are concerned about their communities. Do not dismiss them because it will be to the government’s political disadvantage if it does. I think the government has already done so and those people have already judged it. Do not remind them of that. Remember, there will be losers from this process, and if there are losers, compensation will need to be paid. The government has not told us about what happens to a person who has been working in their local government council for a long time and who ends up being a victim of an amalgamation. What happens to them? Thirdly, the local government sector, through a process like this, which is not evidence based, threatens to lose the very important people who make it tick. The government is threatening the loss of people from the sector who are valued for their expertise. That expertise needs to be valued and retained, particularly as we move towards 2020 and a whole range of future challenges. The talent and experience that exists in the sector needs to be acknowledged and valued. Fourthly, the minister has to tell us how much it is going to cost and who, ultimately, will bear that cost because he has not answered that question either. Who will bear this cost and what will it be?

Fifthly, the community is central to all this. This is not, as the minister has said and some of his colleagues seem to think, just an elected members–driven campaign. This is not just a couple of mayors getting together and saying they do not like it because they will lose their fiefdom, although some might be saying that. The minister has badly misread them. This campaign throughout communities in the metropolitan area includes people who are involved in communities and have been involved in communities for many decades, and others who simply care about the community. Do not undermine their say by taking away their opportunity to have a direct say through the Dadour provision. That is what the minister has done; he has taken it away with his sneaky, underhanded —

Mr F.M. Logan: Deceitful.

Mr D.A. TEMPLEMAN: — deceitful approach of putting in reforms that simply propose boundary changes so that the minister can avoid the community having a say. That is what those people are really angry about. A lot of them last night, if the minister was out there, were chanting “Give us a say.”

Mr A.J. Simpson: They can have a say.

Mr D.A. TEMPLEMAN: No, no—come on.

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

Finally, the most important thing: the minister has abused the trust of the sector because he changes his mind consistently. He has been consistent in his inconsistency in his message. He has changed the way the proposals were to be considered, in terms of not using amalgamations as the key process but actually changing the boundaries. It is, as many say, amalgamation by stealth, and the minister has forced it upon them. The minister's own members have said—a couple of members in the upper house and his own members in this place, including the member for South Perth, who has been the most vocal—that the minister has conned them. When people have to be conned to try to get through a reform, the minister fails in his argument.

The minister has failed in his argument, but he seems hell-bent on pushing this through. I do not know whether some of the comments I have heard are true, but he has this view, “Oh well, even if we don't win the next election at least I'll go down as having achieved something.” He may, but does he know what he will go down in history as having achieved? The destruction of communities. If that is what the minister really wants to do, then he will achieve that in the way he has approached this—he will destroy communities. With the minister's throwaway lines of, “Oh, the streets will be in the same spot and the neighbourhoods will be the same”, he fundamentally does not understand that people want to have a say and want to determine what their community is and will be into the future. The minister has taken a key plank out from under the community; he said, “We propose this change, but we are not going to allow you to have a say.” I think that is deceitful and appalling and I think the minister and his government will be judged in the future on the outcome.

MR W.J. JOHNSTON (Cannington) [5.44 pm]: I rise to make a contribution because the issue we are discussing tonight is very important to the community I represent and the people in surrounding areas. The motion reads —

That this house condemns the Barnett government for introducing a deceitful local government reform process that has created confusion across metropolitan councils and despair for mayors, councillors, their staff and tens of thousands of ratepayers.

I seek to lay on the table part of an article from the *Canning/Victoria Park Examiner* of 12 March 2014, and it is the photo on the front that I am particularly interested in people having a look at. It depicts two Riverton residents, Ian and Barbara Ford, and the caption reads —

Riverton residents Ian and Barbara Ford expressed their frustration at the Liberal Party.

The ACTING SPEAKER (Mr N.W. Morton): Member, do you wish to lay that on the table?

Mr W.J. JOHNSTON: I will, but I will just read it before I do that. The woman is holding a handmade sign that reads “Please forgive me. I voted Liberal. Sorry.” That is the problem the government has.

[The paper was tabled for the information of members.]

Mr W.J. JOHNSTON: The problem is that this reform has been designed by a Premier who thinks that talking to people is a weakness, that listening is a mistake, that consulting is a bad process and that allowing communities to make their own decisions is wrong. I do not understand why the Liberals support that position, but with a few noble exceptions that is what is happening. Sometimes in criticising the campaign against these wrong-headed proposals from the state government, people say, “Oh well, it's just a couple of mayors and some councillors worried about their future titles.” Of course, for the residents in seven of the nine suburbs in my electorate that is not true, because they do not have any elected councillors, so the backlash against these proposals in the City of Canning is driven entirely by ordinary ratepayers. That is who is driving it in the City of Canning; it is not being driven by the elected councillors because there are none; there are no elected councillors in the City of Canning. We have to get away from this idea that this somehow is just a narrow band of self-interested people who are running a line for their own benefit.

It is interesting that the member for Riverton has accused the commissioner of the City of Canning and made certain allegations. He said —

“It is deeply concerning Mr Reynolds and Ms Russell, —

Mr Reynolds being the commissioner and Ms Russell being the chief executive officer of the City of Canning —

who are very experienced local government professionals paid to work on behalf of the constituents of Canning, would deliberately mislead the residents in order to promote their own agenda.

To point a few things out, I will quote a media release of the member for Bunbury in his capacity as a former Minister for Local Government on 27 November 2012. In part the media release states —

The Minister said the former mayor of the City of Armadale, Linton Reynolds would take up the role of commissioner, effective immediately.

...

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

Mr Reynolds has more than 22 years' experience as a local government councillor, including 10 years as the mayor of the City of Armadale.

He is also chairman of the WA Local Government Grants Commission, a role he has held since 1995.

“Mr Reynolds will provide the leadership required at the City of Canning ...

It is interesting to look at the curriculum vitae of Linton Reynolds, AM, LGM, JP. It reads —

Linton was born in Armadale. and raised in Mundijong.

Following six years army service in Queensland and South Vietnam, he returned to Western Australia where he was employed in the Australian Public Service for 25 years before being set free with a redundancy in 1998.

First elected to Council in May 1989, Linton was elected Mayor unopposed five times between May 2001 and October 2011 when he retired. He served for 6 years on the Western Australian Local Government State Executive, including two years as Vice President.

Linton was made a Life Member of WALGA in 1996 and in 2005 was awarded WALGA's prestigious Local Government Medal. In 2006 he was made a Member of the Order of Australia for services to his local community, to local government generally, and for the development of transport policy. On retiring from council, he was made a Freeman of the City of Armadale.

Currently Chair, he has been a member of the WA Local Government Grants Commission since 1995, and led the local government team that negotiated the first two road funding agreements with the WA State Government. These agreements resulted in a significant increase in funding for local roads.

Linton was also the inaugural Chair and spokesperson for the National Growth Area Alliance, a body representing 25 rapid growth Councils on the fringe of Australia's major urban cities. A position he held until August 2011.

In his final year as Mayor Linton chaired the Roleystone/Kelmscott Bushfires Recovery Committee.

Following a brief period of retirement, Linton was appointed Commissioner to the City of Canning on 27 Nov 2012

I read Mr Reynolds' CV to members to make it clear that this is a man of substance; he is a man who understands the fundamental issues of local government. I will again quote from the *Canning Examiner* of 6 March in which Mr Reynolds said of himself and Ms Russell —

“We are both using our experience to recover a council the government should see as a pearl, it has been in our view mismanaged in the past but you don't solve that by slicing it and dicing it, you solve that by improving the quality of elected representation.

“Ms Russell and I are here doing a job and we are simply responding to what we believe the community is saying to us. “Given the overall impact of the minister's proposal on all residents of Canning, it is our clear, carefully arrived at, objective assessment that it does not represent the best reform proposal for this part of the metropolitan area.

“We believe the second version to be so flawed that we have responded to community wishes to change our formal position and now recommend our boundaries should remain intact.”

I do not understand why the government does not want to listen to Mr Reynolds. The government appointed him to the job, and he is doing the job he was asked to do, which they are paying him to do, and now the government wants to demean and belittle his contribution. It is bizarre that the Treasurer has so frequently been in the media criticising Mr Reynolds. It is hard to fathom why anyone would do that. The member for Mandurah asked the Minister for Local Government whether he still had confidence in Mr Reynolds. The minister said, “I have full confidence in Linton Reynolds.” He went on to say, “I think Linton Reynolds is doing a fantastic job.”

I cannot remember the Premier's exact words, as I am not quoting from *Hansard*, but he said that the elected representatives of the City of Canning had exhibited disgraceful behaviour. We do not know whether that is the case, because the Inquiry Panel into the City of Canning will not report until June.

Mr A.J. Simpson: I think it is before then.

Mr W.J. JOHNSTON: Whenever it is, the panel has not reported yet. The people who have all the information in front of them about the City of Canning have said that what the government is doing is flawed, yet the government is going to the media attacking Linton Reynolds, the City of Canning commissioner.

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

I refer to the *Canning Examiner* of 12 March 2014, which quotes Mr Lekias, a former Mayor of the City of Canning and now a freeman of the city. Mr Lekias stated —

“We were looked to by other councils for guidance, we are a very active and progressive council,” he said.

“I can’t understand why we are being threatened with amalgamation.

“When I resigned the city was financially sound, by 2005 we were debt free.”

I will pause in the quote to say that I think that the Canning council has \$46 million in cash reserves. I cannot access the latest financial figures, but that was the figure for the end of 2012 and I am sure it has not changed significantly in the last 18 months. The article continues —

Mr Lekias said some local members were not representing community views.

“Politicians are elected to represent the people and should do that regardless of party views,” he said.

“To suggest there are agendas is simply shooting the messenger because you don’t like the message.”

Mr Reynolds is quoted in the same article, in an address to a public meeting convened by the City of Canning. The paper estimated that 800 people attended, although I thought the number was closer to 1 000; it was certainly a large crowd. In addressing that crowd, Mr Reynolds stated —

“I am open to you agreeing or disagreeing with the city’s views but I think it is important you have a say,” he said.

The City of Canning has a considered position. I did not write down the exact words of the Acting Premier in question time today, but I think that he said something to the effect that a good city has about 100 000 residents. That is the number of residents in the City of Canning. In fact, when I was elected to Parliament as just a humble backbencher, a brand-new guy, I read with interest the Western Australian Local Government Association’s report, “The Journey: Sustainability into the Future”. One of the most interesting things is that the government has not taken up any of the recommendations arising out of that report. The government is not doing the reform that the sector asked for; all it is doing is amalgamations and boundaries. The City of Canning has estimated there will be a 27 per cent increase in rates. The government says that estimate is wrong, but does not say what is correct. When Commissioner Reynolds pointed out that if the Riverton Leisureplex were transferred from the ownership of the City of Canning to the City of Melville, there can be no guarantee that that service will continue into the future. When he pointed out that there will be pressure on the City of Melville to ration services because two-thirds of the people who use that facility will not live in the new City of Melville but in the new City of Gosnells, the government said that was scare-mongering. However, the government has provided no evidence to say why it is scaremongering.

An article in the *Canning Times* of 18 March, reads —

RIVERTON MLA Mike Nahan is concerned the City of Canning has used ratepayers’ money to scaremonger and misinform residents as part of its Fight For Canning campaign opposing council mergers.

The City spent \$160,000 on a campaign website, banners for council buildings, promotional videos, petition postcards and letters, newspaper advertising, and a billboard.

The article quotes the member for Riverton, who refers to Linton Reynolds as follows —

“Given that he was originally a proponent of change, I find the misinformation and propaganda that he has recently released to be appalling.”

Continuing the article —

Mr Reynolds said the aim of the campaign was to give Canning residents an opportunity to have their say.

“This is the most important decision to impact the City of Canning and its future in the last 50 years or 50 years to come,” he said.

“The cost is \$1.60 per resident in order to give them a voice. It’s the same as we would spend on any public consultation. It’s pretty normal spending for a \$100 million-a-year business.”

Later, the article reads —

Mr Reynolds estimated it would cost \$15 million to amalgamate Canning with the four surrounding councils.

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

“If I didn’t think we had a defensible case, I wouldn’t do it, I wouldn’t just give myself more work for the fun of it,” he said.

Mr Reynolds is a fine Australian with no skin in the game, if you like, because he is a resident of Armadale, not the City of Canning. He goes to work on behalf of the government because he is a fine individual. He looks at the information available that has been provided by the government and is available to the council. He listens to the community and works out that this is a dud deal. Why will the government not listen to him? It is because this is a political decision.

I will take members through some of the silly decisions that have been made in the carve-up of the City of Canning. For example, the industrial land in Welshpool will be taken off the City of Canning and given to the City of Belmont and the Shire of Kalamunda. There is no proper reason for that—none at all. It is just a sweetener for the City of Belmont to try to buy its support for an amalgamation that is opposed by the majority of ratepayers in the City of Belmont and, indeed, in the Shire of Kalamunda. This decision will have a negative and direct impact on the residents in the City of Canning. The decision to cut out the waste transfer facility in Canning Vale and to give it to the City of Melville will result in a city of 200 000 people, which is what has been proposed with the amalgamation of the rest of Canning and Gosnells, not having a waste transfer facility. Talk about sustainable planning! I note that the minister is nodding his head as I say that. The original proposal in the carve-up—not the Robson report or any of those things but government’s original proposal, which was also rejected by the City of Canning—at least allowed the waste transfer station to stay with the amalgamating councils.

Yet for some reason this minister, the one nodding his head on the other side of the chamber, changed the proposal that went to the Local Government Advisory Board to take the waste transfer facility out of the new council and give it to the City of Melville—the City of Melville that lost \$10 million on subprime loans in the United States! Talk about rewarding good work! A council in the City of Canning with \$45 million to \$46 million in cash, its road maintenance program up to date —

Mr A.J. Simpson: Three inquiries in 19 years, three dismissals, complete dismissal of the council three times.

Mr W.J. JOHNSTON: Yes, but that has nothing to do with the ratepayers, with respect. Could I have an extension?

[Member’s time extended.]

Mr W.J. JOHNSTON: The minister is actually wrong. What he said is misleading because the council has not been dismissed at this stage.

Mr A.J. Simpson: You are right.

Mr W.J. JOHNSTON: The minister knows that, because it is his inquiry that is going on at the moment. What an outrage for the minister to come into this place while he is paying for an inquiry and falsely claim that the council has been sacked. He should apologise to every person for that. That was misleading. I do not know whether it was deliberate, but certainly at the first available opportunity the minister has a responsibility under the standing orders to correct the record. That is one of the problems with the Barnett government: it does not think being honest in this chamber is important. We have seen that so many times with Muja power station, the solar feed-in tariff, the treatment of these contractors at nib Stadium—the list is almost endless.

Mr D.J. Kelly: Big deal!

Mr W.J. JOHNSTON: Big deal, the Premier says about telling the truth in the chamber. There is a major obligation on ministers to tell the truth in this chamber. It is about time that ministers understood their obligations to the people of this state through this chamber and started telling the truth. I imagine that there is some spin doctor sitting somewhere in some office who has told the minister to use that line.

Ms M.M. Quirk: Or might be in a car texting it to him.

Mr W.J. JOHNSTON: Yes, they might be in a car texting it to him. The reality is that it is not a justification for increasing by 27 per cent the rates of the people who live in the City of Canning. Also, the Minister for Local Government—not this minister but the previous incarnation of the Minister for Local Government, the member for Bunbury—appointed Mr Reynolds to the job because he was such an outstanding citizen. I agree: he is an outstanding citizen. So, why does the minister not listen to him instead of making cheap shots like the one he just made about the elected councillors?

I was interested to note when I went through the paper in my electorate that plenty of people are showing anger about what is being proposed, and also anger over the member for Riverton’s behaviour. I will give an example from a letter dated 26 March. The printer has cut off the heading so that I am not sure whether it is the *Canning Times Community* or the *Canning Examiner*, but I am sure I can work that out later. It states —

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

I READ the article in last week's edition headlined "MLA accuses City of waste".

If Dr Mike Nahan is so concerned over the actions of the City of Canning administrator and chief executive, why did he not attend the meeting held on Wednesday evening, March 5 behind the council offices?

It was a public meeting, therefore anyone could attend. People did not require an invitation.

The MLA for Riverton could have stood and explained himself to the large gathering of people who are very worried about the loss of their City for no good reason that is evident to us.

JOHN KING, Ferndale.

I point out that the member for Riverton and Treasurer said that he did not attend the public meeting because he did not receive an invitation. I did not receive an invitation but I still attended. It was not as though the meeting was a secret. There were, after all, advertisements in the newspaper and signs around the city advising of the meeting.

Another letter of 19 March from the *Canning Times Community*—the other one must have been the *Canning Examiner*—states —

I am appalled at the statement from Mike Nahan regarding our commissioner having a hidden agenda ... and I believe this is an attack on Linton Reynolds' character.

The interesting thing is that when our council was suspended and a commissioner was appointed many believed that was a hidden agenda.

Since then the Canning residents have had the opportunity to meet with and discuss issues with Mr Reynolds and chief executive Lyn Russell and found them both to be open and extremely honest.

They don't hand out platitudes and nod in the right places. They tell it like it is and give us the facts, facts that can be verified.

We can stand on our own financially, we live in a sustainable council, we are all part of a growing and vibrant community that has vision and creativity, we live in a multicultural community and we want to stay as Canning.

If Dr Nahan believed that our commissioner had a hidden agenda and was misleading us, where was he at the meeting?

Why did he not front up to the members of Canning?

The people of Canning at the rally last week spoke loudly and clearly and it was very anti-Liberal.

This week I see that Dr Nahan suggested he did not get an invitation to the rally—well I did, every person who lives in Canning did.

The local newspaper advertising clearly stated it was open to the public.

Another statement suggesting the commissioner agreed with a merger is a divisive one—I have attended council meetings and I have never heard Linton Reynolds suggest anything of the kind.

The point is we have not been given a choice we were just presented with a fait accompli and suddenly we hear the boundary may change again and another slice of the pie is swallowed up by Melville.

If Dr Nahan is acting as his constituents have asked him then he will go to the government and tell them we wish to stay as one council, one city, one community.

If Dr Nahan is so sure he is acting in the interests of his constituents then ask us to vote on whether we want to stay as the City of Canning.

Oh that's right—that would be democracy.

Margaret Adams

There is one from the *Canning Times Community* of 25 March, which states —

Guess what Mikey, I am more than a little bit downright miffed with the Liberals. Concerned would be too mild a word. Since taking power, the Liberals have done nothing but let us down. Starting with firing our democratically elected councillors and mayor ... the Liberals have perverted democracy. Stop wasting our tax money killing sharks. We demand an election in Canning. We demand our democratic right and we demand them now, Save Canning.

Richard the Great

I do not know who that is, but that is the name as it is in the newspaper.

Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

A letter of 1 April states —

SO Mike Nahan does not approve of Lynton Reynolds spending ratepayers' money on the "Save Canning" campaign.

Perhaps Lynton Reynolds is doing what Dr Nahan should have done from the beginning; he is listening to the people, he is spending our money because that is what we want him to do.

Let me spell it out for Dr Nahan—we want Canning city council to remain as it is.

When is Dr Nahan going to present any credible evidence that this demolition of our council is a good move for us, the ratepayers, his electors?

Riverton has always been a marginal State Government seat and if this merger goes ahead then it will swing again.

And if Dr Nahan escapes by moving to a safe Liberal seat as a reward for his complicity, then the person who follows him will be the one to suffer defeat.

Be warned Dr Nahan, we will not forget.

LES and MAUREEN DAVIES, Riverton.

It is interesting. I could go on and on and read all the letters in the local papers. Almost without exception—perhaps one or two were in support of the Liberal Party's agenda for the City of Canning—there is a clear and absolutely overwhelmingly opposition. There was a crowd at the council's meeting to run through its evidence-based assessment of the Canning merger. If the paper is to be believed, 800 people were there but my view is that there were about 1 000. However, one way or another, a large crowd of people on a Wednesday night was clearly putting its point of view. Last night I had only a brief moment to go outside Parliament, as I had other responsibilities, and speak to a number of my constituents and a number of residents from other parts of the City of Canning. The views were very clear. The overwhelming majority of the people in the City of Canning want to have a say in what happens to their future. They do not want to be railroaded and forced into an amalgamation that they do not support. The fact that there is no evidence, not a single piece of paper, that the government can provide to us to show why anyone will be better off with the proposal that the government is putting forward is a clear demonstration of the fact that the government does not know what it is doing in this matter. The fact that since these amalgamation proposals were originally mooted there has been a series of changes of the boundaries on the proposals without any consultation with the community is another demonstration of why this is not a sensible change.

I want to point out something else: the City of Gosnells pays its staff more than the City of Canning. The staff are covered by separate enterprise agreements. For the same classification, City of Gosnells' staff get a higher rate of pay. The instant result of changing the boundary of the City of Gosnells to include the majority of the City of Canning will mean that all the staff at the City of Canning will get a wage rise! That is increased costs. I have never once heard the Minister for Local Government talk about that. I do not understand why the minister will not explain himself on any of these issues. We know why—because this is not an evidence-based decision. This is not a rational decision. There is no business case, there is no plan and there is no failure standard. Since the 1970s there has been a concept in public policy called a "failure standard". If the proposal does not work, it is called a failure standard. There is no failure standard for this. It means the government, no matter what happens afterwards, will claim it is a success because it does not actually have a plan. It is like re-merging Verve and Synergy. There is no plan, there is no outcome and there is no benefit. There is no way of measuring whether or not it is successful. It would be great if people took their responsibilities seriously. It reminds me of the Allia Venue Management deal. Imagine a 40-year-old employee walking into the boss's office to say, "I want to retire. Will you pay me until I am 65?" That is what the Allia deal was. Here we do not have any way of measuring what the government is trying to achieve. The government keeps using this wonderful word "reform". The Premier stood on a number of occasions to talk about 138 councils. I understand we will end up with 127. What an enormous achievement! Let us face it, if the government is interested in the headline number, it means it has to amalgamate councils in the bush because it cannot actually impact the headline number in the metro area.

Mr A.J. Simpson: Correct.

Mr W.J. JOHNSTON: So why does the Premier raise it in respect of these issues? It has nothing to do with what the government is doing. It is another example of the false process that the government has used to get us to where we are today. It has nothing to do with any of the things it talks about and there is no change to what local government does; there is no rearrangement of responsibilities between the levels of government and there is no change to the way rates revenues are shared. There is none of that. All that happens is the number on that piece of paper changes. If that is reform, the minister is a genius. But it is not reform. The minister barracks for

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Collingwood, so I do not want to say anything bad about him. There is no business case. This is not a rational process. Everybody who has looked at it without an agenda, including Mr Reynolds, concludes that what the government proposes for the City of Canning is a dud deal.

MR D.J. KELLY (Bassendean) [6.14 pm]: I rise to contribute to debate on the motion that this house condemns the Barnett government for introducing a deceitful local government reform process that has created confusion across metropolitan councils and despair for mayors, councillors, staff and tens of thousands of ratepayers. The nub of this motion is the deceitful nature of the government's agenda in this area. The government said a lot of things prior to the last election. Once elected, it backtracked on them. One promise the Liberal Party made before the election was that there would be no forced amalgamations. Clearly it has now broken that in government. One could say, "What a surprise that they've broken that promise." When the promise was made prior to the last election, we knew it would be broken. Prior to the election, the minister responsible could not say with any confidence or any credibility that the government would not force amalgamations. In fact, the minister said the opposite; he said the Liberal Party supported forced amalgamations, but he was quickly beaten around the ears. That is right; the minister is nodding—he was beaten around the ears and told, "You can't say that. That's not our policy. Our policy is no forced amalgamations." When that happened, there was a very strong likelihood that once the Liberal Party was re-elected, it would revert to the original position put by the minister—that is, some form of forced amalgamations. That is exactly what happened.

The opposition can tell when the government makes a promise that it will not keep. When the Premier was asked about electricity prices, he said, "We will keep electricity prices at or about the rate of inflation." As soon as he said those words "at or about the rate of inflation", we knew that electricity prices would go up by more than the rate of inflation, and that is exactly what happened. They went up four per cent when the rate of inflation was 2.5 per cent. That is not a five or 10 per cent error, that is not a little bit of rounding; that is a significant increase above the rate of inflation. It is not easy to lie. When people make promises before elections that they have no intention to keep, people can often tell. When the Liberal Party and this minister had to make a commitment that there would be no forced amalgamations, it was delivered in such a way that most astute observers thought this is not going to last much after the election. Sure enough, it has not. We are now in a process in which any rational observer would say that it will lead to forced amalgamations.

The government says that it has not forced any amalgamations. It has not yet, because it has not achieved anything. Not a single council amalgamation has been effected under this process. No, the government has not broken its promise; no council has been forced. But we all know that that is what this process is all about. A good indication of that is the way this government has walked away from its commitment to the Dadour provisions. People assume, rightly or wrongly, that if their council was going to be subjected to some sort of amalgamation process, the Dadour provisions would enable them to exercise their democratic right not to be forced into an amalgamation. At least the Dadour provisions would be there so they could at least have their say. There was a huge amount of backlash about that, even from the government's own backbench. A number of government MPs said it would be unacceptable to remove the Dadour provisions.

What has this government done? It has come up with a process whereby it will not amalgamate councils; it will just make boundary changes. The boundary changes will have the effect of abolishing a number of councils. No-one believes that that makes the minister someone who is abiding by the commitment given prior to the election that there would be no forced amalgamations. No-one believes that. It just makes the minister look tricky. It makes him look dishonest. It would be much better if the government fessed up, said what it wanted to do and dealt with it in a rational way. Coming up with this contrived process just lays bare what this is all about. It is a dishonest and deceitful process, as outlined in the motion.

It is making a lot of people very unhappy.

Three local governments operate within the boundaries of the electorate of Bassendean—the City of Bayswater, the City of Swan and the Town of Bassendean. They are all good councils. They have tried to make sense of the process that the minister has laid out in front of them. The council that will in effect be swallowed up and disappear as part of the boundary changes that the minister is promoting is the Town of Bassendean. The majority of councillors of the Town of Bassendean—I do not say that I speak for absolutely every one of them—would prefer for the town to stay as it is. Most residents of the Town of Bassendean would say that their preference is to have a stand-alone council. That is not because they dislike the City of Swan or the City of Bayswater. It is just that no-one has made a case to the residents of Bassendean for why they would be better off if they were part of some amalgamation process. The government certainly has not made that case to the residents of Bassendean. They like living in Bassendean. It has quite a distinctive feel about it. It has a nice town centre. It has a community sense to it that some other parts of Perth do not have. The preference of most residents of Bassendean is for the boundaries to remain as they are, simply because no-one has made the case to

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them for their town to be consumed by a neighbouring council. It is not because they are old-fashioned stick-in-the-muds who cannot see the future. A compelling business case with pros and cons for amalgamating with either the City of Swan or the City of Bayswater does not exist from the point of view of most residents of Bassendean.

Be that as it may, I believe the town would prefer to stay as it is. The Mayor of the Town of Bassendean has not stuck his head in the sand on this issue. He and the council saw the writing on the wall when the state government wanted, for whatever reason, to reduce the number of councils. The Town of Bassendean said that if that is what the government wants, it will try to come up with a proposal that seemingly meets the government's agenda and, at the same time, will be a good deal for the residents of Bassendean. It looked at its options and decided that it would like to work towards an amalgamation with the City of Swan. The Town of Bassendean has spent money and hours of staff time on meeting with representatives of the City of Swan to come up with an amalgamation proposal that the residents will be happy with, albeit it is not their first preference. The Town of Bassendean did that for months. The City of Swan was happy to cooperate and it worked cooperatively with the Town of Bassendean. The City of Swan and the Town of Bassendean came up with an amalgamation proposal that both councils were happy with. However, what has happened to that proposal? The minister has said that his preferred option is not for the Town of Bassendean to amalgamate with the City of Swan, but for the Town of Bassendean to amalgamate with the City of Bayswater.

Mr A.J. Simpson: I often wonder why they did not put in a proposal to the advisory board back in July. I mentioned it last year. I said in July to put in proposals and no-one did anything.

Mr D.J. KELLY: The minister can blame the Town of Bassendean for not doing this or that, but there is much confusion about this process. It has been extremely difficult for councils to figure out what the government is going to do and how they should best respond to it. It is disingenuous for the minister to ask why the Town of Bassendean did not speak up at that stage of the process and say that this is what it wanted to do. I think it is particularly harsh. The minister's proposal is that the Town of Bassendean amalgamate with the City of Bayswater. I understand that the City of Bayswater is happy with that proposal; it thinks it is a good idea. The Town of Bassendean does not. Instead of having a cooperative amalgamation that would have a small impact on the Premier's headline number of councils in Western Australia, the minister is now forcing an amalgamation by changing the boundaries of the City of Bayswater to consume the Town of Bassendean. I do not know whether I have used the correct terminology to describe the minister's proposal, but, in effect, that is what he is going to do. Understandably, a lot of people in Bassendean, whether they are ratepayers, staff or councillors, think that that is a pretty lousy outcome.

What also concerns the ratepayers of the Town of Bassendean about this process is that when this takes effect from 1 July 2015, they will lose their representation on the new body. Until the next election, which will be three months later, the ratepayers of Bassendean will be ruled by the elected councillors of Bayswater. How can the minister say that that is an acceptable process? The ratepayers of Bassendean will effectively be consumed by the City of Bayswater and for a period of three months, the ratepayers of Bassendean will have no representation whatsoever. They will not have one or even two councillors—zip. I do not know what decisions will be made by the City of Bayswater during that three-month period. Maybe the councillors will just sit around and do nothing; I do not know, but I doubt it. I am not suggesting that there will be any malice on behalf of the councillors of Bayswater. I am sure that they are good and honourable people. However, as a matter of principle, it is fundamentally wrong for the services for the ratepayers of Bassendean to be controlled by an organisation that they have no representation on. The minister has set up the local implementation committees. Representatives of Bassendean are meeting with the councillors of Bayswater to talk about how this process will work. My understanding is that it is a complete waste of time because there is no mechanism to resolve any matters that are in dispute. With the best intentions, the City of Bayswater could have a discussion and make a decision that its policy will be X, but the representatives of Bassendean could tell the local implementation committee that they would like Y to happen, and the representatives from Bayswater could say that, unfortunately, they are bound by the decision of their council and that the option has to be their point of view, and so it would go nowhere.

This motion is about the deceitful nature of this process, and the confusion and despair that has been caused, which has been epitomised by what the minister has done with the Town of Bassendean. I also talked with councillors from the City of Swan and some from the City of Bayswater who are also completely confused by the whole process—so it is not just the people of the Town of Bassendean in my area who are unhappy about what has gone on. The City of Swan put a lot of work into the amalgamation with Bassendean as well.

[Member's time extended.]

Mr D.J. KELLY: What the minister has done to the Town of Bassendean is unhelpful. Across the board to date, this process has been a monumental waste of money. Councils across the metropolitan area have spent countless

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hours, reports and staff time trying to figure out how to approach this to get a better deal for their ratepayers, and it has produced nothing. One of the big questions that people have is: how much will this whole process cost when it is implemented or when something happens, and who will pay for it? I have not heard the minister tell us how much will be in next year's budget for this process, and whether the state government will be footing the bill for the amalgamations. Local government representatives have asked me whether the government will fund these amalgamations by dipping into local government reserves. Can the minister give us a guarantee that local government reserves will not be dipped into to fund the amalgamations? That is certainly one of the views that have been expressed to me. Will the government sell some land owned by local governments or other assets? The minister has just raised his eyebrows. Perhaps I have put an idea into his head that he has not already considered; that would be a shame.

Mr D.A. Templeman: It would be dangerous, too.

Mr D.J. KELLY: It would be dangerous. Tonight it is a suggestion, tomorrow it is policy, by the end of the week it is another failed proposition, and by the following Monday, it is back again as government policy. Who knows? That is how these things work. The huge question that must be answered by the government is: who will pay?

One of the other concerns raised with me is the impact that this process will have on local government staff. Who would answer an advertisement for a job with a local authority now? If there was an ad for a town planner to work in local government and, worse still, it was with one of the councils earmarked to be eliminated through a boundary change, who would apply for that job at this time? Someone who is planning to go overseas in three months might apply because they want a job for only three months. An English town planner who is backpacking around Australia and needs to do a bit of short-term work might apply. We would not find too many top-class planners looking at this ad, because they need a long-term job as they have a family to support and a mortgage to pay. We would not find that type of candidate applying for a job in one of the councils that has been earmarked to be abolished because no-one would know what the future held. Councils are finding it very difficult with staffing issues at the moment. People leave, as they do, to go off and do other things. How does a council attract people to its organisation when people want to know whether their job will be there in 12 months? Even if a person is applying for a job with a local government authority that will not be "abolished", it may be that even in those amalgamated councils some positions will be rationalised and some positions will go. This is a huge problem. People do not have any confidence in how this process will play out.

The member for Cannington mentioned earlier that some council staff are paid under certified agreements with different conditions from those in the council into which they will be absorbed. What happens under those circumstances? Earlier today in question time we heard about this. Perhaps the minister can raise his hand if he can answer this question. If two councils with different employment conditions are amalgamated, what happens with those employment conditions?

Mr A.J. Simpson: Sorry—is the member asking a question?

Mr D.J. KELLY: Yes, we talked about this a bit in question time today when members were asked to put up their hands if they knew the answer. Can the minister answer that question?

Mr A.J. Simpson: Under the current Local Government Act 1995, all staff are guaranteed employment for two years from 1 July if a new identity is formed. It is then up to the new local government authority to go through the process and work out the employment agreements and how they can be brought together.

Mr D.J. KELLY: On 1 July, when the Town of Bassendean effectively becomes part of the City of Bayswater, and if staff have been employed under separate certified agreements with different conditions, which conditions will apply to the staff who were previously employed by the Town of Bassendean?

Mr A.J. Simpson: Each member of staff has their own agreement, and they will have to negotiate a new agreement when the new identity has been formed, but all staff are guaranteed employment for two years under the act.

Mr D.J. KELLY: Minister, I am grateful —

Ms L.L. Baker: I understand that the member for Mirrabooka asked a question about this in the other house and was told that it would be highly likely that, for instance, a librarian working on a salary with a particular agreement would find themselves working next to another librarian who is paid, for example, \$200 more under a certified agreement. That will be the case for maybe two years.

Mr A.J. Simpson: Until you work through that process—yes.

Mr D.J. KELLY: Minister, there is complete uncertainty out there about how this process will be played out. The minister might say good luck to the librarian who is on \$200 a week more, but at the end of two years, that

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librarian will want to know what their employment conditions will be. Most people have financial commitments that go beyond two years. The minister might say that it is just one of the things that will be ironed out in the fullness of time, and that at the end of the day after all things have been considered, the council will just have to work it out. It is causing a great deal of uncertainty. A person working in local government, such as a librarian working under those conditions, might think either that they can go through that process or they might apply for a job as a librarian somewhere else where they know their conditions will not be potentially churned up in two years. That is a very real issue. On the one hand I am surprised that the minister has not sorted this out, but on the other hand I am not surprised because everything else about this process has not been sorted out. That is a big issue.

I have touched on the fact that the government has come up with a proposal to avoid the Dadour provisions by using the boundary change process. I say to the minister that when he does things that he thinks will give him what he wants, he does himself and the government damage. The minister is giving everybody the clear message that this government cannot be taken at face value for what it says. The government said before the election that there will be no forced amalgamations and that the Dadour provisions will not be changed. However, when the Premier flagged changing the Dadour provisions, he got complaints from his back bench, and he has now come up with this other process. This will not end well. People will remember this minister as the minister who wriggled, writhed, twisted and turned in order to deliver this local government reform for the Premier. The minister will probably be in Parliament for a lot longer than the Premier. When the Premier has gone from this place and has handed back his new mobile phone and is back on the farm—does he have a mobile phone? I do not know.

Ms L.L. Baker: He probably doesn't know how to use it!

Mr D.J. KELLY: Yes, and it weighs a kilo and a half!

When the Premier has gone, the minister will be left with the legacy that he was a minister who could not be trusted and could not be taken at face value. I will use the word tricky. I also liked the description of tripe. The minister will be left with the legacy that he was a minister who served up a load of tripe to local government. I am sure that is not a legacy that the minister as an individual would want to take forward, but that is where the minister will end up. That just reinforces to the public that this government will say one thing before the election and will do another thing after the election. This is part of a pattern of behaviour by this government. That is why we have moved this motion.

Government members come into this place after an election win and they are awash with the glow of having been elected. But, after four years of being in government, it would have been better if they could have come into this place knowing that they were elected on a platform that was honest. The government came into office on the promise of fully funded, fully costed; no forced amalgamations; electricity prices at or about the rate of inflation; and MAX light rail. The government said a whole raft of things to get elected, and it is now running away from that. That is not good. It actually makes all of us look bad. People say that politicians cannot be trusted. It is not only members opposite who will come out of this process poorly —

Mr S.K. L'Estrange: You come from a platform of incompetence!

Mr D.J. KELLY: Who was that from? Was that from the restaurateur? No. Sorry. It was from the member for Churchlands.

Mr S.K. L'Estrange: The restaurateur is not a union hack who managed to solidify his position!

The ACTING SPEAKER (Ms J.M. Freeman): Member! The member for Bassendean has the call.

Mr D.J. KELLY: Members opposite get called for being dishonest, and what they do is attack the person.

Mr S.K. L'Estrange interjected.

The ACTING SPEAKER: Member for Churchlands, one more time and I will call you.

Mr D.J. KELLY: That is absolutely typical.

MR R.S. LOVE (Moore) [6.44 pm]: Tonight I rise to make a contribution to the motion put forward by the opposition. I have listened with some intent to the discussion that has taken place. It disappoints me, as always, to hear my area of the state—a regional area—held up as being somewhat of a basket case and in need of forced reform, whereas the metropolitan area is not, at least according to members of the opposition. I draw attention to the metropolitan local government review that was conducted in 2012. I think that has been mentioned by members of the opposition already. That review highlighted a number of councils in the metropolitan area that face serious long-term sustainability issues. The councils of Cottesloe, Kalamunda and Peppermint Grove were ranked as being highly at risk and unsustainable. Bayswater, Bassendean—the member for Bassendean has just

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left the chamber—Claremont, Fremantle, Kwinana, Mundaring, Nedlands and Swan were ranked as being marginal.

Mr P.B. Watson: What about Peppermint Grove?

Mr R.S. LOVE: I have already mentioned Peppermint Grove as being highly at risk and unsustainable. Cambridge, Mosman Park, Rockingham, Serpentine–Jarrahdale, South Perth, Victoria Park and Vincent were ranked as being vulnerable local governments.

Local government itself knows and understands that its long-term sustainability is an issue. As a former local government president, I attended the session at the City of Stirling at which most of the local governments in this state, with the notable exception of the Shire of Dalwallinu, voted to accept the systemic sustainability study, known as the SSS, which highlighted that there are strong and deep-seated sustainability issues in local government that need to be corrected. There is also a history of uncertainty, with Western Australian now being one of the few states not to have had some type of local government reform. The member for Bassendean talked earlier about the difficulty in getting people to enter local government, because who would want to be a local government employee or local government planner given the uncertainty that exists in this state. This is not new. This has been going on for many years now, and it needs to be brought to a conclusion.

The government is engaged in a reform process that is aimed at the metropolitan area alone. That process is being undertaken without, at the moment, any legislative change. Therefore, to characterise this process as being deceitful is a bit far-fetched. It is being carried out under the Local Government Act, which has been in place since 1995, albeit with a few corrections along the way. So, all in all, what is being put forward and what is being done is being carried out under the normal local government procedures that have been set forth over many years. It is being done by taking a holistic look at the city of Perth, which is a new approach. It is not being done by making any change to the legislation.

Ms L.L. Baker: When you say that it is not a deceitful process, are you telling me that you went into the election and did not tell people that you would not force amalgamations? That is the point that needs to be made. Whether you call it deceitful or a change of position, I do not mind, but, on the one hand, you said this, and, on the other hand, things are a bit different.

Mr R.S. LOVE: All I have ever said is that there will be no local government forced amalgamations in regional areas, which is the area that I represent and have at heart. We all play a part in what happens in the city, as the member knows. But as a group, our party is most concerned about regional areas, and we will not accept forced amalgamations in regional Western Australia.

Ms L.L. Baker: I don't blame you!

Mr R.S. LOVE: But, having said that, we accept and understand that there are serious sustainability problems for local governments in country Western Australia, and we want to work very actively towards hearing those problems and helping those local governments to overcome those problems.

Ms L.L. Baker: I think you would agree with us on that point then, because that is our position too.

Mr R.S. LOVE: I do not know. I have heard some of the opposition members in this place talk about the need for forced amalgamations in country areas, and that disappoints me greatly.

Ms L.L. Baker: That is certainly not my position.

Mr R.S. LOVE: It is certainly not my view either.

Local government in country areas needs to find a path that makes it economically sustainable, ensures that it can attract a workforce into the future and provides varied services right across the state. Local government may be somewhat homogenous in the metropolitan area but its requirements and the demands placed upon it by its constituents are very different in country areas. They are not the same across the country; they vary according to the region and the needs of the population.

Our party would like to work with other members of the government to ensure that innovative models are put in place to achieve economic sustainability and that ability to provide service. To that end, at some stage in this Parliament we would like to introduce subsidiary legislation to help local governments find methods whereby they can come together and share the services that need to be provided in a more sustainable fashion.

I am also aware that the Western Australian Local Government Association has introduced a country reform policy forum, which looks at different models, including the subsidiary model I just spoke about, regional centre models and other regional models that may work hand in hand with local government to provide a wider range of services across a greater area at less cost but without losing local identity, which is very important to everybody in country areas. I understand that that forum will report back at some stage this year. It will then look at

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approaching members of Parliament and asking for their assistance on sustainable local government reform in the regions. I think it is very important that we do not fall for the easy temptation of doing what has been done in other areas and saying, “Here’s a line on the map; let’s do that”, and thinking that will make a sustainable local government. It will not. Reform comes from the bottom up. The people at the coalface who understand their communities, understand the cost pressures that face them and understand where the natural alliances and natural synergies lie within the region are best placed to come up with the models and the final boundaries. We do not need to get too antsy pantsy about dissolving local governments; we can let them become comfortable working with each other and in time they may come to the conclusion that they would rather come together as one formal local government. Trying to force the issue will only end in tears all round.

I believe that the process that needs to be followed in country areas is different from the process that needs to be followed in the metropolitan area.

Mr D.A. Templeman: It makes a lot of sense.

Mr R.S. LOVE: Yes, it makes a lot of sense. It is different from the metropolitan area because metropolitan issues are different from country issues, and probably much easier to solve.

Mr D.A. Templeman: We in the regions know all about that.

Mr R.S. LOVE: Mandurah is in a regional area. I accept the member’s point.

I do not really think that I can agree with the opposition’s characterisation of the reform process as a deceitful process. It certainly remains to be seen whether it has caused confusion because the proof of the pudding will be in the eating. We are not at the point at which we are ready to eat the pudding. We need to let the process sort itself out and let the proposed reforms come to fruition. When that happens, we will be able to see whether it was a successful process and we can then pass judgement. The time is not yet here.

MR A.J. SIMPSON (Darling Range — Minister for Local Government) [6.54 pm]: In the short time that I have—I do not think I will get a chance to finish my comments—I will start by thanking members for their input on the debate into the local government reform process. As I said during question time yesterday and today, this process of reform started with the Western Australian Local Government Association’s “Systemic Sustainability Study: In Your Hands: Shaping the future of Local Government in Western Australia: Final Report” into local government. That was a very interesting report. I think it stated that 83 local governments were not financially sustainable into the future, even in 2006. That led to a summit in 2007. We came into government in 2008 and tried to bring this to a head. History has paved the way for this process over the past five years.

When I came into this job in March last year, one thing that the sector clearly said to me is that it had been through a fair bit of pain in this whole process and it needed to make a decision about how it would move forward with this reform agenda. On my desk after coming into the job was the Robson report. Submissions on local government proposals closed on 5 April last year. We collated all that information. There were two proposals in the Robson report: either nine metropolitan councils or pairing up around the metropolitan area. I took the opportunity to meet with all the local governments in zone meetings throughout March and April last year. Those meetings were basically a chance for me to be introduced, but we also spoke about how we were going to unfold this. I said that I was happy to work with local governments and if they could come up with a proposal, I was happy to find a way through it. In July last year, we brought all the local governments to the City of Cockburn and asked them to come up with some proposals. There were some maps to look at. I said that if they wanted to put a proposal to the Local Government Advisory Board, they were more than welcome to, but I made it very clear that if they did not put in a proposal, I reserved the right to put one in for them. On 13 March this year, we closed off round 5 of the public submission process. We had five rounds of proposals so we could work out the best model for local government.

The important thing for us to note is that 75 per cent of the 1.4 million people in Western Australia live in the metropolitan area. The state is growing at eight or nine per cent a year. It is estimated that over the next 10 to 12 years, half a million people will be coming to Perth and the state. The boundaries that are in place have not moved over the past 100 years. The ones in the western suburbs all have a river frontage as they used to use the river to get their stores delivered to dwellings and communities before they became road boards and then morphed into councils.

It is important that we identify that reform has to happen. For example, there are seven local governments along Stirling Highway, while up and down the coast there are 12 councils and about 15 councils around the river. Local governments are trying to deal with issues such as coastal development and river walls. I think everyone would agree that local government has to look at this process and hopefully reform. We kicked off the reform process in July last year, asking local governments for proposals. As I said, the boundary adjustments should have come as no surprise to them as I told them I would put in some proposals. At the last round of proposals,

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Mr Fran Logan; Mr David Templeman; Acting Speaker; Mr Bill Johnston; Mr Dave Kelly; Mr Shane Love; Mr Tony Simpson

eight local governments opted to have boundary adjustments as well as some amalgamations. In fact, Kalamunda put in for an amalgamation but also resubmitted for a boundary adjustment after the proposals came out. I understand the issue around the boundary adjustment. Members need to understand that as we move forward as a new identity, if one identity stays operating and the other one is dissolved, it makes it a lot easier to work with because the local government is already set up and we can give it money to spend as part of the process of reform. It can work through that process for about three months. If the local implementation committees work well, we will have a situation in which council B has been dissolved and it would move all its motions prior to 1 July. It will pass its budget and do all the work it has to do for the next three months. Only a very small number of motions will have to be moved on behalf of council B, and they can work together.

I take on board a couple of issues that members spoke about. The member for Bassendean mentioned the local implementation committees. I recognise that in working through this process, we did a fair bit of work around the Queensland model. That is where we got the idea of the local implementation committees, trying to work out how local governments can best work together. The fact is that those LICs have no power so we are relying on people to sit around and have a conversation to try to resolve a number of issues. One of the reasons they may not be so keen to come together is that the LICs have no power but also the actual order from the advisory board is not signed off by the government so it is not set in concrete. There is an opportunity there, but it may change. That is one of the areas that we need to address as we move down this road.

There are now 36 proposals with the Local Government Advisory Board. The government has put in only 12 proposals. There is quite a bit of detail there. I understand that a few more proposals have been submitted over the past few weeks.

Debate adjourned, pursuant to standing orders.

House adjourned at 7.00 pm
