

LOCAL GOVERNMENT — AMALGAMATIONS

Motion

MR D.A. TEMPLEMAN (Mandurah) [5.49 pm]: I move —

That this house condemns the Barnett government for creating chaos and confusion amongst local governments with its shambolic and dysfunctional council amalgamation process.

We hoped to get to this motion a little earlier, but that has not been the case. A number of speakers on this side of the house would like to make a contribution. I put on record a very brief overview of the reform program of the Barnett government from the perspective of the opposition and, I believe, many in the local government sector.

In 2008, when the Carpenter government was defeated, the Barnett–Grylls government came into being. In 2009, the then Minister for Local Government made an announcement. In many respects, comments made in Exmouth ignited debate because the then minister lamented that local government was overburdened by numbers and that, generally, there were too many inefficient and unsustainable councils and that the government’s reform would reduce the number of councils. That triggered, of course, a range of comments, and some people who had been involved in local government for some time asked the minister some pertinent and appropriate questions, including: Upon what did the minister base his synopsis of the need for fewer than 100 councils, as stated by the former minister? What research was it based on? What economic analysis was it based on? What did the former minister use as models and research to confirm that bigger was better and that bigger would provide higher quality services to local communities and better value in the dollar? Pertinent questions were also asked about how it would affect rates, which is probably the primary concern of many ratepayers. Essentially, many ratepayers look at their rate notice, which generally comes out in August, and how much it has gone up since the previous year and what that means for their household budgets and local government services. Many ratepayers are very, very pleased with the services provided by their local government authority, and they have been for some time. Indeed, in growth councils in Western Australia, particularly in the metropolitan area, as well as in the regional parts of Western Australia, including the City of Mandurah, ratepayers generally understand that if more services are to be provided, the local government has to find the dollars to deliver those services. When these questions were asked of the former minister, all we got was, “We’ve got to have reform. We have 130-plus councils. There are too many; we’ve got to have fewer.” The opposition’s contribution to the debate since 2008, and certainly when it was in government, acknowledged that we are all interested in reforming local government, but the reform has to be based on an evidence-based analysis of why there should be reform in the manner in which it is proposed. None of those questions has been answered by either the former minister or the current minister, the member for Darling Range.

Of course, after a very constipated process from 2008 to 2013, the minister said that he wanted local councils to do a sustainability analysis and tell the government why they are sustainable. Councils across Western Australia spent money—some of them spent hundreds of thousands of dollars—to do what the government said. They went through that process and showed why they are sustainable and provided a snapshot of what they are and where they want to be. The former minister struggled with some of those things. Of course, towards the end of the Barnett government’s first term, it commissioned the Robson report, which was to be a major fundamental report into what the metropolitan councils should look like. Remember, in the lead-up to the election of 2013, there had been this unhappy marriage between the National Party and the Liberals on the issue of forced amalgamations. Throughout all of this, the Liberal Party had said very clearly that it was not going to force amalgamations, and the National Party of course said that it was not going to allow forced amalgamations. In fact, the member for Central Wheatbelt highlighted as much in one part of her propaganda.

We then had the interesting experience in Armadale in February this year—the night of the long knives—when the now Minister for Local Government, who was probably not even envisaging that he might be a minister, let alone the Minister for Local Government, told the truth at a business breakfast, which was also attended by the member for Armadale. He actually said that the Liberal Party will force amalgamations. He told the truth. What happened? Within 24 hours, he was told, “Tony, mate, what have you said? We’ve got an election coming up. We don’t want to upset the local government sector. You’ve said the wrong thing. Yes, we want to force it, but, no, we don’t want to tell them.” Within 24 hours, the member for Darling Range issued a press release saying, “I made an error. I should not have said it. I want to stipulate very clearly that the Liberal Party will not force amalgamations. It is a promise.” The election came and the minister, who was there on the night of the long knives, became the Minister for Local Government.

Dr A.D. Buti: The morning of the long knives.

Mr D.A. TEMPLEMAN: It was the morning of the long knives. What did we find? Suddenly, a promise was made about amalgamations. The Premier said in this place on numerous occasions, and he even told his councils

in Cottesloe, Mosman Park and Peppermint Grove in his newsletter in January this year, that it was not the government's intention to force amalgamations. What have we seen since? The Robson report came out. The minister has to be very careful with the line that he is using; he is overusing it. He has used it at a couple of public events. The minister has been using the old line, "I have been the minister for only a few months." The minister is very much like Dickie Knee. A rod is being held here. It is not the minister who is directing this local government reform. It is very much the Premier. This is the Premier's baby. The gestation period of this baby is five and a half years. It is one of the longest gestation periods in history.

Mr F.M. Logan: And what will it look like when it is born?

Mr D.A. TEMPLEMAN: Let us not get into that!

Dr A.D. Buti: Member, do you remember when the Premier said in his speeches that Peppermint Grove would not need to be amalgamated?

Mr D.A. TEMPLEMAN: Of course.

The Robson report then came out, and the new minister said, "This report has lobbed on my desk, and I am eating it; I am regurgitating it and I am looking at it". The minister invited comment on the Robson report. Then in August this year, we saw the first of the famous maps. There have been a few maps around. That map proposed 14 new council entities. The minister's comment then was, "We ain't going to force amalgamations, but you councils will in your submissions make sure that you comply; and, for those councils that do comply, we will give you \$200 000." Only four councils complied. The councils said, "Right, mate; we cannot be bought off!" Out of the 19 original submissions, four councils complied, and 15 did not. Fifteen councils thumbed their nose at the minister. The minister said also, "When you make your submissions, I am going to accept only little tweaks. Don't go and put a big half of Vincent in there. No! That is not a wee tweak, lads! That is a big tweak!" The minister was like Captain Pugwash. So the councils said, "We don't believe you, minister." That is because—this is one of the fundamental points—the local government authorities know their communities the best, because they have people who work in those local communities. So they looked at the maps, and they said, "Sorry, minister, we do not agree with that. Here is what we think are some more appropriate proposals."

Throughout this process, many local governments have said to the minister that they are prepared to work with the government provided there is a level playing field. One of my biggest criticisms of the minister, and particularly of the Premier, is that there has not been a level playing field. It is like playing a game of soccer on a moving field. The minister keeps moving the goalposts. The minister keeps saying, "I have changed my mind now, and I will whack them over in that corner." It is like watching a game of junior footy. The players are all running around and doing what the minister has told them to do, and the minister then moves the goalposts, so they zap off over there, in good faith, and the minister then plucks out the goalposts again and whacks them somewhere else. Constantly, the minister is changing the goalposts, and constantly the level playing field is not being delivered.

What does this mean? It means that the minister is betraying the trust of the very people whom the minister is relying upon to get his reforms through. Like in a Jerry Lewis movie, the government is smacking them across the face. It is constantly slapping them around and saying, "No! No! That is not what I wanted. You have to do it differently." It is unbelievable! That is what the minister does now. Every time we have people trusting the process, the government consistently takes away good faith bargaining by changing the boundaries and the goalposts.

Some of the questions the minister has not answered and consistently avoids are questions like: Where is the evidence? Where is the research? I turn now to the comments of eminent people who have looked at other states and territories, the reform processes of other governments and at whether the proposal to create bigger councils has resulted in better services, sustainability and service delivery and more effective and efficient local government. Where is the evidence? Let us look at some examples. University of Western Australia economists James Fogarty and Amin Mugeru have said that the evidence does not generally support the view that amalgamations provide substantial cost savings. Their research uses a range of models and measures to look at councils and the effectiveness of service delivery. It shows that in other states of Australia amalgamations have not delivered substantial cost savings. For example, in Victoria most of the savings resulted from competitive tendering and not amalgamations. Their report in the *Australian Economic Review* also states —

In terms of the amalgamation debate, policies that encourage consolidation only make economic sense if larger councils tend to be more efficient than smaller councils ...

It is interesting to look at what happened in Queensland. The cost of wide-scale amalgamations there, ultimately borne by the ratepayers, was astronomical. The minister has not been able to show those costs in this place today, because he fudged it in his little interview on the radio, and he has fudged it a few times today—

Mr P. Abetz: I thought he did well.

Mr D.A. TEMPLEMAN: He did! The minister has not been able to give a guarantee that a ratepayer in any effective amalgamated council will not have a substantial rate increase. That is a question people want answered. They want to know.

Mr P. Abetz interjected.

Mr D.A. TEMPLEMAN: Member for Southern River, do not start with the old Pontius Pilate defence: let me wipe my hands of this; it is not my doing; it is the fault and responsibility of local government. Do not try that argument because it is not going to wash. The government cannot say, “We are going to have this wonderful process. We know why it is best and, by the way, if there is any rate increase we will blame the local government. It is local government’s fault; that is why rates went up. It was not the process that the government fuddled about with and fudged totally.” Do not try that one, sunshine, because if you do, you will be slapped down like a patsy in a Jerry Lewis movie!

We know that the Barnett state government is in this situation after five and a half years because it has simply created a muddled, uncertain and vulnerable environment. It now has to try to save face, because the process has been costly. At this stage the true cost is not known, but the total reform process will be in the millions, and that does not include the cost local governments will have to pay.

We know that the state government should fund it in totality. If it is its basket case, it should take responsibility for its basket case and pay for the basket! At the moment, whenever the Minister for Local Government is cornered in the media, he uses little throwaway lines. I understand from *The West Australian* that his latest throwaway line relates to a two-year rate freeze in Victoria. The minister said, “We might consider that.” That is apparently what the minister told a reporter from *The West Australian*. Each time, the minister invents this process. The problem is that the process has been so muddled, fuddled and —

Mr M.H. Taylor interjected.

Mr D.A. TEMPLEMAN: There is a word I could use but it is unparliamentary! As a result, there has been no sense. Of course what has happened is local government has been forced almost to second-guess what the minister or the Premier will say next. Then we find that the minister has been to meetings with local government and said, “I’ve only been in this for a few months. It’s all right. We’ve been in a few months working through this. Yes, I can understand what you’re doing—yeah, yes and yep. We’ll do this. I understand that. I’ll take that on board.” They go away from the meeting having heard the minister, and then the map comes out and they go, “What the? Was I at the same meeting with this guy? He indicated that the map that we were talking about is a great idea, it has great things—sustainability, economic viability, and a good number of ratepayers. You’ve got all of these aspects. That’s looking good.” They all go away saying, “Gee, he’s a good bloke that one. I love him; I think he’s great.” The next minute the maps are released. Of course the maps were released by mistake last week, on 4 November, “Oh dear, wrong maps!” The Serpentine–Jarrahdale shire got last week’s map and went, “Whoo hoo, they listened to us! After all of this campaigning to save Serpentine–Jarrahdale, they listened to us.” They saw the maps that were released last week and thought, “That’s great. I think he has listened!” But the minister said, “Sorry, they’re the wrong maps!” The maps that came out yesterday were different maps. There was a bit left off or a line was not there. We have seen a fuddled process all through this. Now we are no clearer.

We also know now that a very important parliamentary and statutory body, the Local Government Advisory Board, will be expanded by two members at the discretion of the minister. That raises a range of questions—we will get to that when the bill is debated next week or the week after—about the weighting of the Local Government Advisory Board. There will be a question about whether the government is simply stacking the board so it will comply with the government’s demand, which is contained in the maps that were released yesterday.

We know that the minister has also shelved the proposed Dadour poll provision amendments. That is because the Liberal party room has said, “Wait a second, there’s a few problems with that.” The Minister for Local Government has said in this place, and so has the Premier, that the Dadour amendments are undemocratic. Some members in the Liberal party room do not agree with that at all, because they know that will cause them real problems when they go and tell their community, “Sorry, there is a process in the Local Government Act that allows the community to have a say in its future.” The government is going to take that away from the community. The minister has told this place that he has not jettisoned that idea yet; he has just parked it for a little while. It will be very interesting to see what happens because I suspect that if the minister does not get his way or does not get what he wants—more importantly, if the Premier does not get what he wants—we will see measures introduced like the amendments to the Dadour provisions used as one way of silencing any local community concern. Indeed, we will see community involvement in the process of determining the identity of local government, what its future may look like and how it oversees where people live.

The biggest and most important criticism, as I said, is the trust. There has been an abuse of trust and goodwill throughout this process, but particularly in the past year. We heard the lie before the election that the government

will not force amalgamations. Since then, all this process has been geared towards forcing amalgamations on councils. The fact is that the minister did not answer questions and has continued to not answer questions about very important aspects of the amalgamations, including the fact that any reform affects people and their families and people who work for councils, from the higher management level through the whole organisation to the librarians, the people who look after the parks and gardens, the people who carry out the maintenance and the people who do a range of important work in local government. As the member for Warnbro highlighted to me very well earlier this week, they will go to another Christmas with uncertainty about where this ship that the minister is on—Captain Pugwash—is going and who is steering it. We will not go into who is Master Bates! Who is steering this ship? We know who is steering it. It is not the minister; it is the Premier. The unfortunate thing for the minister is that the Premier gives the minister the wheel to steer but every now and then he wrenches it away from him and turns it in another direction, makes a few comments and leaves him to pick up the dust. We know, for example, that South Perth and Victoria Park are both active and willing participants in reform but they have one sticking point, and it is a valid one. It is the Burswood peninsula. We know that one of the criteria for determining appropriate boundaries for local governments is natural boundaries. What is the most natural boundary in the Perth metropolitan area? It is the Swan and Canning River system. What has the minister done? The Premier wants to pluck a few icons and put them into the City of Perth. He goes out there and says he will whack the area set aside for the proposed stadium into this new City of Perth because most capital cities have those sorts of major icons in them.

Ms M.M. Quirk: Tear down the existing ones and then put up a few more.

Mr D.A. TEMPLEMAN: Absolutely. There is no logical argument for that. The government will disregard the major criteria, which is communities of interest and natural boundaries, and because the Premier likes the idea of putting the stadium in there, he will.

The Premier asked what the opposition's approach to this is. I want to put on the record, as I did at a Local Government Managers Australia meeting and at the Western Australian Local Government Association's convention in August—it is very simple—that the opposition is not opposed to reform in local government. The member for Bunbury knows that I am not opposed to local government reform. I want to be absolutely engaged in the process. Any reform has to be based upon a level playing field and be evidence based. If the government had presented us with compelling evidence about why reform had to be based on a whole range of criteria and given numbers et cetera, it would be very hard to argue against that. My statement is that the government does not have the compelling evidence. The second point is that any reform will affect people and in this case they are the people and families involved in local government as employees and who work and live locally. They have invested a lot of their lives in their local communities. They must be considered in terms of employment certainty and equity; that is paramount to the whole argument. That includes the issue of compensation because there will be losers in this process. This Christmas they might be employed in their local government but next Christmas they might not be. When we reduce numbers, it is likely there will be job losses.

The third point is that the local government sector has a vast wealth of experience and talent and we do not want to see that talent lost to the sector. How can the government ensure that does not happen when it is proposing wide-scale change? The fourth point is funding. The government should not fund only those who kneel down and take what the government is doing to them. It should fund the councils that have a legitimate say in this process, and that is all of them. The fifth point is that the government must make sure the community is part of this debate and engage it. Therefore, the government should not propose things that will disenfranchise the community such as deleting Dadour poll provisions.

The final point is trust. If the Minister for Local Government and the Premier had engaged in this process in good faith and sustained that trust, the government would not be in the situation it is in today whereby a range of people in the sector do not trust what the minister or the Premier say because it sometimes changes over 24 hours. The Premier has abdicated that trust. The Premier cannot promise one thing before an election and say something else after the election, "We're still going to have reform, and if we have to force you, we will." That is not what the Premier promised and it is certainly not what the people of Western Australia were promised before the state election. I say this: the opposition will look at these maps and these proposals and will continue to engage, as a number of its members are doing within their own communities.

Finally, I have a warning for the National Party, what I call the haggard sort of rump of this government. Before the first lot of maps came out in August, the National Party thought a deal had been done with the Premier. When the Leader of the National Party was going into a cabinet meeting he said, "We've done a deal. We'll support the process in the metropolitan area as long as you don't touch the regional areas of Western Australia." The next day the Premier said, "There's no deal." Who do we believe? Once again, the trust has been abdicated. The National Party, odd bedfellows as they may be, must be very careful because I can tell them now, their councils are in the government's sights. It will start at greater Bunbury, as the Premier has made very clear, and

it will look at my area of Peel. I am prepared to talk about amalgamations in my area. I will not close the door on that, but because the Premier has abused the community's trust; it is in really rough, treacherous waters now. His ship is rudderless and is sinking, and this motion highlights that the Premier has lost his way with the local government reform process.

MR F.M. LOGAN (Cockburn) [6.23 pm]: I support the motion before the house.

Mr R.H. Cook: Will you become the member for Kwniburn?

Mr F.M. LOGAN: I might become the member for Jervoise Bay if the minister has his way.

I rise to speak in support of the motion before the house tonight and ask the rhetorical question: what is the aim of the local government process? If we listen to the Premier and the Minister for Local Government, and the former Minister for Local Government, the member for Bunbury, who is in the house tonight, we will hear that it is about efficiency, sustainability and financial viability and all those factors leading to a controlled or lower rate base for ratepayers across the metropolitan area of Western Australia. If that is true, why has the minister, on the current map that has been released, chopped the City of Cockburn into three councils? Each of the factors I have just read out—efficiency, sustainability, financial viability and a controlled rate base—has been the hallmark of the operations of Cockburn city council. The minister knows that himself; he has been there many times. The release of the current maps that are before the metropolitan councils and the effective carve-up of Cockburn city council provide a clear example that the aim of the local government reform process, which the minister continues to quote regularly in the house and the Premier alludes to regularly in the house and publicly, is just not true. If it was true, the minister would not have chopped Cockburn into pieces, because it meets the entire criteria that the minister set for the whole purpose of the local government reform.

What is the aim of the local government reform? As we on this side of the house know and as backbenchers on the other side of the house know—ministers know but they will not say anything about it because they are in cabinet—the real aim of the local government reform process is an idea of the Premier to reshape local government across Western Australia and firstly in the metropolitan region. It is the Premier's idea and it is an idea that he has had for many, many a long year. He believes that there are too many local governments in metropolitan Perth, that they are inefficient and that they are not particularly good at what they do, so he says, "I'm going to change this." This is a personal crusade of the Premier. It is the same type of personal crusade that we were all talking about last night in the debate on the merger of Verve Energy and Synergy. The Premier agreed with me that the objective of his personal crusade was the merger of Verve and Synergy. Today here in the house he agreed with me that it was his own personal crusade to use the merged Verve and Synergy as a tool for future state development. It is therefore the choice of the Premier to do this. It is not based on sound economic reasoning. If it was, that information would have been before the house at any time over the last five years.

Mr P. Papalia: And they would tell you exactly what it was going to cost or save you.

Mr F.M. LOGAN: Correct. As the member for Warnbro indicated to the house, the government would have been able to highlight to the house and to members of the general public the savings and efficiencies that would be made as a result of this reform process. We have never heard anything, not a brass razoo, on how much will be saved by this entire reform process.

How did the reform process start? The member for Mandurah has given us a good historical overview. It started back in 2009. Obviously—the member for Bunbury can interject on me any time he likes about this—an enthused and vigorous Premier of Western Australia would have said to the then new local government minister, the current member for Bunbury, "Right, now you go out and you get this done, John. You go out there and if they don't like it up 'em, you just tell 'em there'll be a forced amalgamation." The member for Bunbury would have said, "Righto, sir, yes I will." Up to Exmouth goes a new local government minister—the member for Bunbury can interject any time he likes!

Mr D.A. Templeman: It has a very military flavour!

Mr F.M. LOGAN: It has a very military flavour!

So up he goes to Exmouth, and I blame the member for Bunbury for the way in which the reform process was started. Despite the Premier giving him that vigorous lecture about what needed to be done in the local government reform process, I think the delivery had a bit of a problem. The way in which he delivered the message to that local government conference in Exmouth really kicked off the whole process on the wrong foot. Telling local governments they would be amalgamated unless they get their act together and threatening to use legislation to do so was probably not the way to go about the reform process. However, I understand that the member for Bunbury was given that instruction by the Premier and off he went. From that point in time, as the member for Mandurah has indicated, there have been numerous and torturous processes to convince councils to

either voluntarily amalgamate or come up with their own suggestions on how they will help the local government reform process. That torturous process has involved numerous submissions from local governments on numerous occasions, various investigations, a whole series of consultations—sometimes individually and sometimes between ministers and conferences—and a significant cost to not only the taxpayers of Western Australia because of the process that the government has followed over the past five years, but also ratepayers. For example, the cost to the City of Cockburn just to go through this process over the past five years is well in excess of \$200 000. Look what it got at the end of it: it got annihilated. The city was asked to go through this whole series of tortuous involvement with the Local Government Advisory Board, the Department of Local Government and Communities and various ministerial bodies, and look what happened to it at the end of the process.

Towards the end of the first term of the Barnett government, the former minister, the current member for Bunbury, went through another cathartic approach to try to kickstart the local government reform process and brought in the former University of Western Australia vice chancellor Alan Robson to do another review. The Robson review, as the minister well knows, came down with a recommendation to leave the City of Cockburn exactly as it is at the moment—that is, to leave the boundaries where they currently lie—because the City of Cockburn meets all the criteria that the government was officially talking about that would be a hallmark of the reform. It is financially viable, it has a growing rate base, it is efficient in the delivery of its services and it is a sustainable council. Therefore, the Robson report, in looking at all the metropolitan councils, stated that Cockburn is big enough, viable enough and sustainable enough to remain as it is and it recommended the boundaries remain as they are and for the council to go forward. Of course, then came the lead-up to the election, as the member for Mandurah said, and the Premier, under pressure because the current minister indicated when he was a backbencher that there would be forced amalgamations, denied that and said before the election that there would be no forced amalgamations. Of course, as we know, immediately after the election the Premier broke that election pledge—a situation very similar to the Verve–Synergy merger that we talked about all last night—and moved to forced amalgamations.

The reason that we are not dealing with forced amalgamations at present and with legislation that would force amalgamations is that it would require the removal of the Dadour provision and, as the member for Mandurah indicated, that removal of the Dadour provision was violently opposed by a significant number of Liberal Party backbenchers. The Premier was going to be rolled, and he knew about it. So, despite the current minister and the Premier coming in here and saying that the Dadour provisions are undemocratic, when it came to the crunch, the Premier changed his mind about pulling on a forced amalgamation through legislative change by getting rid of the Dadour provisions. He basically backtracked and walked away from that in front of the television cameras at the front of Parliament House on the way into his own Liberal Party meeting because he knew he was going to be rolled.

Mr P. Papalia: He couldn't get it through his own party room.

Mr F.M. LOGAN: He could not get it through his own party room.

What are we faced with now? Because that forced amalgamation is not viable at present, the minister has gone around that process and undertaken boundary changes, which he can do by way of regulation. Members should bear in mind that the Robson report indicated that the City of Cockburn should remain as it is and that both the previous minister and the current minister have had submissions and delegations from Cockburn City Council. There had been no indication that the city's viability was to be completely destroyed and that, as a council, it would disappear altogether. Only last week a map came out and we saw the complete eradication of the City of Cockburn, despite, as I said, the City of Cockburn currently meeting all the criteria of the reform process and the Robson report—I do not know what the cost of that report to the taxpayers of Western Australia came to—the government's own report into local government reform, saying the City of Cockburn should remain as an excellent council.

What do we end up with? These are the impacts of the break-up, minister, on the Cockburn council. Effectively, Cockburn will lose 41 per cent of its ratepayers to other councils and 60 per cent of its rate base. That will lead to approximately a 15 per cent increase in rates under the new Kwinana–Cockburn region. That is a figure that the mayor put to the general public today via a radio interview. Those figures will be clarified for given to the minister with an economic substantiality of those figures. Cash reserves of over \$70 million—as I have indicated to Parliament, it is a financially viable and debt-free council—will be disbursed across three other councils, one council that is running an operating deficit and another that is carrying a significant debt. That is what is going to happen to the cash reserves. There will be a break-up of a carefully built up portfolio of assets worth hundreds of millions of dollars. The City of Cockburn, as the minister knows, has over the years built up a very substantial asset base worth hundreds of millions of dollars, and that will be broken up and given to other councils and ratepayers who have never contributed to those assets, and Cockburn ratepayers who find themselves in new councils will not even be able to access those assets because they will belong to another council, despite having

paid for them over the years. That is a result of what the minister is doing in the breakup of the City of Cockburn. He is ripping apart a carefully built portfolio of assets and distributing them amongst other councils, and handing them over to ratepayers who have never paid for them, while some of those who have paid for them will never be able to access them because they will no longer be in that council area. There will also be the cancellation of key infrastructure projects, such as the Dockers training ground in Cockburn Central, because that will not be achievable under the new Cockburn–Kwinana council. It will just not be financially viable.

The minister was questioned today during question time about the meeting he had on Monday with the mayor of Cockburn and a delegation, about these impacts on the City of Cockburn. He indicated to the delegation that he had no control over this and that there was no point in launching a campaign against it because many other factors are at play and other people involved. The minister went further and indicated that the carve-up of Cockburn was a political decision of the Premier and some Liberal Party members, but the minister subsequently indicated to the chamber that that was not true. In response to a question without notice from the member for Mandurah this afternoon about whether the minister had made such comments to the Mayor of Cockburn, the minister said no, he had not. I would like to know exactly what comments the minister made to that delegation, because they have a different view about what was said at that meeting. For the purposes of truthfulness before this house, I think it behoves the minister to get exactly correct what he stated at that meeting, because in his comments to the house today he indicated that on no occasion did he say that he did not have control over the process or that other factors are at play in the break-up of the City of Cockburn. He said, no, that did not occur.

This could come to statutory declarations, so I think it behoves the minister to put on the record exactly what was and was not said, because this is a significantly emotional issue for the mayor and councillors of the City of Cockburn. They have a completely different recollection of what was said at that meeting than the minister has, and they will be saying that publicly. I would like to know why the minister thinks it is acceptable to breach all the aims of the local government reform process by destroying a financially viable and sustainable council that is effectively a model of local government reform and that won national sustainability awards only last year.

MR R.H. COOK (Kwinana — Deputy Leader of the Opposition) [6.44 pm]: I will make some brief comments on this issue. To some extent we should thank the Barnett government for providing some future masters student in public policy with the best case of how not to do public policy in Western Australia. This has been a shambolic, chaotic, dishonest process from day one. Today it reached its zenith in that we have seen a minister of the Crown get up and, essentially, call one of our mayors a liar by saying that Mayor Logan Howlett was not telling the truth when he said—as he has on at least three very public occasions now, including once at a speech last night and twice on radio—that this minister said to him, “The reason Cockburn is being carved up is because this is a political process. We have done a job on the City of Cockburn and, as a result of that, the City of Cockburn will be broken up into three separate areas.”

We know that the genesis of this is the thought bubble from the Premier, who suddenly found himself in office, picked up the transcript from *The Black Swan*, turned to the chapter on local government reform, and said, “Ah, that’s right! We were going to amalgamate local governments. We have all these local governments in the midwest and down in the great southern; they’re small, they’re unviable and we need to amalgamate them. We need to make sure we’re continuing to get that critical mass in these local government authorities, some of which are pitifully small, and that may well drive some efficiency and reform in the area.” So, the Premier then went about doing it. He sent his Minister for Local Government off to go about the process, not based upon any study or evidence, but simply based upon his public announcement—his gut feel; this, his most recent thought bubble—but of course there was a problem. From day one the local government reform process hit an iceberg called the National Party. So the Premier thought, “Well, what do I do now? The most blatant, obvious cases that are sitting in front of us for local government reform are now off the table. I can’t touch any of the country ones, so I guess we’re just going to have to go into some sort of process of undertaking local government reform in the city.” The Premier knows full well that plenty of local government authorities in the city are conducting themselves in a very sustainable and businesslike way and providing good community services to the people in their communities. He knew from day one that he would have a problem with this reform package.

He sent the councils out and said, “Give me your submissions; tell me what you are going to do.” The councils spent literally millions—tens of millions of dollars—in good faith, trying to talk about their councils and what they saw as their future. They went about in good faith and negotiated with councils next door to them. They believed the member for Darling Range when he said that buckets of money would be available for the process. They believed the Premier when, at the last election, he said there will be no forced amalgamations, and went about the process in good faith. Now we have the Minister for Local Government saying, “By the way, trust us. Without a skerrick of evidence to justify this process, without a single study or a business case, rates will go down. Believe me when I say rates will go down.” No-one believes the minister; no-one trusts anyone on the minister’s side of this place. They do not trust the minister because his government lied to them at the last election, and lied to them in the area of local government reform. The minister lied to them in this area and said

there would be buckets of money, and once again we see the minister slipping and sliding around the issues when he says rates will go down. We know rates will not go down because we know that the minister has absolutely no basis for making that claim.

The full shambolic horror of this process is writ large in Kwinana. This community does not want an amalgamation. This local council has spent many hundreds of thousands of dollars undertaking studies. To a man and a woman, the council believes it should be allowed to maintain itself as an independent local government authority. It spent ratepayers' funds on these submissions and surveying the community. It has spent many hours discussing with other local government authorities how they might go about this process, should it happen. Now we see this vicious and ugly process. This is the magic, I guess, in the Premier's eyes, of this process. Local authorities are conspiring against each other to fight for their very existence. The other day we saw this rather unholy alliance between the local authorities of Kwinana, Melville and Fremantle celebrating over what must be a very disheartening process at Cockburn, because we have now seen this last-minute, contrived, politically motivated and ugly process of carving up the local government of Cockburn. Of course, it is extraordinary that it is the City of Cockburn—the council within the south west area whose books are probably in the best nick—that will get it in the neck as a result of this process.

Mr F.M. Logan: There will be the national sustainability awards at the City of Cockburn next Monday, and it will be chopped up. Will you be attending?

Mr A.J. Simpson: I have not been invited.

Mr R.H. COOK: Perhaps the minister will present the awards! I thank the member for Cockburn for the interjection, because it underscores the point here. The City of Cockburn is being treated like a fattened calf ready for the feast of what is essentially a reform process that the Premier has undertaken without a skerrick of evidence to back up why it is possibly a good thing, and for what we now know is a fundamentally politically motivated process. Logan Howlett let the cat out of the bag when he was one of the few mayors who had the guts to say to the media and the public what the minister has been doing all along. The member for Mandurah provided quite a good illustration of what the minister has been doing. He has been saying to one council, "This is not about you. You're all right." When another council comes to him, he says, "Don't worry; we'll get this other mob. You're okay; we can look after you." Another council comes to him and he says, "If you work with this council, we can get these other buggers that I have just told are okay."

Mr F.M. Logan: Divide and rule!

Mr R.H. COOK: It is a case of divide and rule. The Premier must be laughing at the moment. The Premier has been breaking election promise after election promise. He is has lost the state's AAA credit rating. He has shown that the Liberal Party will stop at nothing to get re-elected and that its members lied constantly in the lead-up to the election and have broken promises ever since. What does the Premier want most of all? He wants a little theatre of councils fighting amongst themselves for their very existence, not in the name of local government reform but in a nasty, bloody, political process whereby councils have been set against each other. In this case, the City of Cockburn, which is perhaps the most sustainable and most financially secure council in the south western metropolitan district, is the council that will ultimately be sacrificed in this process.

We all know what local government reform means. It means telling the Shire of Murchison that because it has about 100 ratepayers and a grader and a roadhouse in its entire area, perhaps it is not sustainable. We all know what local government reform means. It means looking at those local councils in the wheatbelt and telling them that perhaps they need to look at more sustainable business models for their councils. We know what local government reform means. It means a careful analysis of what it requires for a council to provide its community services sustainably so that it is not constantly underwritten by government grants and so forth. This is not local government reform. This is about sheer, bloody-minded political will. This is not about local reform. If it was about local government reform, it would have started with a business study and a body of evidence; it would have started with the country. It would not have started in this ad hoc, shambolic, chaotic, dishonest way, which will now end up with this Frankenstein of different local authorities in the south west metropolitan area.

Forty per cent of the City of Cockburn will be thrown into the pool with the City of Kwinana. That means that approximately 35 000 people who will be left in that Cockburn area will go into the same area as Kwinana and just over 30 000 people will go from Kwinana into the rump of the City of Cockburn. Even by the government's own rhetoric on local government reform, which we now know is of dubious value in its reliability, the City of Kwinana and that part of Cockburn will not meet that sustainable target. The government's own policy is a lie in that respect. The government is saying that a council has to have about 100 000 people to be sustainable and this is its model to achieve this, and here is this bastard child of the process, which is the rest of the City of Cockburn and the City of Kwinana. It does not resemble anything that the government has described as local government reform.

Mr F.M. Logan: And what was it before? It was a sustainable, award-winning council.

Mr R.H. COOK: It was a sustainable council before and now it is a basket case. Logan Howlett was right. He is the one who let the cat out of the bag. This is not about reform; this is about politics. This is not about reform; this is about a Premier who wants to get his way. This is not about a reform package that the Premier has in mind; this is simply a thought bubble that began with some honourable thoughts about how to make things work better in the bush and transferring that in a limited and stuffed-up way to the city. Now we are left with this absolute mess. To rub salt into the wound, the minister is now saying that Logan Howlett is wrong, so therefore Logan Howlett must be a liar when Mr Howlett reported that the minister told him, “This is a political process, Logan; you’re on a hiding to nothing. Don’t worry about reform. This is not about reform; this is about politics.” The minister has the gall to say that this will somehow save ratepayers some money. He has no evidence to back that up. This is really just about a government that will do and say anything today and will do and say the exact opposite tomorrow and will continue to limp along in this sad and pathetic process that it calls local government reform.

Mr F.M. Logan: I think all members of the house need to watch that new clip from *Downfall*, the movie about Hitler, that deals with local government reform. It has Tony Simpson and the Premier in it and it explains everything you would ever want to know about local government reform.

Mr R.H. COOK: The member for Cockburn is referring to a YouTube clip that places a potential transcript of a discussion between the Premier and his cabinet over a scene from *Downfall*. It is very good watching and very funny. I am happy to send the link to any member —

Mr A.J. Simpson interjected.

Ms S.F. McGurk: I don’t think it’s complimentary, minister.

Mr R.H. COOK: It is not complimentary, but it is very funny.

Unfortunately, time will get the better of us in this debate, but the minister need not worry; he will get the opportunity to respond on this issue, because this process will be brought up in this place again. We will not let the government get away with this pathetic process that it describes as reform. We will not let the government get away with simply carving up the City of Cockburn, one of the most financially secure, sustainable and well-managed city councils, simply because it meets the Premier’s political quick fix today. He will probably have a different solution tomorrow anyway, so perhaps we should not sweat it either. The minister should not sweat it, because he will have lots of opportunity to discuss this issue. We will remind this government again and again that it cannot be trusted. This hopeless, shambolic, chaotic local government reform process will be like a stinking fish that we will continue to wave in its face time and again.

Debate adjourned, on motion by **Mr J.H.D. Day**.