

LOCAL GOVERNMENT — AMALGAMATIONS — FUNDING

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

I refer to the state budget, which has allocated a paltry amount to this government's forced amalgamation agenda.

- (1) Why is the minister making ratepayers pay for this agenda when they still have no clear justification of its benefits?
- (2) What will the minister do if councils refuse to be involved with his unfunded amalgamation process?

Mr A.J. SIMPSON replied:

I thank the member for Mandurah for the question.

- (1)–(2) The interesting part here is that when I came into this job as Minister for Local Government last year, the sector clearly said to me, “We need to make a decision about this reform process. It’s been going on way too long.” For the past 12 months we have all been through a process with maps at a series of meetings to come out with a model for local government for that to happen. We have moved to the next section of the reform process, as the member is very much aware. The point where we are at today is that I do not know actually how many local governments I will have in July. I am waiting for the Local Government Advisory Board report to come out. I can estimate somewhere between 14 and 15 or maybe 16. That is one of the areas I have to work on to get there.

Secondly, the costing for this process has to be worked through with the local governments, as they are doing some work in their local implementation committees with the matrix and the toolkit on the full cost of reform.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah!

Mr A.J. SIMPSON: The question is obvious, Mr Speaker. We are putting in a \$60 million package over three years for the reform process.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah!

Mr A.J. SIMPSON: The reform package has a raft of grants and low-interest loans as well to help in this process. More importantly, however, the cost of doing nothing is a bigger cost than what we are doing today.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah, I call you to order for the second time.

Mr A.J. SIMPSON: I am awaiting the Local Government Advisory Board's report. I am confident we can work through that and come up with some really good costs. We will work on how we can best deliver services to our ratepayers. I have a report on my desk from the Western Australian Local Government Association that says local government reform will cost somewhere between \$60 million and \$100 million. I asked whether it is \$60 million or \$100 million. The reality is there is \$60 million in the budget over three years. Based on its own modelling, that is what is required to deliver the reform process. We are in the process of working out how we can deliver those services and ensure, more importantly, that our ratepayers receive better services for their rates.