

LOCAL GOVERNMENT — AMALGAMATIONS

183. Mr M.P. MURRAY to the Minister for Local Government:

Thank you, Mr Speaker, for allowing me to speak.

I refer to the failed and expensive local government amalgamation program.

- (1) What has been the cost to date of the Metropolitan Local Government Review Panel, chaired by Professor Alan Robson, including the recently released draft report?
- (2) What is the estimated cost to local governments of preparing submissions for the review panel?
- (3) Will the minister categorically rule out forced amalgamations of local government authorities?
- (4) Can the minister reassure local government authorities in the regions that he will not force any of them to amalgamate, including ruling out legislation to force amalgamation of shires by withholding funding?

Mr G.M. CASTRILLI replied:

- (1)–(4) I thought that the member for Perth, who is also against any local government reform—that is another thing he is against—would be asking this question. I will tell members what I found in local government when I became minister in February 2009. Sixty-one local governments were unsustainable and 48 local governments required structural reform in one form or another to meet the future needs of their communities. I also found that only 30 local governments in Western Australia were sustainable. That is what I found. I will tell members what else I found.

Several members interjected.

The SPEAKER: Thank you, members!

Mr G.M. CASTRILLI: I found 36 per cent —

Several members interjected.

The SPEAKER: I think the member for Collie–Preston is genuinely interested in the question he has asked and expects to get an answer, and I am sure the interjections are not helping him in that process. Members on both sides might like to be a little quieter at this stage.

Mr G.M. CASTRILLI: I also found that 36 per cent of local governments had limited or no strategic plan in place—that is, 36 per cent. Eighty-one per cent had limited or no planning for asset maintenance or renewal. Seventy-seven per cent of local governments had limited or no financial management planning. Eighty-two per cent had limited or no financial planning to identify asset maintenance and the renewal gaps. There are 30 local government areas in Western Australia that have been suffering population decline for the last two census periods, and it will continue. Some local governments spend up to 80 per cent of their rate incomes on unsustainable governance—that is, 80 per cent of their income on governance. That is what I found.

Mr D.A. Templeman: But what have you done?

Mr G.M. CASTRILLI: I will tell you what —

Mr D.A. Templeman interjected.

The SPEAKER: I am glad you are with us, member for Mandurah. I was starting to wonder for a while! I welcome you to this place always and I formally call you to order for the first time today.

Mr G.M. CASTRILLI: It was a very good question: what have I done? I will tell members what I have done. Two local governments have merged; 10 local governments are in regional transition groups; 23 local governments are involved in regional collaborative groups that have now been identified; and 24 local governments want to merge but have been blocked from merging. I have mandated 10-year strategic plans so that local governments actually talk to their communities and find out what the visions and aspirations are for their communities. I have instituted capacity building, which is just as important a part of local government as structural reform. Seventy local governments in Western Australia have received financial assistance from me to prepare their strategic and asset management plans, and 63 local governments have received assistance for their long-term financial planning and integrated report planning. There have been partly funded master classes in which over 400 participants have been helped out by Local Government Managers Australia and the Western Australian Local Government Association. This all comes when I sense very strongly that the majority of members on the opposition side of the house want local government reform, but they have not had the courage to do local government reform. They want me to do local government reform because it saves them from doing it. I know that, and the opposition can sit there and pontificate as much as it likes, but I am telling opposition members that the majority of them want local government reform and they have not had the courage to —

Several members interjected.

The SPEAKER: Above the hubbub, member for Mandurah, you soared. I formally call you to order for the second time today.

Mr G.M. CASTRILLI: In 2006 a report showed that despite the parlous state local government was in, the former Labor government did nothing about it—absolutely nothing! I am attempting to do something about it. And I tell members what, the draft findings of Metropolitan Local Government Review Panel were released last Friday and it found essentially that—besides Perth having some illogical boundaries—having 30 local governments in Perth was ridiculous. The far-reaching conclusion was that reform was absolutely necessary. It is as simple as that. That conclusion is out for public review. This is about Perth only, member for Collie–Preston; it is not about regional Western Australia.