Challenges & Choices

LGAQ
112th Annual Conference
1-4 September 2008

The 112th Annual Conference is offset by renewable energy

PROCEEDINGS
Local Government Association of Queensland Inc
112th Annual Conference

Hosted by Cairns Regional Council

Held at the Cairns Convention Centre,
Cnr Wharf and Sheridan Streets, Cairns

Commenced at 8.30am
Tuesday 2 September 2008

With the Official Opening by

The Hon Warren Pitt MP
Minister for Main Roads and Local Government
Sunday, 31 August 2008
12.00pm to 4.00pm Registration
Delegates, Observers and Partners
Cairns Convention Centre
Cnr Wharf and Sheridan Streets, Cairns

Monday, 1 September 2008
8.30am to 1.00pm Executive Meeting

8.00am to 6.00pm Registration
Delegates, Observers and Partners
Cairns Convention Centre,
Cnr Wharf and Sheridan Streets, Cairns

1.00pm - 1.30pm Executive Lunch with LGMA State Council

2.00pm - 3.30pm Regional Road Groups Assembly

4.00pm - 4.30pm Annual Conference Briefing for first time conference attendees

4.00pm - 4.30pm Trade and Sponsor Briefing

5.30pm - 7.00pm Welcoming Ceremony
“Pirates of the Coral Sea”
Cairns Esplanade
Dress: (This is an outdoor function -Smart Casual, flat shoes and a jacket - could be cool!)

Hosted by King & Company

5.30pm Welcome to Country
Mr Seith Fourmile
Gimuy Walubara Yidinji

5.35pm Welcome to Cairns
Cr Val Schier
Mayor
Cairns Regional Council

5.45pm Response
Cr Paul Bell AM
President
LGAQ and ALGA

5.50pm Sponsors Address
Mr Tim Fynes-Clinton
Managing Partner
King & Company

7.00pm Program concludes
FREE EVENING
Tuesday, 2 September 2008

8.00am  Registration
Cairns Convention Centre
Cnr Wharf and Sheridan Streets, Cairns

8.30am  Call to Order by President

8.45am  Official Opening
Hon Warren Pitt MP
Minister for Main Roads and Local Government

9.30am  Presidential Address
Cr Paul Bell AM
President
LGAQ and ALGA

10.00am  Keynote Address: “Providing Best Value in Local Government”
Professor Gerry Stoker
Politics and Governance
University of Southampton, UK

10.45am  Debate

11.45am  Address: “Making Mergers Work - Creating New Cultures”
Mr James Strong AO
Chairman of the Board of Directors of Woolworths
Chairman of Insurance Australia Group
Chairman of Rip Curl International
Chairman of the Australia Council for the Arts
Director of Qantas Airways

12.15pm  Lunch
Hosted by Telstra Countrywide

1.30pm  Debate

1.50pm  Address: “Creating New Brands for New Councils”
Mr Tim Pethick
Entrepreneur and Brand Guru

2.30pm  Address: “LNP New Focus”
Mr Lawrence Springborg MP
Leader of the Opposition

3.00pm  Debate

4.00pm  Address: “Life’s Great Challenges - Karni’s Story”
Ms Karni Liddell

4.45pm  Adjournment

6.30pm for 7.00pm  Gala Dinner - Fred Moule Pavilion
Hosted by Hastings Deering
(Dress: Coat and tie)
Long Service Certificate Presentations

11.30pm  Program concludes
Wednesday, 3 September 2008

8.40am  Conference Resumes - Housekeeping

8.45am  Address: “Opposition Perspective”
        Mr Howard Hobbs MP
        Shadow Minister for Main Roads and Local Government

9.15am  Address: “LG Infrastructure Services Update”
        Mr David Jay OAM
        Chairman
        LG Infrastructure Services

9.45am  Debate

10.15am Address: “Public Private Partnerships and their Benefits”
        Mr Bill Taylor
        Managing Director
        Urban Vision Partnership Limited

11.00am Premier’s Address:
        Hon Anna Bligh MP
        Premier of Queensland

11.35am LGAQ Vice Presidential Election Procedures

11.40am Address: “Remuneration Tribunal”
        Mr Adrian Bloomfield
        Chairman
        Remuneration Tribunal

12.00pm Lunch
        Hosted by Ergon Energy/Neumann Petroleum

1.15pm  Conference Resumes

1.30pm  Presentations by Candidates for Vice Presidential Elections

2.00pm  Address: “What Local Government should be doing about Climate Change, Carbon Accounting and Trading”
        Mr Luke Palmerlee
        Vice President
        Investment Banking, JP Morgan.

2.30pm  Debate

3.30pm  Address: “State Planning and Infrastructure Update”
        Hon Paul Lucas MP
        Deputy Premier
        Minister for Infrastructure and Planning

4.00pm  Address: “Q150 Celebrations”
        Professor Peter Coaldrake
        Executive Chair, Queensland’s 150th Celebrations Advisory Committee
Vice Chancellor, Queensland University of Technology

4.15pm Address: “Healthy Lifestyle”
Dr Toby Ford

5.00pm Debate

5.15pm Adjournment

7.00pm Cane Cutters Ball
Cairns Convention Centre
Cnr Wharf and Sheridan Streets, Cairns
Hosted by Jardine Lloyd Thompson
(Smart Casual Dress or dress as a Cane Cutter)

11.30pm Program Concludes

Thursday, 4 September 2008

9.00am Vice Presidential Voting

10.30am Local Government Act Review Forum
Presentations and Discussion

12.00pm Consideration of:
(a) Executive Report
(b) President’s Annual Address
(c) Hon Treasurer’s Report

12.30pm Address: Fearless Flight into the Future
Mr Glen and Ms Heather Singleman

1.05pm Closing Ceremony

1.15pm Lunch
Hosted by Powerlink
POLICY MOTIONS

NO. 1

POLICY STATEMENT REVIEW
MOVER: Cr G Lehmann (Somerset) SECONDER: Cr P Tully (Ipswich)

“That the existing Local Government Association of Queensland Policy Statement be amended with the following changes as drafted.”

2.1 LEGISLATIVE FRAMEWORK

2.1.1 Local Government Act

That the Local Government Association of Queensland Policy Statement, 2.1.1 Local Government Act, be amended by the insertion of a new policy statement on the reinstatement of the body corporate status of Local Government to read as follows:

2.1.1.3 The legal status of Local Government in Queensland should be that of a body corporate to provide the necessary protection to councillors and officers in the performance of their roles and responsibilities and secure the status of local governments in dealing with other spheres of government and the private sector.

2.2 INTER-GOVERNMENTAL RELATIONS

That the Local Government Association of Queensland Policy Statement, 2.2.1, Constitutional Recognition be amended by the insertion of a new policy statement on the consultation with Local Government about the introduction of new or amended State legislation to read as follows:

2.2.1.3 The State Government should comply with the spirit and intent of Chapter 7 Part 3 of the Constitution of Queensland Act 2001 namely “arrange for a summary of the Bill to be given to a body representing local governments in the State a reasonable time before the Bill is introduced in the Legislative Assembly”.

112th Annual Conference - Challenges & Choices - LGAQ
2.2 INTER-GOVERNMENTAL RELATIONS

That the Local Government Association of Queensland Policy Statement, 2.2.10, Delegation and Devolution be amended by the insertion of a new policy statement calling on the State and Federal Governments to comply with the Inter-governmental Agreement to read as follows:

2.2.10.1 The State Government should actively attempt to comply with the spirit and intent of the Inter-governmental Agreement on Cost Shifting signed in April 2006 by the Commonwealth, States and Local Government.

5.1.6 CLIMATE CHANGE

That the Local Government Association of Queensland Policy Statement be amended by the deletion of existing policy statement 5.1.6 Climate Change and the insertion of a new policy statement acknowledging the need for a leadership role by local government in partnership with other spheres of government in efforts to both mitigate and adapt to the impacts of climate change to read as follows:

5.1.6.1 Local Government is committed to providing a leadership role to assist local and regional communities, including industry, to understand and address the impacts of climate change.

5.1.6.2 Local Government is committed to working in partnership with all spheres of government, industry and community to develop and implement effective climate change strategies focusing on mitigation and adaptation.

5.1.6.3 Local Government is committed to utilising current and reputable scientific information, robust risk assessment methodologies and community engagement when developing mitigation and adaptation strategies, establishing priorities and the allocation of resources.

5.1.6.4 Local Government requires access to appropriate support from the State and Federal Governments to assist it in responding to climate change.

5.2.6 REGIONAL NATURAL RESOURCES MANAGEMENT

That the Local Government Association of Queensland Policy Statement 5.2.6 Natural Resources Management (NRM) be amended by the deletion of existing policy statement 5.2.6.5 and inserting a new statement removing references to former federal programs i.e. Natural Heritage Trust and National Action Plan to read as follows:

5.2.6.5 Local Government supports the current system of regional NRM bodies with some specific improvements, including stronger links to other regional planning processes such as the Regional Planning Advisory Committee (RPAC) model included in the Integrated Planning Act 1997 where it exists.
6.1.1 PLANNING AND DEVELOPMENT

That the Local Government Association of Queensland Policy Statement 6.1.1 Planning and Development be amended by the deletion of existing policy statement 6.1.1.3 and replacing it with a new statement inserting reference to electronic business systems to improve planning processes to read as follows:

6.1.1.3 Local Government is committed to investing in electronic business and other technological opportunities that will improve planning processes to meet requirements under the Integrated Planning Act (IPA) and improve community understanding and accessibility to planning information.

6.1.1 PLANNING AND DEVELOPMENT

That the Local Government Association of Queensland Policy Statement 6.1.1 Planning and Development be amended by the insertion of new statements in relation to planning panels, collection and monitoring of planning system performance statistics and system interoperability standards to read as follows:

6.1.1.5 Local Government does not support the mandatory introduction of externally appointed development assessment panels to determine development approvals. Decision making for development applications must remain with Local Government.

6.1.1.6 Local Government supports Option A of the Development Assessment Forum Leading Practice Model in which local government may delegate development approval determination powers, for example, to council officers and internally appointed panels, while retaining the ability to call-in any application for determination by council.

6.1.1.7 Local Government supports the collection of planning statistics as a tool to assist in the monitoring of the performance of the development assessment system. Collection and monitoring needs to be collaborative across all sectors involved in the planning system.

6.1.1.8 Local Government recognises and supports the introduction, incorporation and ongoing management of the Council of Australian Governments (COAG) endorsed electronic Development Assessment Interoperability Specification (eDAIS) as a means for achieving a consistent and agreed foundation for the electronic exchange of development assessment transactions and information.

6.1.2 PLANNING LEGISLATION

That the Local Government Association of Queensland Policy Statement 6.1.2 Planning Legislation be amended by the insertion of a new statement in relation to the reform of planning legislation to read as follows:

6.1.2.4 Local Government supports legislation for planning reform that facilitates an efficient and effective planning system (including the goal of facilitating electronic transactions), provided that such reforms are consistent with other Local Government planning policies.
6.1.9 INFRASTRUCTURE PLANNING

That the Local Government Association of Queensland Policy Statement 6.1.9 Infrastructure Planning be amended by deleting current policy statement 6.1.9.3 and replacing it with a new statement plus the insertion of new statements in relation to the agency responsible for overseeing the development of infrastructure charges, the escalation factor for infrastructure charges and cost shifting to the community to read as follows:

6.1.9.3 The Department of Infrastructure and Planning should be responsible for a comprehensive and co-ordinated program by all State agencies in supplying information to councils to enable them to effectively formulate and amend infrastructure plans.

6.1.9.4 Local Government does not support the capping of increases in infrastructure charges by the Consumer Price Index (CPI) as it does not reflect the true cost of infrastructure related goods and services. Increases should be not less than the LGAQ Council Cost Index (CCI).

6.1.9.5 Local Government supports infrastructure charging mechanisms for new development that do not shift the cost burden onto councils and the community.

8.1 ROADS

That the Local Government Association of Queensland Policy Statement, 8.1.3 Road Planning and Delivery, be amended by the insertion of a new policy statement supporting the expansion of the Road Management and Investment Alliance as follows:

8.1.3.6 Local Government is prepared to consider the expansion of the scope of the Road Management and Investment Alliance to incorporate new models of road stewardship and delivery provided the new arrangements do not diminish the voluntary, financial, and institutional and partnership bases of the Alliance.

8.2 PUBLIC TRANSPORT

That the Local Government Association of Queensland Policy Statement, 8.2.1, Access and Availability, be amended by the insertion of a new policy statement proposing a multi-modal approach to integrating land use planning and transport planning to read as follows:

8.2.1.3 In planning for land use and transport integration the Federal Government, State Government and Local Government should adopt a collaborative multi-modal approach which minimises the impact on the environment and energy consumption, supports accessibility and encourages the use of alternative means of transport.
8.6 INFRASTRUCTURE (NEW)

That the Local Government Association of Queensland Policy Statement be amended by the insertion of a new policy statement 8.6.1 Resource and Mineral Extraction about the need for a co-ordinated approach between governments and the private sector in identifying and addressing the infrastructure needs arising from mineral and gas exploration and extraction to read as follows:

8.6.1 Resource and Mineral Extraction

8.6.1.1 Local Government seeks to work in collaboration with the State and the Federal Government and private sector bodies in identifying and addressing the infrastructure needs of local and regional communities required to support mineral and gas exploration and extraction and the environmental and social impacts that arise.

CARRIED
“A” MOTIONS

Association Matters

NO.1 EXECUTIVE

RECEPTION OF PRESIDENT’S ANNUAL ADDRESS
MOVER: Cr W Devlin (Etheridge) SECONDER: Cr G Able (Logan)

The President’s Annual Address will be read on Tuesday morning 2 September 2008 and needs to be formally received prior to consideration later in the Conference.

“That the President’s Annual Address for 2007-2008 be received.”

CARRIED

NO.1A EXECUTIVE

ADOPTION OF PRESIDENT’S ANNUAL ADDRESS
MOVER: Cr N Zabel (Somerset) SECONDER: Cr S Lee (Goondiwindi)

The President’s Annual Address remains before the Conference during proceedings and is considered on Thursday 4 September 2008.

“That the President’s Annual Address for 2007-2008 be adopted.”

CARRIED

NO.2 EXECUTIVE

RECEPTION OF THE 112TH ANNUAL REPORT BY THE EXECUTIVE
MOVER: Cr B Abbot (Sunshine Coast) SECONDER: Cr M de Wit (Brisbane)

The Annual Report of the Executive needs to be formally received prior to consideration later in the Conference.

“That the Annual Report of the Executive for 2007-2008 be received.”

CARRIED
NO.2A EXECUTIVE
ADOPTION OF THE EXECUTIVE REPORT
MOVER: Cr J Sheppard (Paroo) SECONDER: Cr P Gregory (Cairns)

The Executive's Annual Report remains before the Conference during proceedings and is considered on Thursday 4 September 2008.


CARRIED

NO.3 EXECUTIVE
RECEPTION OF THE ANNUAL FINANCIAL STATEMENTS
MOVER: Cr B McNamara (Flinders) SECONDER: Cr M de Wit (Brisbane)

The draft Financial Statements need to be formally received prior to consideration later in the Conference.

“That the draft Financial Statements for the year ended 31 May 2008 and Auditor’s Report be received.”

CARRIED

NO.3A EXECUTIVE
ADOPTION OF THE ANNUAL FINANCIAL STATEMENTS
MOVER: Cr G Lehmann (Somerset) SECONDER: Cr B McNamara (Flinders)

The Annual Financial Statements remain before the Conference during proceedings and are considered on Thursday 4 September 2008.

“That the draft Annual Financial Statements for the year ended 31 May 2008 be accepted and that LGAQ distribute to all members the final signed Annual Financial Statements and Auditor’s Report as soon as completed.”

CARRIED

NO.4 EXECUTIVE
ASSOCIATION RULES - ALTERATION - CONDUCT OF SPECIAL CONFERENCES
MOVER: Cr B Abbot (Sunshine Coast) SECONDER: Cr M de Wit (Brisbane)

“That existing Rules 17 and 23 of the Local Government Association of Queensland Constitution and Rules be deleted and replaced with the following:

-Special Conferences-

17. (a) The Executive Director must convene other meetings of the Members called Special Conferences:-
   (i) whenever the Executive considers it desirable or necessary so to do; or
(ii) whenever at least one third of the total number of Members makes a request in that regard.

(b) The Executive must fix the place and date of a Special Conference.

(c) The Executive Director may, in his/her discretion, require the use of postal voting for a Special Conference.

(d) Notwithstanding Rules 15 and 18, if the Executive Director requires the use of postal voting for a Special Conference, delegates of Members will not be required to personally attend that Special Conference.

- Special Conferences & Postal Voting -

17A.1 Should the Executive Director require postal voting at a Special Conference, pursuant to Rule 17(c), the Executive Director must advise delegates, in writing, of his/her decision in the notice of conference required under Rule 24(a)(ii);

17A.2 (a) Where this Rule 17A applies, a member votes by completing and returning a voting paper, signed by the Member’s Mayor or Chief Executive Officer.

(b) The Executive Director must send out voting papers setting out:
   (i) The resolution/resolutions upon which the vote is to be taken; and
   (ii) The time and date by which the duly completed voting paper must be received by the Executive Director, and stating that any voting paper not received by the Executive Director by the specified time and date will be invalid and of no effect.

(c) The voting paper must be in a form enabling members to state whether the member votes for or against the resolution.

(d) The member must (by its Mayor or Chief Executive Officer), in the manner specified on the voting paper, vote in favour of or against the resolution, and otherwise complete the voting paper and return it to the Executive Director by the specified date and time.

(e) Completed voting papers may be hand delivered to the Executive Director, but must otherwise be forwarded to the Executive Director by facsimile or registered post.

(f) A voting paper which is not actually received by the Executive Director by 5:00pm on the closing date must not be taken into account unless the Executive Director is satisfied, on the basis of records kept by the postal authority, that:
   (i) The voting paper was posted prior to the closing date; and
   (ii) The voting paper has not been delivered in the ordinary course of post; and
   (iii) The voting paper would have been received by the Executive Director by 5:00pm on the closing date if it had been delivered in the ordinary course of post.

(g) For avoidance of doubt, the voting entitlements of a member for a Special Conference convened by postal voting are as prescribed by Rule 19.

17A.3 After the closing date for receipt of postal votes, the Executive Director or a person nominated by the Executive Director must open and count the voting papers, in the presence of the Chairperson and one other member of the Executive.

-Quorum Of Conferences-

23.1 Business must not be transacted at a conference unless delegates representing a majority of the whole number of Members are present.

23.2 For a Special Conference convened by postal voting pursuant to Rules 17(c) and 17A, the Special Conference is deemed to be convened if votes representing a majority of Members have been
received and the business of the Special Conference is deemed to be concluded when all votes received have been counted and the Chairperson has declared the result/s of the count.

CARRIED

NO. 5

COMBINED MOTION
EXECUTIVE/HINCHINBROOK/NQLGA

ELECTIONS - RETAIN OR CHANGE THE DATE
MOVER: Cr R Clarke (Gold Coast)  
SECONDER: Cr M de Wit (Brisbane)

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government:

- Amend the Local Government Act to change the date of the Local Government quadrennial elections to a date in October to take effect from 2012.”

CARRIED

Governance

WITHDRAWN BY THE EXECUTIVE PRIOR TO CONFERENCE
EXECUTIVE

NO. 6

GUIDELINES FOR REIMBURSEMENT OF EXPENSES AND PROVISION OF FACILITIES FOR COUNCILLORS - TRANSFER OF RESPONSIBILITY TO LOCAL GOVERNMENT REMUNERATION TRIBUNAL

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government to transfer to the Local Government Remuneration Tribunal the responsibility for the development of the guidelines and approval of individual council policies for the reimbursement of expenses and provision of facilities for councillors.”

NO. 7

GUIDELINES FOR COUNCILS REIMBURSEMENT OF EXPENSES AND PROVISION OF FACILITIES FOR COUNCILLORS - AMENDMENT TO ALLOW FOR REIMBURSEMENT OF EXPENSES FOR SPOUSES AND/OR PARTNERS TO ACCOMPANY COUNCILLORS AT COUNCIL APPROVED BUSINESS FUNCTIONS

“That the Local Government Association of Queensland make representation to the State Government to amend the Guidelines for Councils Reimbursement of Expenses and Provision of Facilities for Councillors to allow for the reimbursement of expenses for spouses and/or partners to accompany councillors at council approved business functions.”

WITHDRAWN
NO. 8

GUIDELINES FOR COUNCILS REIMBURSEMENT OF EXPENSES AND PROVISION OF FACILITIES FOR COUNCILLORS - REVIEW TO MAKE THEM MORE MANAGEABLE

“That the Local Government Association of Queensland make representation to the State Government to review the Guidelines for the Councillors Reimbursement Policy with a view of making it more manageable for the council and councillors.”

WITHDRAWN

NO. 9

COUNCILLOR REMUNERATION - LOCAL GOVERNMENT REMUNERATION TRIBUNAL TO BE GIVEN POWER TO PROVIDE ALLOWANCES

MOVER:  Cr R Clarke (Gold Coast) SECONDER:  Cr R Dare (Diamantina)

“That the Local Government Association of Queensland make representations to the State Government to amend Section 250AK of the Local Government Act to enable the Local Government Remuneration Tribunal to provide for an allowance appropriate to the population size and area of each council so that councillors are not out of pocket in conducting their formal civic and ceremonial responsibilities.”

CARRIED

NO. 10

SALARY SACRIFICING FOR COUNCILLORS - MOTOR VEHICLES

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government, the Honourable Warren Pitt requesting that as part of the review of the Local Government Act that provision be made for Queensland Councillors to have the option to standard salary sacrifice options, including motor vehicles.”

WITHDRAWN

NO. 11

REGISTER OF INTERESTS - SPONSORED HOSPITALITY DISCLOSURE REQUIREMENTS TO BE AMENDED IN LINE WITH STATE PARLIAMENTARY REQUIREMENTS

MOVER:  Cr L Pyefinch (Bundaberg) SECONDER:  Cr A Ricciardi (Bundaberg)

“That the Local Government Association of Queensland lobby the Minister for Main Roads and Local Government, the Hon Warren Pitt MP requesting amendments to the Local Government Regulations 2005 that require the disclosure of sponsored hospitality received by a Councillor by including a value amount similar to the amount for gifts”.

CARRIED
COMBINED MOTION
FRASER COAST/HINCHINBROOK/NQLGA

NO. 12
LOCAL GOVERNMENT ELECTIONS - COUNCILS TO HAVE OPTION TO CONDUCT ELECTION IN-HOUSE
MOVER: Cr L Harris (Fraser Coast) SECONDER: Cr B Abbot (Sunshine Coast)

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government objecting to the Electoral Commission of Queensland conducting all future Local Government Elections on the grounds of high, unsustainable costs and lack of expertise; and calling on the Queensland Government to provide for local governments to have the option of conducting elections in-house.”

AMENDMENT
MOVER: Cr L Harris (Fraser Coast) SECONDER: Cr B Abbot (Sunshine Coast)

That the word “or by the Australian Electoral Commission” be added to the end of the motion. To read as follows:

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government objecting to the Electoral Commission of Queensland conducting all future Local Government Elections on the grounds of high, unsustainable costs and lack of expertise; and calling on the Queensland Government to provide for local governments to have the option of conducting elections in-house or by the Australian Electoral Commission.”

CARRIED

NO. 13
STATE ELECTIONS - REPEAL OF PROVISIONS REQUIRING COUNCILLORS TO RESIGN IF THEY STAND FOR STATE PARLIAMENT
MOVER: Cr D Hawes (Fraser Coast) SECONDER: Cr G Able (Logan)

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government requesting that the State Government repeal Section 224A of the Local Government Act 1993 which requires Local Government Councillors to resign from office if they nominate for election for State Parliament.”

CARRIED

NO. 14
EMPLOYMENT CONTRACTS FOR SENIOR STAFF - COUNCILS TO BE ADVISED OF TERMS AND CONDITIONS
MOVER: Cr G Chippendale (Moreton Bay) SECONDER: Cr G Able (Logan)

“That the Local Government Association of Queensland make representations to the Department of Local Government, Sport and Recreation to include in the new Local Government Act provisions requiring the Chief Executive Officer to report to Council in relation to the provisions of new and amendment to existing employment contracts for senior staff.”

CARRIED
NO. 15

LAND USE - INCLUSION OF OPERATIONAL USES IN COMMUNITY PURPOSE RESERVES
MOVER: Cr P Scott (Cook)  SECONDER: Cr A Wilson (Cook)

“That the Local Government Association of Queensland make representations to the State Government to either:

1. Include Local Government related operational uses in schedule 1 to the Land Act 1994; or

2. Fund local government to deal with native title, including possible compensation, and purchase of a parcel required by the local government for an operational purpose.”

CARRIED

NO. 16

MINING LEASE RENEWALS - AMENDMENT TO PROVIDE FOR PUBLIC NOTICE AND COMMENT
MOVER: Cr G Able (Logan)  SECONDER: Cr J Ross (Blackall-Tambo)

“That the Local Government Association of Queensland seek an amendment to Section 93 of the Mineral Resources Act 1989 requiring applications for renewal of a mining claim to be publicly notified or for comments to be sought from the relevant Local Government or the community prior to its determination.”

CARRIED

NO. 17

ADULT SHOPS - LEGISLATION TO CONTROL LOCATION
MOVER: Cr G Chippendale (Moreton Bay)  SECONDER: Cr M de Wit (Brisbane)

“That the Local Government Association of Queensland make representations to the Minister of Infrastructure and Planning to introduce regulations to restrict the establishment of ‘adult shops’ within 200m of educational establishments, kindergartens, crèches, churches or youth establishments, regardless of the zoning of the land.”

CARRIED
Finance and Administration

NO. 18

COMBINED MOTION
FRASER COAST/CHARTERS TOWERS/NQLGA

AMALGAMATION COSTS - ADDITIONAL STATE GOVERNMENT FUNDING
MOVER: Cr G Able (Logan)  SECONDER: Cr L Harris (Fraser Coast)

“That the Local Government Association of Queensland lobby the Queensland Government to recognise the high cost of the amalgamation process and provide additional financial support to enable the process to be completed in an efficient and timely manner.”

CARRIED

NO. 19

BUNDABERG

AMALGAMATION COSTS - TEMPLATE FOR SUBMISSIONS TO STATE GOVERNMENT
MOVER: Cr L Pyefinch (Bundaberg)  SECONDER: Cr R Dyne (Gympie)

“That the Local Government Association of Queensland make representation to the State Government to provide to the LGAQ a template and clear direction as to the acceptable costs that the State Government would be prepared to compensate local government as a result of the amalgamation process.”

CARRIED

NO. 20

FRASER COAST

FUNDING - PROGRAM FUNDING FORMULAE NOT TO DISADVANTAGE AMALGAMATED COUNCILS
MOVER: Cr L Harris (Fraser Coast)  SECONDER: Cr D Carter (South Burnett)

“That the Local Government Association of Queensland make representation to the State Government to ensure that amalgamated councils are not financially disadvantaged by funding formulae that do not adequately reflect the complexities of the new council areas.”

CARRIED

NO. 21

SOUTHERN DOWNS

FUNDING - STATE GOVERNMENT SUPPORT FOR COMMUNITY RUN HERITAGE LISTED FACILITIES
MOVER: Cr R Bellingham (Southern Downs)  SECONDER: Cr M McMurtrie (Southern Downs)

“That the Local Government Association of Queensland make representations to the State Government to review its funding support for heritage listed buildings so that where support has been provided towards restoration works and a not for profit/community organisation is operating and maintaining the facility for the benefit of the public, that recurrent funding be made available to assist operators in both maintaining the building and providing public access to the building.”

CARRIED
Environment and Health Services

NO. 22

TABLELANDS

FUNDING - STATE FINANCIAL SUPPORT FOR DEVOLVED LOCAL GOVERNMENT RESPONSIBILITIES
MOVER: Cr T Gilmore (Tablelands)  SECONDER: Cr G Able (Logan)

“That the Local Government Association of Queensland continue to make representations to other levels of government to ensure that additional responsibilities do not continue to be devolved to Local Government without appropriate financial compensation being provided to Local Government to undertake those additional responsibilities.”

CARRIED

NO. 23

IPSWICH

HAZARDOUS CHEMICALS - CESSATION OF DEVOLUTION OF RESPONSIBILITIES TO LOCAL GOVERNMENT
MOVER: Cr P Tully (Ipswich)  SECONDER: Cr G Able (Logan)

“That the Local Government Association of Queensland call on the State Government to cease the devolution of responsibility to councils in relation to hazardous chemical contamination and the public health risk they may pose.”

CARRIED

NO. 24

IPSWICH

ASBESTOS REMOVAL - INDEMNITY INSURANCE AND SECTION 14 AGREEMENT
MOVER: Cr P Tully (Ipswich)  SECONDER: Cr G Able (Logan)

“That the Local Government Association of Queensland make urgent representations to call on the State Government to:

1. Develop with local government an agreement under Section 14 of the Public Health Act outlining the responsibilities of both State and Local Government; and

2. Pay for indemnity insurance for all local governments in relation to the identification and removal of asbestos from non workplace settings as defined by the Section 14 agreement.”

CARRIED

NO. 25

IPSWICH

ANIMAL MANAGEMENT - COLLECTION OF HOUSEHOLD PET INFORMATION IN CENSUS 2011
MOVER: Cr P Tully (Ipswich)  SECONDER: Cr P Pisasale (Logan)

“That the Local Government Association of Queensland make representations to the Australian Bureau of Statistics (ABS) to collect statistical information about household pets in the next Census.”

CARRIED
WITHDRAWN BY BRISBANE CITY COUNCIL PRIOR TO CONFERENCE

NO. 26

PEST MANAGEMENT - REVIEW OF LAND PROTECTION ACT

“That the Local Government Association of Queensland make representations to the State Government to undertake a review of the Land Protection Act, in particular:

1. Review of timeframes related to Approval of Pest Survey Program (s.241) to reflect cyclical nature of invasive weed life-cycles and management.
2. Review of timeframes related to Notice of Proposed Pest Survey Program (s.242) to be more effective both in terms of costs and operationally.
3. Review of Pest Control Notices (s.78) to clearly define an immediate and ongoing action requirement.
4. Review of Releasing Declared Pests (s.42) to deal with unintentional releases where declared pests have escaped the property and created infestations elsewhere so that property owners are required to take more responsibility for any escaped pests.”

WITHDRAWN

NO. 27

PEST MANAGEMENT - ERADICATION OF CARP AND TILAPIA FROM QUEENSLAND WATERWAYS

MOVER: Cr G Able (Logan) SECONDER: Cr L Tyrell (Townsville)

“That the Local Government Association of Queensland make representations to write to the Minister for Sustainability, Climate Change and Innovation, the Honourable Andrew McNamara and the Minister for Natural Resources and Water, the Honourable Craig Wallace requesting that the State Government:

a) set up a task force to eradicate Carp and Tilapia from Queensland's waterways; and
b) fund local councils to implement such a scheme.”

CARRIED

NO. 28

POULTRY INDUSTRY - INVESTIGATION OF EFFECTS ON ENVIRONMENT

MOVER: Cr G Chippendale (Moreton Bay) SECONDER: Cr B Abbot (Sunshine Coast)

“That the Local Government Association of Queensland make representations to the Minister for Primary Industries and Fisheries, the Minister for Infrastructure and Planning and the Minister for Sustainability, Climate Change and Innovation to investigate the effects of extractor fans in poultry sheds on both the built and natural environments in South East Queensland.”

CARRIED
NO. 29

LOGAN

LPG - PROMOTION OF THE USE OF LIQUEFIED PETROLEUM GAS IN COUNCIL VEHICLES
MOVER: Cr G Able (Logan) SECONDER: Cr P Pisale (Ipswich)

“That the Local Government Association of Queensland encourage, support and promote the use of Liquefied Petroleum Gas (LPG) in council fleet vehicles and the wider community across Queensland.”

CARRIED

Planning and Development

NO. 30

MORETON BAY

PLANNING POWERS - COUNCILS TO RETAIN CURRENT POWERS AND RESPONSIBILITIES FOR DEVELOPMENT ASSESSMENT AND APPROVAL
MOVER: Cr G Chippendale (Moreton Bay) SECONDER: Cr M de Wit (Brisbane)

“That the Local Government Association of Queensland make representations to the Minister for Main Roads and Local Government and the Minister for Infrastructure and Planning to maintain the status quo with regard to development application assessment and determination.”

CARRIED

NO. 31

TABLELANDS

PLANNING SYSTEM - URGENT RELEASE OF STANDARD PLANNING SCHEME TEMPLATE
MOVER: Cr T Gilmore (Tablelands) SECONDER: Cr P Scott (Cook)

“That the Local Government Association of Queensland continue to make representations to the Department of Infrastructure and Planning to ensure that the Standard Planning Scheme Template is made available to local governments as soon as possible to allow amalgamated councils to proceed with the preparation of new planning schemes without delay.”

CARRIED

NO. 32

IPSWICH

PLANNING POWERS - CLARIFICATION OF POWERS TO RECOVER INFRASTRUCTURE CHARGES
MOVER: Cr P Tully (Ipswich) SECONDER: Cr G Lehmann (Somerset)

“That the Local Government Association of Queensland make representations to the State Government to amend the Integrated Planning Act 1997 to remove any doubt that at the date of payment the rate of infrastructure charges under an Infrastructure Charges Schedule apply equally to development approved before or after the adoption of the relevant infrastructure charges schedule.”

CARRIED
NO. 33

IPSWICH

PLANNING SYSTEM - DEFINITION OF “ABANDONED” USES UNDER INTEGRATED PLANNING ACT 1997
MOVER: Cr P Tully (Ipswich) SECONDER: Cr G Chipendale (Moreton Bay)

“That the Local Government Association of Queensland make representations to the State Government Department of Infrastructure and Planning to review and define the term ‘abandoned’ as it relates to the determination of a material change of use of premises pursuant to the Integrated Planning Act 1997 in order to create certainty about whether a use has been abandoned or not.”

CARRIED

NO. 34

ISAAC/CQLGA

MINING APPROVALS - ENVIRONMENT IMPACT STATEMENT TO ADEQUATELY ADDRESS SOCIAL IMPACTS
MOVER: Cr C Marshall (Isaac) SECONDER: Cr G Bethel (Isaac)

“That the Local Government Association of Queensland make representations to the State Government to include in the amendments to the Mineral Resources Act 1989 and Guidelines, provisions that require Environmental Impact Statements to adequately address the individual and cumulative social impacts that mining operations have on the amenity and social well being of communities adjacent to or within close proximity to mines.”

CARRIED

NO. 35

DALBY

PLANNING POWERS - URGENT CLARIFICATION OF CATTLE FEEDLOT SEPARATION DISTANCES
MOVER: Cr R Brown (Dalby) SECONDER: Cr C Hall (Dalby)

“That the Local Government Association of Queensland make urgent representations to the Department of Primary Industries in an endeavour to reach mutual understanding about the required separation distances of cattle feedlots from sensitive residential/rural residential areas.”

CARRIED
Community Development and Human Services

NO. 36 \hspace{1cm} TOOWOOMBA

GAMING MACHINES - REVIEW OF PROCEDURES FOR APPROVING THE LICENSING OF GAMING MACHINES
MOVER: Cr P Taylor (Toowoomba) \hspace{1cm} SECONDER: Cr A Ricciardi (Bundaberg)

“That the Local Government Association of Queensland make representations to the State Government to:

1. Review its procedures for considering applications for the licensing of gaming machines so that local governments have greater input into the decision-making process where it involves applications within the local government's area, and

2. Place a moratorium on the release of any additional gaming machines within the State.”

CARRIED

Road, Transport and Infrastructure

NO. 37 \hspace{1cm} LOGAN

WATER REFORM - POTENTIAL REVENUE LOSS TO QUEENSLAND COUNCILS AS A RESULT OF THE URBAN WATER REFORMS
MOVER: Cr G Able (Logan) \hspace{1cm} SECONDER: Cr G Chippendale (Moreton Bay)

“That the Local Government Association of Queensland compile and submit a report to the State Government on the potential revenue loss to Queensland councils over the five year period commencing 1 July 2010 as a result of the urban water reforms.”

CARRIED

NO. 38 \hspace{1cm} FRASER COAST

STORMWATER DRAINAGE – POWERS TO ENTER PROPERTY AND RECTIFY PROBLEMS
MOVER: Cr G Lehmann (Somerset) \hspace{1cm} SECONDER: Cr L Harris (Fraser Coast)

“That the Local Government Association of Queensland make representations to the State Government to amend section 956 of the Local Government Act 1993 to give local governments the power to issue a notice to the owner of premises to carry out works to rectify overland flow drainage where it is causing undue damage or nuisance to adjoining properties.”

LOST
“B” MOTIONS

Finance and Administration

NO. 39  CASSOWARY

FUNDING - INCREASE IN OVERALL PERCENTAGE OF FEDERAL TAX REVENUE TO LOCAL GOVERNMENT
MOVER: Cr B Shannon (Cassowary)  SECONDER: Cr T Gilmore (Tablelands)

“That the Local Government Association of Queensland make representations to the Federal Government seeking an increase in the current level of financial assistance provided by it to Local Government given the increasing financial pressures being placed on Local Government and the continuing decline in the overall percentage of tax revenue being allocated by the Federal Government as financial assistance to Local Government.”

CARRIED

NO. 40  COMBINED MOTION

DALBY/BURDEKIN/NQLGA

FUNDING - SHARING OF STATE ROYALTIES WITH LOCAL GOVERNMENT
MOVER: Cr R Brown (Dalby)  SECONDER: Cr C Hall (Dalby)

“That the Local Government Association of Queensland make representation to the Queensland State Government to request that a percentage of the royalties raised from the resource sector be returned to the communities where the resources originated from.”

CARRIED

NO. 41  COOK

RATING - REIMBURSEMENT FOR LOSS OF RATE REVENUE
MOVER: Cr P Scott (Cook)  SECONDER: Cr A Wilson (Cook)

“That the Local Government Association of Queensland make representations to the State Government requiring the State to annually reimburse local governments an amount equal to the rates they would receive if all the existing and proposed National Park and Aboriginal freehold land in the state was rateable land.”

CARRIED
NO. 42

RATING – INCREASE IN PENALTY FOR RATE ARREARS

MOVER: Cr K May (Mackay)  
SECONDER: Cr L McLaughlin (Burdekin)

“That the Local Government Association of Queensland lobby the State Government to change the percentage able to be levied for rate arrears to a realistic level to prevent large businesses using the deferral of rate payments as short term finance.”

CARRIED

NO. 43

BOAT REGISTRATION FEES – FUNDING FOR VOLUNTEER COAST GUARDS

MOVER: Cr A Lancini (Hinchinbrook)  
SECONDER: Cr T Gilmore (Tablelands)

“That the Local Government Association of Queensland make representations to the State Government with a view to the State Government allocating a small component of boat registration fees to fund capital costs of volunteer Coast Guards - without compromising funding for boat ramps and other facilities currently funded.”

Road, Transport and Infrastructure

NO. 44

ROADS OFF ALIGNMENT – FAILURE OF EXISTING GUIDELINES WHERE PARTIES DISAGREE

MOVER: Cr A Wilson (Cook)  
SECONDER: Cr P Scott (Cook)

“That the Local Government Association of Queensland make representations to the State Government:

1. Advising that the roads off alignment procedures are not resolving any road issues where there is no agreement between the parties, and

2. Requiring legislation to the effect that roads “open to and used by the public” as defined in the Local Government Act 1993, are “roads” for the purpose of the Land Act 1994.

3. Advising that as has been proven over the last seven years, the procedures agreed between the Association and the State have not resolved the issue. Accordingly, any solution other than that set out in 2 hereof is unacceptable, and does not constitute as solution to the problem.”

CARRIED
“C” MOTIONS

Governance

NO. 45 FRASER COAST

ELECTIONS - ALL CASUAL VACANCIES TO BE FILLED BY COUNCIL APPOINTMENT
MOVER: Cr L Harris (Fraser Coast) SECONDER: Cr A Lancini (Hinchinbrook)

“That the Local Government Association of Queensland make representations to the Queensland Government to introduce legislation amending the Local Government Act 1993 by repealing the requirement for a by-election to fill casual vacancies within council.”

LOST

Finance and Administration

NO. 46 NQLGA/ FLINDERS

RATING - INCREASE IN STATE GOVERNMENT PENSIONER REBATE
MOVER: Cr B McNamara (Flinders) SECONDER: Cr K Egan (Flinders)

“That the Local Government Association of Queensland make representations to the Department of Local Government to review its Pensioner Rates Rebate Scheme to increase the maximum limit from 20% with a maximum of $180 to 20% with a maximum of $300 on general rates and services levied on a pensioners residence. It is further recommended that the maximum limit be indexed at CPI to provide a reasonable level of assistance.”

CARRIED
**“Late” Motion**

**NO. L/M 1  BRISBANE**

**LIQUOR LICENCING - ENDORSEMENT OF LOCAL GOVERNMENT RECOMMENDATIONS ON LIQUOR LICENCING**

**MOVER:** Cr M de Wit (Brisbane)  
**SECONDER:** Cr P Tully (Ipswich)

“That the Local Government Association of Queensland:

1. Endorse the Local Government Recommendations on Liquor Licensing in advocating liquor licensing reforms to support local government’s capacity to manage alcohol-related issues and minimise harms through planning, licensing and regulatory functions,

2. Write to the Australian Local Government Association (ALGA), encouraging support of the Recommendations, and

3. Write to the Parliamentary Secretary for Health and Ageing, the Hon Jan McLucas; Queensland Treasurer, the Hon Andrew Fraser; Deputy Premier and Minister for Infrastructure and Planning, the Hon Paul Lucas; Minister for Main Roads and Local Government. The Hon Warren Pitt; Minister for Health, the Hon Stephen Robertson; and, Minister for Police, Corrective Services and Sport, the Hon Judy Spence to consider changes to Liquor Licensing.

CARRIED

**NO. L/M 2  WUJAL WUJAL**

**INDIGENOUS COUNCIL CHAMBERS - REINTRODUCTION OF UPGRADE PROGRAM**

**MOVER:** Cr D Tayley (Wujal Wujal)  
**SECONDER:** Cr A Lancini (Hinchinbrook)

“That the Local Government Association of Queensland make representation to the Minister for Local Government and the Queensland Treasurer to re-release funding that had been previously provided for the Aboriginal Council Chambers Upgrade/redevelopment in 1998 to enable the remaining previously identified council chambers to be upgraded/developed to the required standard as recommended by the Project Services Report of 1998.”

CARRIED

**NO. L/M 3  NORTH BURNETT**

**NATURAL DISASTER RELIEF ARRANGEMENTS - REVIEW OF THRESHOLDS AND TRIGGER POINTS**

**MOVER:** Cr J Jensen (North Burnett)  
**SECONDER:** Cr D Carter (South Burnett)

“That the Local Government Association of Queensland make urgent representations to the Minister for Local Government and Main Roads for a review of the thresholds and trigger points for Natural Disaster Relief Arrangements to ensure that Councils are not faced with a further impost as a result of Amalgamations.”

CARRIED
Venue for 2010 Annual Conference:

THE NOMINATION WAS ACCEPTED BY CONFERENCE FOR THE 2010 LOCAL GOVERNMENT ASSOCIATION ANNUAL CONFERENCE TO BE HOSTED BY MACKAY CITY COUNCIL.

The venue for the 2009 LGAQ Annual Conference is Brisbane Convention Centre 24 - 27 August 2009.
Opening Address

Hon Warren Pitt MP
Minister for Main Roads and Local Government

Well good morning everyone, welcome to balmy Far North Queensland. Can I acknowledge at the outset the traditional owners, the elders of the land on which we gather today, and to also acknowledge some key people in the audience, Cr Paul Bell, President of the LGAQ and the Australian Local Government Association.

I believe Paul Lucas the Deputy Premier may be here sometime today and also the Leader of the Opposition Lawrence Springborg. But I do know in the audience we have my good friend and sparring partner Howard Hobbs, the Shadow Minister for Local Government, Planning and Regional Development. Also present are Prof Jerry Stoker of the University of South Hampton, Cr Val Schier Mayor of the Cairns Regional Council, the host council today, Mayors and councillors and particularly my local Cairns Regional Council Division 1, Cr Paul Gregory.

Councillors, CEOs and Staff, other Delegates, Ladies and Gentleman, on behalf of the Premier of Queensland, the Hon. Anna Bligh, I am pleased to be here this morning to officially open the 112th Annual Conference of the Local Government Association of Queensland. The theme of this year’s conference “Challenges and Choices”, is a perennial one for anyone holding public office. The challenges facing communities in Queensland can change rapidly and it presents an ever present challenge of leadership. In terms of choices, after nearly two decades in public office I can confidently say the range of choices diminishes with the critical risk of the challenge. That is the secret of strategic leadership - to recognise a challenge before it becomes critical and to find an effective and efficient way to address the challenge and turn it into an opportunity.

The past 12 months have been a very dynamic time for Local Government in Queensland - that's an understatement, isn’t it? We have undertaken the most comprehensive structural reform to Local Government in Queensland in its 150-year history. This is part of Queensland’s ongoing transformation into a modern and progressive community. We are the countries’ economic powerhouse and this financial year, our economic growth of 4.25% means we will lead Australia for the 13th consecutive year. This economic boom brings enormous opportunity and also enormous challenges. That’s why the Bligh Government is for managing growth so that we benefit from the opportunities whilst maintaining our great lifestyle.

We are a government that will look over the horizon, look over the horizon to anticipate challenges and to solve problems to build Queensland, the Queensland of tomorrow and today. That’s why we continue with our reforms of Local Government. These changes have been reflective across my portfolio, the Department of Local Government, and the Department of Main Roads, both adopting new regional approaches to the way they do business. Both these portfolio areas are committed to working with Local Government to develop a strong, sustainable, and prosperous Queensland, both economically and culturally.

Now the structural phase of the reform is mostly behind us, we can focus on the next stages of reform that is needed to ensure that the Local Government sphere is strong and sustainable into the future. A key part of this next stage is the legislative reform that is currently under way. We are undertaking this reform because we believe in the important work that our councils perform. Local Government is vital to the development of a strong, sustainable and prosperous Queensland both economically and culturally.

Our next round of reform will enable councils to rise to the future challenge of providing services to dynamic and growing communities. It will provide councils with the flexibility and resources to provide effective local services and essential community infrastructure. Local communities will continue to face the challenge of growth and the challenge of change.
The resource industry, fuelled by growth in China and India as well as the world’s growing demand for energy, will continue to grow in Queensland. This will place pressure on local communities as they work to face the many challenges of growing communities. In response to these challenges the State Government is reviewing the Local Government Act. This review is the most strategic aspect of Local Government Reform in Queensland. This new Act will define the way Local Government provides services to rate payers across Queensland for the next century.

Now I won’t go into the review in too much detail, as I understand there is a discussion forum this Thursday morning to talk about the proposed outcomes. I do want to outline what I want to see as a result of the review. I want a modern, innovative legislative support structure to take councils into the future. We are aiming for a Local Government Act that will provide councils with much greater flexibility, much greater flexibility to manage growth and deliver creative solutions to local issues. Of course once the new Act is in place, councils will have greater flexibility and power. However, with this flexibility and power, comes new found responsibility.

We intend removing the restrictions of legislation and control from the Queensland Government and provide more accountability and transparency for rate payers. Rather than be accountable to the State Government you will in the future be more accountable to the communities you serve. In order for Local Government to be truly democratic, rate payers must be able to compare councils, evaluate performance and provide feedback. This will require a new reporting and evaluation framework model for councils. This is being developed with the Act and will include the involvement of the LGAQ, LGMA and constituent councils. The new model will regulate reporting and evaluation methods for all councils. This standardised reporting will enable rate payers to compare the performance of councils right across Queensland. This will not mean that every council is out for themselves, or that every council is in competition with the larger metropolitan councils. Rather, it will allow similar councils to better compare strategies for providing economic and sustainable services and growth. Councils will be able to learn from their neighbours and from their contemporise and from this fine tune their departmental structures, funding arrangements and service policies.

This evolution will result in greater council efficiency and capacity. Councils face a considerable challenge when providing services in the future. The most successful councils will be those that are able adapt to challenges as they arise and overcome them, and we will help councils rise to that challenge.

For our indigenous councils, the skills bank is one way that we will help you build your skills base. The skills bank is a collection of professionals that can be used by councils to train staff. Professional, Financial, Resource and Service Delivery Managers will visit councils and train staff in areas of professional development. This training will occur in their local community on-site, to better provide training that is more applicable to the unique situation. The skills bank will have a significant impact on those councils that are facing a skills shortage. Councils will be able to promote from within, or recruit for the local community and up skill rather than having to recruit from afar.

In conjunction with the skills bank, the State Government has also recently launched its new Indigenous Traineeship Initiative. These traineeships were developed as a response to council feedback on the difficulty in recruiting skilled workers and the challenges of obtaining qualifications in rural and regional communities. The traineeships will enable councils to train existing staff and to target school leavers or community members in their recruitment. Recruiting staff and councillors is one of the great challenges of building local government capacity. In order to address this we have developed new initiatives focused on engaging people into the work local councils undertake. Our “So You Want to Be a Councillor” Program was the first local government-focused online training program in Australia.

In the interests of improving community representation, we also held a state-wide series of seminars in the run-up to this year’s local government elections. The seminars were designed to help potential candidates to make informed decisions about nominating for council. Many of you here today are living proof of the success of this program.

Following the elections, the Department of Local Government released an updated councillor induction toolkit CD-Rom to help councillors and new councillors learn the ropes of Local Government duties and processes. We also re-released “Making The Most of Meetings”, a surprisingly popular management guide
to increasing the productivity of council meetings. This is an indication of the ongoing support provided by the Queensland Government provided to Councils.

Now, in keeping with the structural reform of Local Government, the Department of Local Government Sport and Recreation has similarly undergone its largest ever re-structure to better support councils in the future. Since 1 July this year, the Department has founded five new regional areas - each with regional offices and local service delivery teams. These regional offices will be significantly staffed by local people with local knowledge and a better appreciation of local issues. This regional approach will involve diverse locations, such as Charleville, Longreach, Bundaberg, Mt Isa, Maryborough, Hervey Bay, Townsville, Mackay and of course here in Cairns, and that's just to name a few.

This new organisational structure will foster greater cooperation between local councils and the department’s regional offices. It will provide councils with access to the department’s resources while enabling more appropriate local solutions. Regionalisation will also enable the Government to better provide for the needs of our rural and regional neighbours for the delivery of more than 170 Blue Print for the Bush Initiatives, including hosting the annual Blue Print for the Bush Forum in Charters Towers next month. We will progress the strengthening rural communities funding program and lead the delivery of the whole of Governments Community engagement forums, including the Regional Managers Coordination Networks and Ministerial regional community forums.

Now, despite the success of the Government’s structural reforms to local government, it seems there are still some people including my opponents in parliament who are forlornly looking back in time for inspiration. They are advocating the de-amalgamation of local councils should they ever gain power. However, from where I stand there seems to be very little evidence of any detailed or formal policy position from the opposition. I also fully expect that promises and platitudes will be expressed to delegates here from the opposition even though there is likely to be very little detail. This is a very different view from what I have seen first hand during my visits to councils around Queensland. Instead I get the very strong feeling from councils and councillors that they are determined to look forward rather than backward. I have now visited 24 of the 34 amalgamated councils and they have a very positive view of the future. They are looking to opportunities that reform has provided. Furthermore, I want to reassure delegates of the Queensland Government’s position, which is very clear. We will not support any move to de-amalgamate councils. This Government is focused on moving forward positively and working closely with our local government stakeholders to deliver the next stages of the reform program.

Tackling local issues at the local level is also a key priority for the other part of my portfolio, the Department of Main Roads. Main Roads is committed to the delivery of vital services to communities around the state and has a long history of working successfully with local government. The recent renewal of the Roads Alliance Memorandum of Agreement is evidence of this. Over the past six years, the Roads Alliance has delivered greater efficiencies for State and Local Government, improved road safety and improved road management and delivery capabilities. Main Roads commitment to the Roads Alliance reflects the fact that access to community's preservation of road assets and the delivery of road safety solutions is a total network concern, impacting both state and local government roads. The signing of the updated Memorandum of Agreement reflects the ongoing commitment of State and Local Governments to work in partnership and achieve the best possible value from available resources.

I am sure most of you will be aware of the reformation of the Alliance's Regional Road Groups following local government reform. I look forward to seeing Main Roads and the LGAQ as a key representative of Local Government working together as we move forward. I note the work that has been done on the Managing Queensland's Roads Consultation Paper in investigating and proposing potential new stewardship and delivery models for managing and delivering the State's Road Network. This is because many of the capacity and capability constraints that concern the Queensland Government and Main Roads are also a concern for councils around the State. I believe the opportunity exists to seek new arrangements that can provide increased productivity and efficiency of resources, greater certainty in contracting, and better support for local employment and increased local government involvement in regionally significant projects. As such, I strongly encourage all of you contributing feedback and suggestions about the models proposed by the paper, and where you have new ideas to put them forward. I urge you to be the initiators of change rather than the responders. I am always open myself to new ways of doing things.
On a broader level, Main Roads remains committed to the Transport Infrastructure Development Scheme (TIDS) and will maintain in real terms its base financial commitment to the state controlled component of the local roads of regional significance network. TIDS will continue to play a vital role in improving access to communities and services, improving safety and traffic operations and providing economic support to viable industry developments in regions. The Government will continue to provide $25 million a year in special TIDS funding to enhance the changes agreed in the Roads Alliance. Main Roads and LGAQ have also been working to update the cost sharing agreement for determining funding responsibilities within the state controlled road corridor. This updated agreement builds on the principles that are developed through the Roads Alliance and will be released for consultation later this month.

When I addressed the LGAQ Symposium earlier this year, I spoke of Main Roads working in line with Local Government Reform in undertaking organisational change to help deliver better results across Queensland. As I outlined at the time, Main Roads’ 14 districts have become 12 geographic regions supported by 16 district offices, including the recently opened Ipswich Office. The transition to the new regional approach is still a work in progress to an extent, particularly in regions such as the north coast including the Sunshine Coast, Moreton Bay and Somerset Councils where the changes have been more significant. In the near future, new offices will come online at Logan, and on the Sunshine Coast taking the number of district offices to 18. As a Regional Minister it will come as no surprise to you that I want to bring decision making as close to clients as is possible. The new regional approach is geared around the building on the State-Wide Management Approach, implemented by the Department last year, while reinforcing the decentralised delivery methods that have served Queensland so well for so many years. In a state as vast as Queensland regional delivery is vital to meet the needs of communities. Regional Road Groups will continue to play a key part in the management and delivery of regionally significant roads. The Roads Challenge requires a collaborative approach, and I look forward to seeing the Roads Alliance being a key vehicle in this.

At this point I would like to acknowledge what the sector has gone through during this period of tremendous change. We have done this I believe with flying colours. You have responded superbly to the challenges of change. Change is unsettling, change is demanding, it takes you out of your comfort zone. I give you my congratulations and I want to pay tribute to a number of groups. To the sector as a whole; to individual councils especially transition teams and newly elected councils; to the LGAQ and its President Paul Bell and the two Gregs; to the ULGA under the leadership of Paul Pisasale, to the LGMA and any other stakeholders.

I meet on a quarterly basis now with key stakeholders in local government and there is a formula which I believe will assist us to keep abreast of change to meet challenge and to move forward together.

With the conclusion of the structural reform undertaken for the amalgamations earlier this year, we are about to embark on the legislative and policy reform needed to take Queensland’s Local Government Sector into the future. This will require a fundamental change to the way services are provided to your local communities. We will create a framework that removes overly prescriptive controls on councils that burden you with paperwork and bureaucratic requirements. You will have greater opportunities to use innovation and local know how to tackle local issues. You will be able to tailor solutions, resources and skills to compliment the needs of your local communities. The price of this freedom is greater transparency and accountability to your community members. A new performance and evaluation model will ensure that rate payers are fully informed when it comes to council matters and performance.

Instead of answering to the State Government, you will be accountable to the people, our best place to evaluate your performance, your communities. There will be some councillors who will view this change as priceless and who are able to adapt. However the communities whose councillors who view this as an opportunity to both contribute locally and help shape the future of Local Government in Queensland will appreciate the full impact of these reforms and move forward into a new era of Local Government. I wish you a successful conference, and look forward to working with you for the rest of your terms.

One last point before I finish. It is my pleasure to announce the winner of the Best Practice Award for Community Reporting. This award was established to encourage councils to improve their reporting
accountability and engagement with their communities. All councils were invited to submit a sample of their community reports and/or their newsletters for consideration towards the award.

Of the 13 councils that submitted samples, Quilpie Shire Council stood out as best capturing the spirit of community reporting. Quilpie’s newsletter was well written using plain English with an absence of political spin. Its production suits a smaller community and can be used as a model for other similarly-sized councils to produce an informative but not expensive community reporting tool. Congratulations to all the councils that participated, and particularly Quilpie for its winning efforts. I look forward to presenting Quilpie Shire Council with its plaque when we meet later during deputations, and can I say when I opened the doors up for deputations over the next couple of days, we have been flooded so I am going to be a very busy little vegemite taking deputations from all in sundry, but I am pleased to be able to do that. Anyone who hasn't had a deputation, if we can squeeze you in we will try, but we do give people time to put their names forward.

In conclusion ladies and gentlemen, thank you very much for inviting me to be here with you at your 112th Conference, and I have much pleasure in declaring the LGAQ Conference here in Cairns, a wonderful part of Queensland, duly open. Thank you.

Questions to the Minister

Minister thank you for your address this morning. I think before the reforms it was acknowledged that Local Government in Queensland led Australia. The challenge is now for all of us, to address the issues that have been created by the amalgamations and get on with the job. I think there was severe disappointment across Local Government when the relationship between a very important component in this State that is the LGAQ deteriorated between the Government and that Body. That Body has been professional in the extreme and has been a catalyst for motivating and driving our local Government in Queensland in my term. I ask you, will you give us your assurance that the Memorandum of Understanding between the LGAQ and the Government will be re-established and honoured into the future?

Response:
Well that's a very important comment and questions. Just on the comment, there is no doubt that structural reform was always going to be de-stabilising. To go down the process of piece reform doesn't fit with the need to have state wide reform. You either do it and do it properly or you do it piecemeal and it becomes a mess. The Government bit the bullet to go for it, and I have to tell you that there is no political advantage for Government to have done what we did. It was done because the reasons were right, and it promises a better future for all of us. Now having said that, the relationship between the LGAQ and my office I believe is very professional and goes past that, it is cordial. We have developed a brand new relationship, and I hope that would be the hallmark of my stewardship of the Local Government portfolio. So far as the Memorandum of Understanding is concerned, my belief is that is going to occur - is that right Paul? We will be re-signing that. Yes, so we are working towards that and I think it is very important to note that we have a responsibility to State Government not only to recognise that the Local Government Sphere in Queensland is the number one sphere in Australia. By the time we are all working together and all finished with this there is going to be Queensland first and daylight second. So you have my assurance we will be working towards that.
Presidential Address

Cr Paul Bell AM
President LGAQ and ALGA

Mayor of the host city of Cairns Cr Val Schier, her fellow councillors, the Minister for Main Roads and Local Government and Member for Mulgrave just to our south, the Hon Warren Pitt, Shadow Ministers, other Members of Parliament, Cr Bill Mitchell, President, Western Australian Local Government Association and Ms Ricky Burges, CEO of the Western Australian Local Government Association, ULGA President Cr Paul Pisasale, Australian Local Government Women's Association (Queensland Branch) President, Cr Judy Peters, ALGA CEO Mr Adrian Beresford-Wylie, LGMA State President Mr Clint Webber, chairs and CEOs of the LGAQ's wholly or partially-owned subsidiaries, other distinguished guests, ladies and gentlemen, welcome again to Conference 2008.

Folks, don’t panic or run for the doors, I promise this will be a 20 minute speech at most.

Let me first thank the new Cairns Mayor Cr Val Schier for her co-operation in organising this year’s event. Another thank you to Minister Pitt for opening this year’s conference in his home town. A special thanks to all the Ministers and Shadow Ministers here over the next few days, specifically, the Premier the Hon Anna Bligh, Deputy Premier the Hon Paul Lucas, Leader of the new Liberal National Party Opposition, Mr Lawrence Springborg and of course Shadow Minister for Local Government, Planning and Regional Development, Mr Howard Hobbs - a fair line up of state political leaders by any stretch of the imagination.

For all the newly-elected members, and those of you at an LGAQ Annual Conference for the first time, a BIG Association welcome. Please stand up and let us acknowledge you.

Friends, you are now part of a great movement with a very proud 112 years history. You’re able now to add your own personal contributions.

Delegates and observers, above all else this is your Annual Conference. You are here specifically to set the agenda for the following year for your Association.

It’s a democratic process. For the newer recruits - on the floor of conference, votes are spread fairly equally between the urban and rural councils and, on Constitution and Rule change resolutions a two-thirds majority is required. One bloc cannot dominate the other. Widespread support is required to affect major change in line with contemporary corporate practice.

You have elected an Executive of your peers on a geographical basis to represent your council in between Annual Conferences. That process occurred in May, and you met your new Executive who took office in June just earlier on stage. Largely through retirements and the like there have been nine changes on the reduced 14-member Executive - the biggest turnover in a generation.

It certainly proves the LGAQ is by no means a club. There is no divine right to lead and represent your peers. Quite simply, it’s you who confer or remove that right, and you will exercise control again when you determine the two Vice-President Office Bearer positions for the next four years on Thursday morning.

I especially thank you for your trust and confidence in me as your President, to have elected me unopposed to lead you for a further four years. Rest assured, I will continue to work tirelessly and fearlessly for you. Congratulations to my old mate Cr Brendan McNamara, Mayor of Flinders Shire, who saddles up unopposed as your Honorary Treasurer for a second term.

This year’s conference theme is Challenges and Choices. The challenges are those confronting us as councillors, as councils, and as a sphere of government. The range of choices we can make will be well and truly elaborated on over the next few days. I ask you, colleagues, to put your minds to work, listen and learn from the best people we have been able to find to share their thoughts and learnings. I’m
delighted with the fact we have looked both overseas and outside of government for some of those answers.

Folks, I want to spend some time now elaborating on the new world order, post-amalgamation insofar as it relates to the Bligh State Government. I do need to say again and again that I have no interest in re-prosecuting long-lost fights. Amalgamations have been and gone and we all have to get on with it - like it or lump it.

Firstly, with me, your new Executive accepts that the Premier and her Cabinet have a right to govern Queensland. Equally, the LGAQ which is proudly owned by, governed by and is working for you as councils and elected members have a fundamental responsibility to protect and promote local governments in this state. You may be assured that this is a task from which we will never resile.

For a long time - over two decades, in fact - it was the LGAQ that set or initiated the Local Government policy agenda in this state. Remembering it was me four years ago who personally called for an entirely new Local Government Act. It was LGAQ three years ago who initiated the SSS program. Same story two years ago on a new Performance and Reporting regime for councils. That dynamic changed over the last year. It is a fact which we welcome. The State Government has stepped up to the plate - having vacated that space for a very long time.

In some way, there are now two players in the strategic policy leadership game in Queensland Local Government with different, but complementary roles. The State Government can happily initiate agendas and the LGAQ will just as happily be a shaper and critiquer of those agendas - adding real value in the process. I genuinely hope that the Premier and our Minister see it that way and that it is a fair dinkum and genuine partnership - not one-way traffic or consultation after the fact.

The next 6-12 months will tell us if it’s a false dawn or the start of better relations. Sorting out a genuine, fair dinkum package of financial assistance for amalgamation costs would be a great start and a real sign of a new beginning.

In areas where the State Government has grabbed the bull by the horns and is getting on with the job - most particularly with the new Local Government Act, the Executive, with me, is more than prepared to cede them that mantle.

However, in areas such as valuation system reform, bulk procurement of infrastructure and shared services delivery, as your Association we will continue to agitate for the State Government to accept the need for further and serious reform. The job of reforming Local Government is only one-third completed, because, on the State Government’s own measures, councils are far from being sustainable.

There are eight councils now on the financial “watch list” and our revenues as an entire sphere of government are only just growing a tick above CPI. But our cost structures continue to grow at an alarming rate. Amalgamations, of their own accord, have not and will not close that gap. More much more needs to be done, and sooner than later.

Life for the LGAQ in the future will be different. Increasingly, we will play the more traditional roles of a peak body - intergovernmental relations, negotiation, legislative review, advocacy and representation on the issues of the day and - very importantly - value-adding for you, our members, with information, advice and the provision of the services you need.

Is this a retreat by your Association? By no means. It’s a relief that the State Government is now interested in our patch and doing what it should have done for decades - thinking about the system of local government and its effectiveness and performance.

I am heartened by the Premier and, more recently, our Minister’s continued references to partnership and collaboration with our sphere of government. The Concise Oxford Dictionary describes partnership as “an association of being a partner for the purpose of carrying out a business”. Likewise, collaboration is described as “working in conjunction”. I think both descriptions are apt and workman-like. No high-
falluting promises in those statements, or grandiose commitments to love each other to death - just a good, commonsense working relationship. I’ll settle for that any day.

Unfortunately, until just a few short weeks ago - indeed it was after I had signed off on the Executive’s Annual Report to the Conference - the State Government’s actions didn’t match their rhetoric on collaboration and partnership. But in very recent times, things have changed. The State Government has invited the LGAQ back around the table. The barriers which were there during the past year - if not two years - are coming down albeit gradually.

Thank goodness - it’s not a minute too soon. The credit for these moves belongs to Warren Pitt.

At present, the Executive and I are getting conflicting messages from our members. Some say go harder on the State Government. Others say try to improve relations with the Bligh Government. Our response has been and will continue to be to treat every issue on its merits - not to develop a pre-determined stance or pre-judge intentions or positions.

Let's be quite clear. The LGAQ is not a political party - even if we do play a deft hand at the political card table!

There is no point going the slog on an expected juicy full toss or half-volley when it ends up being a searing yorker that’s delivered at the base of your stumps - if you’ll pardon the cricket analogy. Judgement is required.

On amalgamation expenses, asbestos, opposing independent development assessment panels, land fill levies, the nonsense that was elected member expenses until last month, or State Government interference in our industrial relations negotiations with OUR workforces - the LGAQ has been forthright and uncompromising. That’s what you have asked for and that’s how we have responded. We will continue to do so - without fear or favour.

However, on so many other agendas, we are equal partners and willing participants with the State Government. And that can’t be forgotten, ignored or down-played.

Examples are many, but here’s a few of them:

- The new round of Road Alliancing with our great friends in Minister Pitt’s Department of Main Roads, noting the new protocol we jointly signed earlier
- The state-wide Climate Smart and Home Water Wise Smart Initiatives through LG Infrastructure Services
- The innovative and challenging Sustainable Resource Communities Partnership between the Department of Tourism, Regional Development and Industry, the Queensland Resources Council and the LGAQ to guide development in the Bowen, Galilee and Surat Basins, which I co-signed with the Premier in Blackwater on Sunday.
- The $4 million annual apprentice and older worker programs we jointly run with the Department of Employment and Industrial Relations,
- The Housing Affordability/Smart eDA program with the Department of Infrastructure which I understand the Deputy Premier will make some pronouncement on in his address tomorrow and
- The finally-favourable resolution of the long-running stand-off on the DIY asbestos removal management issue.

Be assured that there is no cold war with the Bligh Government. The LGAQ is co-operating on many fronts - as you would expect us too.

If it is good for our councils and communities, then we are more than prepared to partner with the State Government.

Most importantly, the LGAQ is not reactive, shell shocked or in retreat - rather we are planning for the future and anticipating and preparing for change now.
Our staff got in early and did the necessary serious research through AEC Consultants into the merits of proposed Landfill levy. Likewise, we are the first body in Queensland, government or otherwise, to conduct a proper study into land banking and potential price manipulation by developers - long overdue, I might say. The findings of that study will be unveiled later this month.

Your Association continues to do serious research into community attitudes towards housing affordability and the real causes of our current dilemma, as well as serious work on economies of scope and scale for the delivery of infrastructure, back office services and regulatory functions at either regional or state-wide levels. The LGAQ spent hundreds of thousands of dollars over the last year to research the big issues, bolstering our arguments to State and Federal Government.

Then, of course, there is the pioneering work we are continuing to do through Local Buy, Resolute, LGM/LGW, LG Infrastructure Services and QPG - LG Shared Services. Not only do we lead the state in these areas, we lead the nation and, in some instances, the world.

Only this year, Resolute’s remote sensing telemetry won the coveted US farm technology innovation award. I can honestly tell you we have strong interest from right across the southern hemisphere in the pioneering work LGIS and LG Shared Services are doing.

Without spilling too many beans, I can tell you there are some really big exciting developments just around the corner for LG Shared Services.

Our training arm added a further two diploma level courses in both Financial Management Services Course - Diploma of Local Government Administration and the Environmental Health Course - Diploma of Local Government (Health and Environment) over the past 12 months. I’m very proud that the LGAQ qualified 586 para professionals in Local Government over the last four years to tackle skill shortages. Good practical stuff.

The LGAQ continues to innovate and respond to Local Government’s changing environment meeting councils need seamlessly and without fuss.

Together with LG Infrastructure Services we are in the process of exploring and hopefully rolling out a complete fuel price hedging scheme. Together with Local Buy and our good mates in Main Roads, we are banding together to bulk tender to address the dramatic increase in street lighting costs in South-East Queensland.

The Local Government self insurance schemes, LGM and LGW continue to develop new services to assist member councils reduced claim costs through effective risk management. In addition to developing the council specific Risk e Map risk management software, the schemes have jointly funded appointment of four regionally based risk management coordinators. Their role will be to work with senior council management and elected members on risk management programs that adopt a top down, council wide risk management approach. A specific element of the Regional Risk Coordinator program will be providing support to amalgamated councils as they develop management processes and governance arrangements.

Finally, there are our major efforts through LG Infrastructure Services on Carbon Emissions Accounting and Trading which will be fully unveiled at this conference.

Don’t be mistaken - the LGAQ is well and truly on the front foot doing what we have always done - being in front of the game, showing the way forward!

My ALGA CEO Adrian Beresford-Wylie would shoot me if I didn’t briefly touch on federal issues, so here goes.

At the national level as the outgoing ALGA President, I want to resolve Local Government’s position on Constitutional Recognition before I leave that office at the end of this year.
To that end, I convened a panel of experts in Canberra last week to assist with the drafting of possible questions to the Australian people in a referendum. I specifically ensured Queensland was represented by a bright talented cross section of Local Government thinkers at that two day meeting. I applaud the contribution made by Brisbane City Council CEO Jude Munro and Cr Peter Matic, Logan City Council Cr Hajnal Ban, Ipswich City Council Cr Paul Tully - all lawyers in their own right I might add and Mr Leon Yeatman CEO of Yarabah Aboriginal Council together with the LGAQ’s two Gregs.

The ALGA will be holding the Local Government Constitutional Convention in Melbourne from 9 to 11 December to resolve finally what we ask the Federal Government to do by way of the referendum, with guidance from the work of the expert drafting group. I implore you all to attend that historic meeting in Melbourne.

Folks, we simply can’t miss out this time, having been rebuffed on this very issue by the Australian people twice before. Whatever the question is that goes forward; it must have all-party support, support of the states and a clear majority of the Australian people. This will be no mean feat.

Colleagues, we have to be professional, controlled and considered and - above all else - united in the execution of this campaign if we are to succeed.

When the time is right, the ALGA and the LGAQ will be calling on you and your councils to campaign with us in your communities. Your support and involvement will be crucial.

Still on federal issues, I am delighted with the advent of the Federal Henry Inquiry into taxation by all levels of government. Make no mistake - this is a once-in-a-generation chance to redress the greatest hurdle we confront in Local Government - vertical fiscal imbalance - or as one wag once said “Canberra has the money, George Street has the power and councils have the problem!”

While I’m not getting my hopes up too high, any 18-month comprehensive study by the Secretary of the Federal Treasury into the fairness, equity and efficiency of revenue-raising by all three spheres of government can’t be a bad thing. Canberra doesn’t create an Inquiry without knowing the answer in advance.

We need access to a growth tax, and a bigger slice of the federal taxation pie. It’s that simple.

I want to finish by saying with a largely new Executive; the Association has its eyes firmly fixed on renewal. The Executive only yesterday signed off on the 103 names of elected members and senior council staff who will sit on the nine LGAQ policy reference groups. More than 70 per cent of those 103 people are fresh new faces.

Today, you as members will consider a comprehensive Policy Statement that you will take ownership of! We are not clinging on to the past; we want a fresh policy mandate to take to other levels of government, from you our members.

The Association is spending just on $2 million over the next year or so to upgrade the functionality and look and feel of LGOnline, our premier information flagship. Even the public foyers in Local Government House in Brisbane will get a makeover, including a feature wall of Mayor and council staff shots in a contemporary mosaic to greet you and others that enter the ground floor of our venerable building.

So we are practicing on ourselves what we are preaching to you and changing with the times, seeking to continually improve and re-engage with our members. But rest assured one thing won’t change. We will be there for councils when you need us - no matter how large or small your problem is, midnight or weekends - whenever, wherever, whatever!

The LGAQ exists for just one reason - to look after councils.

The newer delegates and observers might be surprised about the volume of requests for help, information and advice your Association received from Member Councils during the last year. This includes an average of 890 phone calls a day, 715,000 incoming actionable emails or faxes a year, 5100
requests for formal industrial relations advice and just over 3000 incoming items of written correspondence, not to forget 21 appearances in the State or Federal Industrial Relations Commissions.

Add to that production of 400-plus circulars, 95 news releases, the writing of 78 submissions to State and Federal Governments and the conduct of conferences, seminars and training programs attended by 5,566 councillors or staff.

Those figures might sound high, but bear in mind Queensland Councils employ 37,000 staff and when they need help with a problem they contact us as the proven Local Government experts - as do many state and federal public servants.

In many instances, particularly in larger councils, the Mayor and CEO would be unaware of the actual extent of the regular interaction. A comprehensive survey in March showed some of the largest councils contacted LGAQ up to 150 times a month. So there you have it. Your Association, the LGAQ, is very much on the job for you and your council. Your Association is at the centre of daily activity for large and small councils alike - the real deal.

In terms of personal engagement and elected member support, the LGAQ has scorched earth in the first five months of this historic term of Local Government to help, meet and greet you.

With members of the LGAQ staff, I have criss-crossed the State again and again. First there was the production of the Mayor and Councillor Handbooks, followed by the Local Government Symposium, Governance for Elected Member Programs, the Civic Leaders’ Summit and dozens upon dozens of individual council, ROC or District Association meetings.

Your Association has personally touched base with most Mayors three or four times, with some even more frequently. The LGAQ certainly knows who you are and what your thoughts and concerns are as well, and believe me, these efforts won’t stop while I’m running the place - I can guarantee you! I will continue to visit every council at least two or three times in the term.

Last but not least, can I on your behalf thank the LGAQ staff for their extraordinary, unrelenting and superb efforts to support you and your Member Councils over the tumultuous last year. Trust me, the personal toll has been great for so many of our staff. For them it’s not a job, or even a career, it’s a personal calling. Give them all a big round of applause.

I promised to be short and I have been. Good luck for the balance of the conference. Meet new friends, renew old acquaintances, open your ears and hearts to new ideas and approaches as we tackle the challenges and choices of the next four years. That’s it for me.

Thank you.

**Keynote Address:** “Providing Best Value in Local Government”

*Professor Gerry Stoker*

*Politics and Governance, University of Southampton, UK*

Due to copyright laws this speech was unable to be published.
Address: “Making Mergers Work – Creating New Cultures”

*Mr James Strong AO*
Chairman of the Board of Directors Woolworths
Chairman of Insurance Australia Group
Chairman of Rip Curl International
Chairman of the Australia Council for the Arts
Director of Qantas Airways

Due to copyright laws this speech was unable to be published.

Address: “Creating New Brands for New Councils”

*Mr Tim Pethick*
Entrepreneur and Brand Guru

Due to copyright laws this speech was unable to be published.

Address “LNP New Focus”

*Mr Lawrence Springborg MP*
Leader of the Opposition

Thank you very much for the warm introduction. The President of the LGAQ, Mr Paul Bell, can I just say Paul, we have very much enjoyed the relationship we have had with you personally and also your organisation over a very long period of time. Can I also acknowledge the local Government Minister Warren Pitt and Mayor of the Local Cairns Council Val Shier. Also to my parliamentary colleagues, Howard Hobbs who is the Shadow Minister for Local Government Planning and Regional Development and Howard will be speaking with you tomorrow about some of the other perspective that the LNP has in Queensland on local government and some of the areas we are wishing to pursue in the not so distant future. Can I also acknowledge Fiona Simpson, Shadow Minister for Infrastructure Transport and Main Roads; to all of the Mayors present, the councillors present, to the CEOs and staff present and ladies and gentlemen.

Firstly, can I thank very much the LGAQ for the privilege for being able to be here today and the chance to be able to share a few thoughts with you at a time which I think is very interesting for Local Government and for many of us right across Queensland, because since the last time I stood before you and spoke about Local Government issues a lot of things have absolutely transpired.

In actual fact, I've had another manifestation in that I have returned to a job of Opposition in Queensland and also recently the privilege of being able to lead the new LNP, a concept, an idea of a party I have been very much interested in forming to provide a decent alternative in Queensland for a long period of time. But also, the whole heart and soul and basic make up of local government has changed profoundly in the last 12 - 18 months with regards to a very significant forced amalgamation process which has left a lot of animosity and a lot of concern, a lot of heartache and a lot of people very disappointed in communities right across the state of Queensland.

I note earlier on today I was actually challenged to outline the LNP's position with regards to the amalgamation. Well, I would say that you would almost have to live in a cocoon to actually believe that the LNP wouldn't have a policy on the amalgamation, because only a few months ago, or last year our political organisation advertised widely around Queensland that we would work with local communities who were forcibly amalgamated to give them a chance of being able to re-establish their communities if they so wished after being forcibly amalgamated.

So our position is on the record. It's on the record publically, it's on the record in the media, and it's also on the record in the parliament, and I am very happy to be able to re-state that to you today in the not-
too-distant future. But can I just say as far as the LNP is concerned, we value our relationship with the Local Government, we value the role of Local Government, we value the importance of Local Government as being not only a major employer in the communities that many of us actually represent, but also the body that provides a lot of local leadership on issues which are so crucial to the people that we represent, and we have seen a lot of that snuffed out and snatched away in recent years.

We don't appreciate the fact that Local Government in Queensland has been used as a political football. We don't appreciate the fact that Local Government in Queensland has that trust relationship torn apart as we have seen it torn apart in recent months and years. Now what we want to do is be able to re-establish that trust and that relationship which has broken down in the last few months, or the last couple of years. What I am going to tell you today is upfront.

I'm not going to go the next state election and tell you that we are going to do something and then do something else, as the current Government did prior to the last state election. They went out there and said they weren't going to forcibly amalgamate local authorities throughout Queensland and that they believed in the SSS process and no sooner had the ink dried on the page then we had the Government rush into Parliament and decide that it would throw the whole SSS process out and go through a process of forced amalgamation in Queensland. So you will know upfront where we are actually heading in Queensland, and we will work through those issues with you and we will work through those issues with the Local Government Association.

As a part of rebuilding that relationship, I announce today that we will be putting in place a Partners in Local Government Agreement. That agreement will be worked through with the Local Government Association of Queensland to ensure that all of the issues of where we have a similar common interest whether that be in the area of legislation, the area of delegated responsibility, the area of assumed responsibility that you know very clearly upfront where you stand and what the responsibility will be, for not only yourself but also the State Government. Importantly for yourself, it will make sure that the resources and the funding which are necessary to ensure that legislative principles, legislative changes which we will work through together when they actually happen that there will be a process of Government assuming its financial responsibility. We look forward in Government in signing such a partnership in Government Agreement between the State Government and also Local Government.

As I said before, moving to de-amalgamation, enabling communities who so wish to de-amalgamate what is now 6 or 8 months down the track or what would be a year or two down the track is something which we have principally very much committed to. But I want to make this point today, the mechanism which we put in place will not guarantee automatic de-amalgamation. There will be a process where those communities and those councils that actually have a desire to re-arrange their boundaries have to be able to suit a set of criteria. What we will be doing, we will be using as a basis, we will be using as a backdrop for our process of de-amalgamation the Commonwealth Funded plebiscites which were conducted last year, but again I will make the point that doesn't mean necessarily that those communities which voted so overwhelmingly against forced amalgamations are going to be all de-amalgamated.

We cannot ignore the fact that in many areas around Queensland we saw people in communities, vote overwhelming 70, 80 and then the high 90 percents against the Governments forced amalgamation process in the state of Queensland. We cannot actually ignore that. There was not a proper distribution in Queensland of local government boundaries, we have a political distribution of local government boundaries in Queensland, and when you have a political distribution of local government boundaries, you do not have proper community interest fits, you don't necessarily have good socio-economic or even financial fits, and we need to be able to address those issues through a mechanism and a process.

We will be very happy to work through this with the Local Government Association of Queensland and we have already had some discussions on that in recent days. So the Commonwealth Funded plebiscites will actually form the basis for us to be able to establish a truly independent Local Boundaries Authority to be able to look at the issues which have arisen in those communities and in those particular plebiscites which were held. We will then have the authority to go and consult with that community, consult with those councils about the issues, about how things have actually settled, what the current view is and if they deem that the issues continue to resound within that community or come forward with options with
regard to ensuring a proper distribution of Local Government Boundaries in a particular area. That will be done not only in consultation with the council but it will be done in consultation with that local community. We have always had a view that local communities should be consulted by way of referendum by a local vote, and that will also underpin our particular process as well.

Moving on from there, to the issue of openness and accountability with regard to Local Government in Queensland. I find it somewhat galling that we have Local Government in Queensland being lectured on openness and accountability, when we have a State Government that is able to hide its deliberations and decision behind a 30-year cabinet exemption disclosure rule. So for many of you, all you do is get a lecture, a stick pin and a certificate, and that's all that's really come out of the Local Government amalgamation process for many councils across Queensland. What we need to do is rebuild that relationship that exists between Local Government, or has previously existed between Local Government and also State Government in Queensland. We will move to reincorporate Local Government in this State. It was absolutely appalling what happened to you un-incorporation, or de-corporatisation because the Government wanted to have what was its union mandate on Local Government in Queensland and its anti-Work Choices views on Local Government in Queensland.

We believe that Local Government should be an incorporated body, with the benefits that actually come from that, and as we understand from looking around the rest of the western world, the Local Government in Queensland is the only de-corporatised Local Government body anywhere in the world. So that's something we will actually move to do, and move to do very, very quickly.

Also today, to ensure that you don't go through these things again in the future, we have this true trust partnership and that there is a proper respect of the role and the position of Local Government in Queensland, I am announcing that we will move to double entrench Local Government in the Queensland Constitution. Double entrenchment will ensure that the interests of Local Government as an Authority on its own, as the third tier of Government is properly entrenched and properly recognised and will take the place in Queensland administration in the way that it actually should do.

That will ensure that future Governments must have reference to that in a meaningful way in any dealings with local government, and that's a whole range of areas. If there is any call for Local Government boundary changes, then there has to be reference to the local people with regard to that. If there is any move to take away Local Government and its autonomy, if there is any move to abolish Local Government then that must have reference to the Queensland people. This will actually give Local Government in Queensland the authority and standing which it truly deserves, and authority and standing which has been weakened so much in recent months and recent years in Queensland. It's not about tokenism for Local Government, it's about, as I indicated before, making sure we rebuild that trust relationship that has existed between Local and State Government in this state in past.

Also another major commitment which we actually have to Local Government is to ensure that planning goes back into the Department of Local Government. Local Government should be responsible for planning. There is no problem with having a State plan, there is no problem with the State Government having particular planning priorities, but what we have seen in recent times, is the role of local government as the principal planning mechanism in the State being weakened and in many ways excluded from important decisions, not only about the way communities should be able to develop in particular ways, with particular flavours but also then this enormous disconnect between those planning decisions and also with regards to infrastructure and whole range of other local issues which have always been better considered by Local Government then what has been considered by centralised State Government.

Mr President, I will leave it there, but just conclude by saying that we do respect and value the role of Local Government, and we want to make sure that we have a good decent relationship with you. We will ensure that we do, and the finer details of those issues which are raised here today will be worked through in consultation with Local Governments as we lead up to the next State election, whenever that may be called. That will include the details of our partnership in Government Agreement and also the finer details, with regards to our process which will ensure a proper, decent distribution of Local Government boundaries in Queensland, which are based on true sustainable communities of interest, something in many cases we don't have in Queensland at the moment. We believe that Local
Government is Local Government we don’t believe that Local Government should be Regional Government.

Address: “Life’s Great Challenges - Karni’s Story”  
Ms Karni Liddell

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Address: “Opposition Perspective”

Howard Hobbs MP  
Shadow Minister Local Government, Planning and Regional Development

- Mayor of the host city of Cairns Councillor Val Schier  
- President of the LGAQ and the ALGA, Councillor Paul Bell  
- President of the WALGA Cr Bill Mitchell  
- President of ULGA Cr Paul Pisasale  
- President of Australian LGA Women’s Association Cr Judy Peters  
- Mayors and Councillors  
- Distinguished Guests  
- Departmental Officers  
- Ladies and gentlemen.

Thank you for the opportunity to give you the State Opposition perspective and share some views on Local Government matters here in Queensland.

Congratulations to those councillors who are attending their first annual conference. You will find Local Government a very rewarding experience. Some new Councillors are getting a bit more than they bargained for however in the long term rewarding - I’m sure.

Local Government has always been a dynamic form of government, closest to the people, and able to provide that personal touch that other levels of Government find difficult.

That form of Government has now changed across Queensland with Regional Councils and larger City Councils now the norm.

There has been a great debate on this change.

Today I want to talk through these changes and what I see they mean for Local Government in Queensland.

I want to contrast this with what is proposed under a Liberal National Party Government in the future.

The Leader of the Opposition and LNP Leader, Lawrence Springborg, has outlined some strong principles that will be the great pillars of a future partnership.

DOUBLE ENTRENCHMENT
Number one - is to recognise Local Government fully in the Queensland Constitution by Double Entrenchment. You will be a true constitutional partner in Government.

NEW PARTNERS AGREEMENT
Number two - a New Partners Agreement with Local Government to ensure adequate consultation and timeframes on legislation and policy determinations. This will be a genuine agreement that will provide a coordinated whole-of-government approach to provide better outcomes for Queensland communities.
The present MOU I believe is hardly worth the paper it is written on and has been seriously broken on numerous occasions.

We don’t want to see again major legislation drafted and introduced into the Parliament with Local Government getting a phone call on the morning of introduction. Rushing to Parliament House to see new Local Government legislation that was so secretive they could not consult until it was in the Parliament.

I have been greatly disturbed by the harsh treatment of Local Government in Queensland by the Government and Department of Local Government.

At the recent Budget Estimate Committee hearings I asked the question why the Departmental Satisfaction Surveys of Councils were suddenly discontinued.

The Minister said Councils were too busy to fill out the survey and then tried to divert away from the issue making up excuses as he went along.

I challenge the Minister for Local Government to undertake the satisfaction surveys and report by the end of this year.

We recognise the impact on Local Government through cost shifting.

We acknowledge the outcome of the Productivity Commission report on cost shifting and commit to negotiate those issues through our New Partners Agreement.

We are looking at a new era for Local Government a genuine partnership to share the pain and share the gain.

CORPORATISATION
Number Three - Councils will once again have Corporatisation Status.

In an attempt to stop councils from continuing with Australian Workplace agreements the State Government took away Local Government corporation status.

It is my very strong belief this was irresponsible, it leaves councils and particularly councillors exposed to litigation and any number of unintended consequences.

I am not aware of any other Local Government in the Western World that does not have corporation status.

While there is a small silver lining in that you are now not subject to fines from Workers Compensation or EPA.

I’m sure legislation will quickly come to Parliament to rectify this.

An LNP Government will immediately restore Local Governments corporation status so you once again will be recognised as a legal entity at law.

AMALGAMATIONS
A major reform of the Beattie Bligh Government has been forced council amalgamations. The impact of this reform has had a significant effect on the performance and stability of many Local Governments.

I do not want to focus too much on amalgamation however it is important to state the facts so you know where we are going in the future.
I take the opportunity to congratulate all Regional Councillors in many cases you have been dealt a difficult hand, given no real financial support from the State Government.

I agree with the Minister that Councils are getting on with the job, and that is what you should be doing. Doesn’t necessarily mean you like the hand you have been dealt.

Amalgamations have been practical and sensible in some areas but impractical and stupid in others.

Nowhere in this reform process was the ratepayer genuinely considered. Local Government is worth $80 billion, however there was no cost benefit analysis and no due diligence done.

Contrary to the Minister’s statement yesterday that there was no political advantage to Government the reason to amalgamate councils was a political one.

It was to reduce the conservative element in Local Government and support more union control and membership.

Ratepayers are now getting a taste of amalgamation with dramatic rate rises many in double digit figures and up to 58% along with capital works cuts to pay for amalgamation costs.

I am sure you can understand the feelings of ratepayers who previously lived in a financially viable shire, were happy with their lot and now have to personally pay big increases in rates and charges for the privilege of being amalgamated.

Those who don’t follow history are bound to repeat the mistakes of the past. This was evidenced at the last council Election following forced council amalgamations where generally strong supporters of amalgamation missed out on re-election. Councillors closely aligned with the Government also had a similar fate.

History has also found councillors in the first term after a serious forced council amalgamation face a very difficult election because of the impact on ratepayers.

Regional Councils have been dealt a poor hand to manage this change.

Minister Pitt said yesterday that his Government was one that looked over the horizon, while this is a good thing to do, I would suggest it would also be a good idea to have a good look at what is happening around your feet before charging off over the horizon.

Amalgamation costs vary across the State however the LGAQ estimated $200 million with have to be found to meet these costs.

The Minister for Local Government had twelve differing positions on amalgamation costs and had refused to sit down and negotiate a template of costs they will accept.

He said yesterday that State Government will help Councils manage change. They haven’t done that so far and it would be a good start to that statement to recognise the huge cost and help with the financial burden on ratepayers.

It is important however that councils submit applications for these costs and vigorously pursue the State Government to recover these costs that they deliberately have placed on you.

DE-AMALGAMATION

You need to be aware that at the forthcoming State Election, should the community elect an LNP Government here in Queensland, councils will be given the opportunity to de-amalgamate.

This position is in line with our commitment during the forced council amalgamation process.
Councils that were clearly opposed and held referendums showing their community opposition, will be given the opportunity to de-amalgamate and a reference will be given to the Local Government Boundaries Commission.

We are not opposed to amalgamations per se, and many present amalgamations will stay.

However there are some where the communities are clearly opposed and others where the boundaries are just plain stupid.

The 17 Torres Strait Island Councils will be automatically reinstated as individual Local Governments with a single Joint Local Government Central Financial Management and Accountability system.

This will enable the Councils to have the autonomy of decision making and retain a single central financial control arrangement.

As a matter of interest before amalgamation we had two councils out of 157 on the financial watch list, now we have eight out of 73.

**ENTERPRISE BARGAINING**

During the Estimates I questioned the Minister on why non-union Council workers were unable to be involved in the formal negotiating process for new enterprise bargaining agreements.

The Minister advised that it was the Government’s decision that union members were the only ones to participate in the formal process and non-union members could only be involved in early discussions.

I have no problem with unions being involved in this process, however, when considering they represent less than 30% of Council workforces, it’s a bit rich that 70% are not good enough to be fully involved as they were before.

The Minister further stated that the interpretation they place on the Industrial Relations Act, that parties to a collective agreement are, on the one hand, the employer, and the other hand either the union or the employees.

Councils, I believe, could decide to formally negotiate with the employees as they did before. It is up to you.

**PLANNING**

There will be significant changes to planning arrangements in the State in the future, there is a Cabinet battle going on.

It is quite clear the State Government wants to be more closely involved in planning, and this will necessitate having less authority with councils and more with the State.

Ministerial call-ins have increased over recent years and this will continue until the State has more control.

The State Government does not have the strict standards of accountability and transparency that Councillors have in their dealings with developers.

Questions are now regularly being asked about this process, and the press are finally becoming interested.

Planning should remain in the hands of Councils.

An LNP Government will not set up independent assessment panels and planning will remain with the Minister for Local Government.
My Shadow Ministry under the new LNP reflects this policy and is now called Local Government, Planning and Regional Development.

COUNCIL ELECTIONS
The Queensland Electoral Commission ran the last council election. It is my view that it was an expensive experiment with many irregularities such as Brisbane City ballot papers being sent to Whitsunday. Ballot Papers sent to a similar town name in Victoria, ballot papers with return envelopes to a different council and many voters who did not receive a ballot paper at all.

The State Government promised an independent inquiry into the running of the 2008 elections and to everyone’s disbelief they ran a self satisfaction poll by a marketing group to gauge approval.

No genuine inquiry was undertaken.

An LNP Government would give Councils the option to conduct there own elections.

MAYORAL ELECTIONS
Taking a glimpse into the future I will bet London to a Brick on there will be a State Government move to do away with popularly-elected Mayors.

It seems some of you have been getting under the skin of some of the Labor Backbenchers and they are feeling inferior.

COUNCILLORS STANDING FOR STATE PARLIAMENT
In 2003, the State Government amended the Local Government Act so that if a Councillor nominated for election at an up coming State Election he/she automatically lost their council position upon the close of nominations.

This is clearly an infringement on the democratic rights of councillors.

An LNP Government would reinstate the right of councillors to stand for State Parliament without having to resign from office.

MAIN ROADS
Main Roads have some real challenges for the future to be able to construct and maintain the road network with the construction CPI far in excess of the cost of living CPI.

I commend Main Roads for their dedication, support and tireless effort to try and build new roads and maintain our ageing infrastructure.

During the Estimates process the Minister stated that we have a record $3.25 billion capital works program this year and $274 million allocated for maintenance and preservation on State Roads.

However an analysis of the figures show that we now have 5435 kilometres of road seal that exceeds optimal age, and if you multiple the increase from last year, out for the next 10 years we will then have 7246 kilometres of road seal that exceeds optimal age.

That is a small snapshot of the future if the current funding arrangements are maintained, and is a small example of the enormous task facing Main Roads.

I don’t think the indexation rate used by Treasury annually to determine the funding to Main Roads fully reflects the increased costs of road construction compared to normal cost of living CPI.

When you have increases in bulk cement going up 41% and steel reinforcing up 47% and tender by invoice for construction of the SEQ Water Grid.

It’s my view that more funding particularly for maintenance should be forthcoming from Treasury.
LGAQ
I want to take this opportunity to commend the LGAQ for its dedication to Local Government.

The challenge they have is a large one. To closely support the Councils of all sizes and locations throughout this vast state.

You have been able to pick the issues on an individual basis, and in doing so can support the Government on some issues, but slam them on others.

Sometimes there can be no compromise on fundamental Local Government principles that best serve our communities.

CONCLUSION
Your theme Challenges and Choices for this years conference is very appropriate. Local Government has had and still has many challenges. I hope that what Lawrence and I have spoken of and committed to at this conference fulfils your theme and gives you the choice.

A clear choice, a genuine alternative choice, your choice for Local Government into the future.

Address: “LG Infrastructure Services Update”

Mr David Jay OAM
Chairman
LG Infrastructure Services

Good morning delegates. What I want to do today is give you a little history about LGIS, talking about what we have achieved and indicate to you what we think the future might hold. First of all it is pretty good to look at where we are after three years. Three years is a good period for a company to look at what you have achieved and where we are going to go in the future.

Just a little bit of history. LGIS is a company that is owned by LGAQ and QTC in equal shares. The board basically consists of the share holders, who are Stephen and Greg, and the three independents, myself, Brian Guthrie and Rodger Short. Between us, we have a fair bit of experience in Governance, Risk Management, Engineering, Law, Infrastructure and Procurement.

Why was LGIS created? The shareholders got together and looked at the situation which confronts a lot of local governments. Basically what you see is a situation where revenue just wasn’t matching expenses, particularly in regard to infrastructure. We exist primarily to help local government respond to the rising costs and the limited capacity to fully recover those costs and help you basically deliver infrastructure in the most efficient and effective way. Basically our mandate is to help councils achieve the highest quality infrastructure at the lowest possible cost to the ratepayers.

Just looking back over three years, what have we achieved? Basically we have been able to advise councils on their assets, which have been valued at about $3 billion. Most importantly, what we have been able to do through our work is to generate savings to councils, of at least $500 million over that time and that’s a conservative estimate. We do that through optimum procurement as versus traditional ways, looking at better ways to bundle projects together, to give you better value. We think we have only just scratched the surface of potential savings to councils and the state in the future.

We’ve provided advice to over 60 individual councils which represented approximately 80% of local governments in the state, and we are currently assisting with 7 regional collaboration projects on behalf of 40 councils across the state. Typically the regional collaboration projects can be seen in various areas but what I would like to particularly highlight, which we are quite proud of, is the waste project, which brings together waste recycling, waste management through Rockhampton and surrounding areas. That particular project, which expands over four regional councils, is probably the largest of that type of
contract anywhere in Queensland and probably in Australia. One of the issues about that is that those projects get to be so large, that we actually attract the attention of the ACCC - and we were successful in managing that - but it's interesting the size of the project, and what it attracts.

There are many other examples. You will be aware of our work in Home Water Wise and a few other areas particularly to do with water, but I guess one of the areas we would like to look at, and we are going to look at in the future, which is very much on everybody's agenda, is Climate Change. It's one of the single greatest risks that will affect councils over the coming years, and into the foreseeable future.

Two things that I would like to highlight to you about climate change, and it doesn't really matter whether you accept all of the arguments about climate change or the science about it, the reality is the Australian Government is going to introduce a Carbon Pollution Scheme in 2010, and that's known to most of us as the Emissions Trading Scheme, and it's important for Local Government and other organisations to realise what it is going to mean to them.

The Green Paper basically suggests that both unincorporated and incorporated entities will have obligations under the Emissions Trading Scheme. So what this Green Paper is saying is that the Greenhouse Emissions Reporting will apply to unincorporated entities to report on their emissions, so that basically means Local Governments. Of the 600 pages of the Green Paper, that is probably the most important part for Local Government. It means that Local Governments will have an obligation to participate in Emissions trading and actually to do reporting about their emissions.

As a rule of thumb, Councils with more than 50,000 people could trigger the thresholds for participation in both schemes, and there are about 20 of those councils in Queensland. Just going back one step, what's the public opinion about Climate Change? Basically these two quotes come from the Institute of the Public Perception of Climate Change. People view climate change very seriously and as you can see those statements very much suggest that it's become a main stream issues. It's no longer an issue for a few greenies to look at. The main stream population believe that there is an issue here and they want it addressed.

If you look outside our jurisdiction, look to place like the UK, it is going to be mandatory for all local governments to participate in the UK Carbon trading Scheme in 2010, and to contribute to the Carbon reduction commitments of the UK. There are examples also in NSW in Local Government where they are looking at similar schemes. There have been a number of articles this year in the media about climate change. We expect that number of articles will double over the second half of this year. It is going to be front and centre with all of us and with the communities for the foreseeable future.

What can we do to prevent Climate Change? Some of our eminent leaders and their suggestions were taken at the G8 Summit in Japan a couple of months ago, where they were planting a few trees, I think they would need to plant a few more or put a bit more effort into it. But it does indicate that at least philosophically the commitment of the world's leaders to do something about it. Then you can turn to another country. This is a snap taken from Argentina, and as a matter of interest, Argentina has 55 million head of cattle, and 30% of their greenhouse emissions come from that beast. And what this is? It is actually measuring by the rear end of that animal, the effects of methane. It’s a serious example by the way, this is not just for fun, they really want to measure what their contribution is, but it is estimated that 30% of their contributions come from cattle. We won't be doing that!

What can councils do? We think there are four basic steps you have to take, and whether you are a large or small local government, we think that there is a commitment that should be made to the community to do certain things.

The first step is to actually measure your carbon footprint for your council, so that you can answer that question - "what is our carbon footprint", and you would be the same as many other large organisation in wanting to know what your carbon footprint is. The second is pretty obvious, once you know that, you go through a process of identifying the zero cost or low cost measures that actually reduce your exposure to carbon within your business. Third step - identify what the abatement opportunities are. Abatement could be things such as planting trees in large numbers, landfill, and sewage treatment plant gas capture flaring. Local Government has many opportunities for abatement if you turn your mind to it.
The last one of course, is that council can buy and sell abatement through a trading scheme. In each of those areas, we believe we could be in a position to help you look at that. You probably can’t read the details of that, but it talks through those four steps, and if you talk to our staff we will help you do that.

I guess one of the things I want to highlight to you is that the process that we have outlined there is rigorous, robust and auditable, and you would expect nothing less, as an indication of what LGIS has done in this space already. Over the last 6 months, we have provided advice to both state and local governments on carbon footprints, we have advised on financial risks and the best way to reduce carbon liabilities. We think there is great potential to aggregate carbon trading through the various local government entities.

The last thing I would highlight to you, because one of our shareholders is in fact QTC, who have set up a trading area in carbon, we have access to probably the lowest cost possible way for carbons to purchase carbon offsets and to trade in the various carbon instruments which will emerge in the carbon markets in the near future. That is an area we think will become very important to you. It’s certainly very important to the State Government and into the future.

On a similar but not quite the same area, I would like to tell you about a major initiative that LGIS is involved in which is starting in the very near future, and was announced by the State Government in the budget in June. Basically it’s called Climate Smart Home Service and it will be a very significant project. It is a state wide offering, and as you know some of the home water wise was limited to the south-east corner, but this is a state-wide offering. It will commence in January 2009, and what the State Government has allowed is a $60 million investment over two years.

The target has two components to it, part of it is to do with water, and part of it is to do with energy. The target is 260,000 retrofits over two years, and in particular 130,000 of those retrofits, front-end loaded to gather the carbon offsets by June 2009. What we will do in the first six months is basically accrue about 1.8 million tonnes of carbon credits which will be worth about $36 million at the current carbon price of $20 per tonne. The total carbon savings we expect to generate through this scheme is 6.5 million tonnes. So it’s a very significant initiative and we are delighted to be involved in that, project managing it.

So how does it work both for you as customers, as individual customers, but also more generally for your community? Basically the process allows for a $50 customer contribution, although in certain areas, particularly in Brisbane City, this service will be provided for free, because Brisbane City has decided that they will meet that $50 obligation themselves and other south-east Queensland councils are considering their position in respect to that.

What you get for that is a 30 minute service (on average) from a licensed electrician. They provide 15 compact fluorescent light bulbs, which could be either LED or CFLs, they do a retrofit, similar to the Home Water Wise four star shower head retrofit, and perhaps one of the most interesting initiatives is they install a wireless energy monitor, which monitors where the power is being used in your house and at what time. So it gives you control over your energy. The value of the service overall is $350 and we believe that the individual customer will generate an energy saving of approximately $250 through that, so it’s pretty significant. If you are actually individually interested, or would like to promote it to your communities even though the work doesn’t start until January, there is a number and online contact and a 1300 number which allows people to book themselves up for a service under Climate Smart.

So where are we headed in the coming year? We are going to continue doing a lot of the same things, focusing on delivering customer value. We will be looking for regional collaboration projects with you. I want to emphasise once again that we need to keep project delivery costs low. We are a pretty lean and mean organisation and we are looking for initiatives that actually save you money but also can be delivered effectively and efficiently. We are looking to take on more complex projects which have greater project delivery risks. We are looking to provide projects where we get an end-to-end or turnkey customer solution. Not just one-off contracting, consulting advice, we look to give you end-to-end solutions so that you say “I’ve got this problem” and we can help you take it from to go to woe. To do that we need to develop our skill base, and expand the services that we can offer to local government.
and we are always looking for opportunities to do that and we are going to continue to invest in new skills and resources to support your needs.

So I guess it is very important for us to know what your needs will be in the future, and we see that there will be a variety so I guess that is one of the enjoyable parts of being a part of LGIS, is seeing the variety of work that we can be involved in and actually looking at our staff and what they can do. We have a good range of staff and contractors that actually help us do that work. If there is anything you think we can do to help your council, that's the reason we exist. I would ask you to contact us on the web, or in particular talk to one of our staff here, in particular Mark Girard. Give him a call, he's more than happy to talk to you about whatever your needs might be.

So that's a little story about LGIS, I think it's a good story. We have done well over the three years, and we are looking forward to the next three years with enthusiasm and looking for new opportunities. So thank you for the opportunity of being able to talk to you today, and I wish you all the best for the rest of the conference and a safe journey home. Thank you.

Questions from the floor:

Burdekin Shire - In the issue about Carbon Credits, we have a concern in the sugar industry, where we get corporations come up and buy prime agricultural land and plant trees. I don't know if anyone saw Landline a few weeks ago, but it showed where there was a project up in Darwin where they were planting trees in areas where there were no trees, and it was land that was just grazing land but it was bare. Now I agree 100% with that, but when we are looking at locking up prime agricultural land in our rural communities, what's been happening is that we have sugar mills and employment that hinges around all those centres, and because these corporations are doing it as a tax incentive it's creating job losses, mill closures when we can't as an industry - Governments won't allow us - to clear any more land. We should be preserving that land for food and for ethanol and employment. I would like your comments on that issue, as it is a huge concern to us in the sugar industry where there is prime agricultural land locked up. Thank you.

Answer: That particular issue has been raised a lot in the press, about how land will be used in the future. I guess this is perhaps a personal view, rather than a statement on behalf of LGIS. The issue is always going to be about how land is used, to its highest and best use, and whether it's particularly for agriculture or planting trees. I think we are always going to have to face that issue. I understand your concern, but the markets being what they are, it tends to be that whatever the most productive use for land is where that will go. Having said that, what we were proposing was not looking so much at the large corporations, we were looking at it from perspective of local government, what local government can do, and we think there are lots of opportunities, and it's not only about planting trees, let me tell you! I mean that is one issue for carbon, but it is not the only one and I think people become seduced by planting trees and that's not the only solution you've got to improving your carbon.

Question: In respect of the amalgamations that have occurred, and all the challenges that that throws how do you see that effecting what LGIS does, is that an opportunity for you to better leverage or is it more of a difficulty?

Answer: In our opinion it is an opportunity for us to work with the new councils, and we have already started doing that. The sort of services that we can provide will help regional councils look at the assets they've got, and what they want to do to provide a plan for the future about how they want to use those assets, and we've started doing that already. We think the amalgamated councils, the new councils, they may look at the assets they've got, when they want to get the best out of their infrastructure - that's a great opportunity. One of the effects we didn't foresee, but now appreciate, but some of the larger regional councils now have formed of such a size, that the infrastructure they are dealing with is much larger, and the issues about managing it are much larger and you need to think very carefully about what the plan is for the future. So we are looking forward to the opportunities of working with councils, looking at feasibility studies, about how they might plan for their assets in the future. To answer your question, we think it is an opportunity.
Question: Cr Annie Clark - your comments in relation to areas where we are forced by location to live on diesel generation for our power, and how, is there any consideration for a scheme you said if we pay $50 we will get scales of economy by putting in all the little you beaut things, so I can't really see that being much benefit to us, but I am just asking you probably not so much for comment but for you to think about those communities as well. Because in diesel generation as your aware you have to have a load base on your generators, so those sorts of efficiencies are a bit of a nonsense, we've got plenty room to grow as many trees as people like, but we certainly need some real assistance in being able to resolve some solutions, because none of really do like the diesel generation.

Answer: I understand exactly what you are saying. We all know the cost of fuel, particularly diesel fuel, is just going to go higher and higher. One of the things we have whilst you say you have no alternative, we would always look at what other alternatives are there to assist you to reduce your demand on diesel generation, and there are some good alternatives to that, and we seriously believe that some of the solar cells that are available, will become much more realistic for domestic use in the future. At the moment the price is out of the reach of normal residential consumers, but I think you will see in the next few years those prices will drop dramatically and you will start to be able to use some of the renewable resources. It doesn't mean you will be able to throw your diesel generator away, but you will become less dependent on it. And that's what we will look to, work with people and look at what the alternatives are.

Address: “A Public Private Partnerships and their Benefits”.

Steve Crowe
Partnerships Director
QPG

Jim Lindsay
Chief Financial Officer
Ipswich City Council

Jim Lindsay and Steve Crowe: Just in case you are wondering, I'm Steve and that's Jim - I am the Pom. Thanks ever so much for inviting us to speak this morning. It’s a shame that Bill Taylor wasn't able to get here from the sunny UK. Bill and I actually come from the same part of the world, we are both from the tropical climes of Manchester, North England, which has a lot of similarities to Cairns. I feel really quite at home here.

We are going to talk today about what we believe is a first partnership of this type in Australia. It's really taking from learnings that we have seen in the UK over the past 15 years, similar types of arrangements that exist in North America, with a view to making sure the councils are able to derive the absolute maximum benefit out of the services.

Obviously it is important that these types of arrangements have very Australian concepts and this arrangement with the City of Ipswich and QPG certainly does have a very Australian context. All the services continue to be delivered out of Ipswich, all the services are delivered by people employed by the City of Ipswich Council. We have taken a lot of learnings from the study that we did in the United Kingdom last year. So we just want to put it into some sort of context for you and to give you an update in terms of where the partnership has actually got to during the course of the past nine months, the arrangement was actually signed in November 2007, so the timing is opportune and in a sense we are quiet grateful that Bill hasn't turned up because it gives us a chance to talk to you.

Just for those of you who, maybe this is your first conference, it’s probably just worth capping on what QPG actually is, because in a sense it is actually owned by you, it is owned by councils. QPG is 50% joint venture between the LGAQ and UCMS which is an Australian-owned organisation which has a very strong specialism in the delivery of customer services and transactional services, so both the front and back office. UCMS works for lots of large Australian companies, in both the public and private sectors to essentially can transform the way in which organisations do business. It’s listed on the stock exchange
and has 3000 people. The original reason for putting QPG together was because the LGAQ spotted many, many years ago, I am sure many of you here today also realise that efficient government does matter.

It's important that councils are constantly looking at new ways of driving through performance gains within their organisations. It is also important as well to recognise at all times there is top-down pressure from federal government, there is top-down pressure from state governments and the LGAQ is looking at ways at enabling councils within Queensland to come together and start thinking about how can they share services, whether they are front-of-house services or back-of-house transactional-based services with a view to improving performance and driving through economy gains and so on.

I think everybody recognises that there is a significant amount of duplication across all tiers of government in Australia and significant amounts of duplication across all tiers of government in the UK as well, but I suppose we have been addressing that in the UK for probably the past 10 to 15 years in terms of how do you essentially remove that duplication and deliver real service improvement gains. The amalgamation process is in a sense one sign that the state government is taking a very close look and making sure the councils are delivering the absolute maximum value for money to taxpayers and we have seen PPPs in NSW and there are other initiatives taking place in Victoria and South Australia where councils are actively been pushed if you like to consider the benefits of working together more collaboratively. We have also seen the experiment in the US and the UK which I have already spoken about.

Many of you will be familiar with the Hawker enquiry back in 2003. We are talking about some very big bucks there, at least $20 billion worth of duplication across three tiers of government in Australia, that's a lot of money that could be spent on more efficient services. If we take a look at what's happening in the federal level, with the Rudd Government and Peter Gershon, who's actually in Australia at the moment. Many of you may remember that the LGAQ brought Peter Gershon across from the UK last year as an international keynote speaker to talk about what he has been doing with the UK Government over the last 10 years around modernising services with a very keen emphasis in making sure that particularly local government was able to drive through real sustainable service delivery benefits over the long haul. Councils in the UK have to deliver year on year efficiencies, they are measured on it, if they don't deliver the funding that comes from the central government doesn't follow, it doesn't flow. 2.5% efficiencies year on year for the past five years, 3% efficiencies year on year from 2007 to 2008. They are monitored and the central government comes down very, very hard on councils that don't deliver these efficiencies. Well, Gershon’s in Australia doing an ICT review for the Rudd Government. My money is on Gershon continuing to do that work with the Rudd Government over the next few years with a view to getting a more detailed analysis of what the potential means for state level governments and trickling down to local government. Obviously amalgamations have already happened, the Local Government Act is being considered as we speak and there is more reform on the way, I think everybody recognises that. Structure - it could be argued it's been done via amalgamations.

There are still some big issues to do with capacity, organisational capacity, and organisational performance, and how do you manage and uplift performance over a long term. So in summary I suppose QPG was created by the LGAQ to fulfil the need, or to provide a vehicle if you like to enable councils to come together via some sort of joint services strategic partnering arrangement - there are financial efficiency challenges, there are performance challenges. The public is demanding, and we all know the public wants more for less, and there is a necessary duplication of services even post-amalgamation with significant numbers of customer service centres across councils. There has got to be a better way of doing business. Jim.

Jim: I have been working with Steve over the last couple of years pretty consistently, and it's only in the six months I have been able to understand a word he says. We actually do work, and see each other two or three times a week in this partnership, so it is truly a partnership and Ipswich is very excited about the opportunity that we have.

This is a ten-year agreement, we think this is the future. We like to create the future at Ipswich and I think that this is an important concept, not just look after the present after the past. I'm just going to talk a little bit about the drivers in Ipswich that make us go down this path. Some of those drivers that you would be very familiar with anyway.
You would be aware that Ipswich is growing at 4.6% per annum - one of the largest growth rates in the state. It needs to operate like a business, and I see a quote there from the Mayor "We need to operate like a business to gain the best return for our investments." That's not just financial investments, that's actually just as much about customer service investments, keeping our service levels to a point our customers expect. At Ipswich we have always been very good at customer service but at a pretty tight cost. To continue to move forward in a sustainable way, we obviously have to change our business model quite significantly. I think a lot of you in this room will actually find you probably need to look at that in the future as well, as things like the demographics in Australia change.

If you have a look at the graph, the unemployment figures in Australia, you will notice a pretty significant trend over the last ten, twelve years, and that's a downward trend. Basically there is no-one to work, unemployment is at capacity, significant skills shortage in Australia, and I guess at Ipswich we don't think that's going to change. Actually I am very confident it's not going to change. That trend will probably continue given the customer demands we have, the customer demands you have. There is an enormous gap in the market place at the moment. So we have to look at ways to innovate and do things a little more efficiently, a little bit more effectively to fill that gap. That's just an employee age profile of Ipswich City and on the left is the number of employees and on the bottom is their age group. This profile would be the same profile that you all have. We've got 50% of our employees who are 40 years or above, and the next ten to fifteen years they will all retire.

I am a generation x by the way, I am not a generation y, but those people are very different to generation xs and the baby boomers, and I think we all know that, so that just confirms what we said before, that employment market capacity, you've got a skills shortage, a different breed of people coming through who are going to have to fill that gap so part of this initiatives to look at how we deal with that. This is an Australia-wide trend, it's not going to go away, and we have to find ways to address it and we think partnerships are the way to do that. Some of the other local drivers - we implemented an Oracle ERP, platform ERP is a Employers Resource Planning System, a computer system, Oracle is one of the leading systems in the world, along with SAP. We did that in the nine months to November 5th 2007, the same day as we signed the Services Queensland Contract for 10 years. That technology upgrade provides us with a very sound platform to move forward with, and to potentially market to other organisations such as yourselves. It is based on a benefits realisation objective of about $120 million. Obviously we are happy to share some of those benefits back to the community and to the partners that we have. That was a pretty successful implementation to do what we did in nine months, and was a pretty incredibly result from our staff. Our staff has embraced that change process and will continue to.

We actually have a business improvement office at Ipswich City Council which just focuses on business improvement initiatives through technology change. The UK visit is a very worthwhile example to have a look at. There are certainly visible benefits in the UK, no question that they've got significant returns on their investment there through that strategic partnerships work that they've done. I would say though - it's off a really low base. Those of you who have been to local government in the UK would realise that they do things in a different way, and they have a pretty low base to start with. We certainly in Australia, are much better performers in some areas then they are in the UK and they do have other drivers they do a lot of social services which have a different set of criteria then we do, obviously very customer focused, they don't look after some of the infrastructure to the same level that we do.

But it certainly works there, and there is no reason why is wouldn't work here. It worked in the corporate world - the corporate world do this all of the time - in just about every industry that they work in, it's just a standard part of business in the private sector.

Just a few issues we've had in the ten months since November 5: Obviously, staff are fairly uncertain about these things, any change for staff is a significant issue, they get a little edgy because basically what happens is they get managed by QPG but all their conditions remain the same. Technology is the other issue. We have only done stage one of the ERP, so there are issues with the integration of systems, which have some issues for staff, as they like to see data in one place. Most of you would be aware local government systems are pretty disparate, so you get data all over the place - we will have to put those together that's the next twelve month's job.
Understanding their business is one of the more difficult things for a private sector partner to do. We are fortunate to have a partner that has worked in local government before and understands those concepts. But certainly that takes time and developing key performance indicators around those customer service initiatives takes a little bit longer to do, but we have been pretty successful in the nine months in doing that. Unions obviously have some issue with this type of initiative, they see it as an outsourcing arrangement, and it’s actually not. We work pretty closely with the unions to mitigate those issues.

Why take up a private sector partner? It’s one of the questions I often get: “Why don’t you just do it yourself?” The standard philosophy is why doesn’t local government just do it? The fact is local government has never done it very well. Private sector does it quiet well, so we have created an environment to make that work.

We don’t see our private sector partner just as a consultant, or as a technologist, we see them as specialists in their area, and we partner with them in the true sense of the partnership. It’s interesting when we did the contract stuff Steve, I think we would often come to a point of debate and basically the conclusion was it was a partnership. If we can’t resolve it between us as a partnership we all might as well walk away. So we didn’t put a lot of mitigating strategies in place in terms of the contract to deal with that, so the day our dialogue stops as a partnership is the day that we probably have to look to different partners. We don’t expect that will happen because of the expertise and professionalism of the people involved.

The other thing is to actually on sell this sort of product to the market place, it’s been set up to trade with as a third party process, so you only have one contract in place, so if another local government was to contract QPG it’s just a contract between those two parties, doesn’t have the problems you have in some of the other places where they put five councils together in the one consortium and you have different masters and different contractual arrangements so it’s pretty effective. From that point of view it makes it easy to deal with and easy to trade with. The process is also very transparent. We actually run one set of books, which we both have access to, we run the one business model which we both have access to, and both agree on. So all of the inputs, all of the outputs are all there for everybody to see. I know his margin, he knows mine, and there is not much to hide. Which is really the only way you can deal with a partnership type arrangement.

I will just talk a little bit about the procurement route. Probably most of you know that QPG is on the Local Buy Panel. So we contracted this through the Local Buy panel. QPG are on the panel to do customer service, accounts payable, accounts receivable, payroll and rates. We only do rates and customer service at this point. So we didn't have to go to a competitive tender arrangement, but you could, there is nothing to stop you from going through that process.

The contract took us ten moths, seemed like ten years. It was a really long process. This was the first of its type of a contract in Australia. We had never done it before. We spent months in lawyers’ offices, going through detailed discussions but we just kept talking and building the contractual relationship, and that's what you have to do, you have to keep working through the issues, to get them off one at a time. We learnt a few lessons from that process. Pretty successful things like keep the scope narrow, the contract is built to be built upon, and the partnership is built that way. Not everything is written down. It is an intuitive process and will continue to be. We have to deal with issues every day that we didn't anticipate and we build upon those things through the partnership processes.

The other important thing is to recognise the council and our executive at Ipswich was pretty focused on this, so we achieved a lot of success just by having the right players in the right place. If you are going to do these sort of things you need the people who can make decisions at the decision making table, that's really the only way that can work. The Mayor, myself and the CEO spent an enormous amount of time talking through those issues. A lot of compromise and a lot of things we both compromised on through the process. A pretty pragmatic process - at the end of the day, we both had to tell our lawyers that the contract was going to be signed on the Saturday morning, but that's the way you have to deal with lawyers sometimes, and I think it worked for them in the end, as they got a bit out of it. The way it works is it Services Queensland as a partnership; it's not a joint venture. It's 50% owned by City of Ipswich and QPG. The City of Ipswich is actually, it's owned by some of our enterprise power companies. It's called ICE Investments, and it's done that way for some legal liabilities reasons, and it works effectively.
Steve: In terms of what Services Queensland has actually been set up to do, I suppose there are two core elements to it. The first is very, very focused on working directly with the City of Ipswich and that's what we are going to be doing for the next two to three years, just focusing on all of QPG's attention on that single goal. We are involved in business transformation. We want to work with the council, with its staff, with its council’s laws, with an executive team to really fundamentally transform the way the service is delivered on the ground. We want to put in place a continuous performance improvement. That certainly exists today in all councils, to a degree, but we actually want to make it far more accountable, we want it to be measured on a day by day basis, and in fact we have already started putting mechanisms in place which enable that very clear transparent measurement.

We want the Mayor to be able to say every single year, that the service level at the beginning of 2008 was x, and at the end of 2009 was y, and you can actually put a financial value on that and that's a real improvement in terms of driving through efficiently and raising performance in an organisation. That's the first element, the second element over time, is that we do believe there is a great opportunity for other councils to work with us in a more collaborative way by sharing services. This involves a range of different service areas, currently we are talking about customer services and property rates, there are other services based on experience in the UK, and I will swear, they can be shared very, very successfully and we would like to have conversations with you about any of those types of services.

These things actually extend even further though. On the UK study tour last year that I hosted with Brent Reeman from the LGAQ, we saw once these types of Public Private arrangements get some traction and once they start getting some credibility on the ground in terms of being able to demonstrate a real performance, it shows you're actually able to attract into the area private sector activity. And that is really one of the things we are very excited about - bringing that type of activity into Ipswich and the surrounding area with a view to driving through performance gains in private sector, but it's federal government, state government, it's all up for grabs, and we believe that it's achievable in terms of driving our growth through this business model.

In terms of Services Queensland core features, it's interesting in a number of different ways. It picks up all of the council's customer services and their property rates functions. This isn't just about the switchboard. This is about every single area of the council that touches a customer group on a day-to-day basis, wherever there is an interaction. Whether it's a telephone call, an e-mail, fax, it's the entire council's customer service function.

It's a ten-year relationship. That's very different to any notion of outsourcing that I have ever come across. Ten years enables investments on both sides, it enables relationships to mature, it allows us to make a few mistakes, and there will be some, I think we all recognise there will be some mistakes along the way. That's a part of growing and maturing. But ten years enables both sides to get the kind of measure of each other and to establish and identify where the real service improvement gains can be made and to plan for those in a more strategic sense over the medium to long term, as opposed to short term gains, on the back of contracts which typically tend to be two or three years. That notion is gone. I think this is really the way forward.

And there is also a five year option. The council can exercise to extend the relationship if in fact it is successful at the ten year point. It's worth a lot of money. $110 million initially so we are talking about a lot of the council's revenue and cost base that shouldn't be underestimated, and we certainly don't underestimate the investment the councils are putting into this. We believe it will grow over time, as the council shares in the benefits as the partnership grows and that's also important.

Everything to do with Services Queensland is based on Risk and Reward. From a QPG perspective we are putting a lot into it by way of investment of our people, of time, expertise, intellectual property and so on. We don't get rewarded until we actually start demonstrating to the council that they have some benefits they can touch and feel. Again, very different to the vague promises of our 10% improvements here, 15% improvements there. We are actually working with the council day by day to establish where those benefits are, and make sure they can touch and feel them. Governance, property, transparency is crucial to a new arrangement such as this. It is different for Australia. It's the first time it has been tried. So we have some very clear governance arrangements in place.
We currently operate what we call a Partnership Management Group which consists of Jim as the CFO, Carl Wulff the CEO of Ipswich, myself - I head up QPG - and Brent Reeman who is the Business Enterprises Director, LGAQ. That's really important for us to make sure we have our level of senior support, as every single decision we take get's properly qualified, properly tested, and we all know what's taking place on a week by week and month by month basis. The council continues to own the infrastructure. The council continues to own the property, premises, the kit, the chairs, the data, and most of the intellectual property that is created through the arrangement belongs to the council. Again, it is a really, really important distinction between outsourcing and strategic partners. We are in this for the long haul and we are prepared to give as well as take. QPG drives the cultural and transformational change across the council, we are working every single day face-to-face with the better part of 100 staff. It is very important we have a very strong team on the ground to work and engage with staff, and we certainly have and that's proven to be very successful. But it also requires staff on the ground to give us something back as well. We expect them to work with us, we don't expect them to create barriers and put blockages in the system.

That is really where the management group comes into it, because we can utilise our resource to help with blockages and to help with removing some of those hurdles, to the type of change and transformation we really want to deliver in Ipswich. The concept of base lining for us was crucially important. You often hear of IT Systems Implementations where IT promises 10%- 20% uplift on a business performance. We haven't made any promises around percentages in terms of dollar values, or business performance uplifts at all. We have sat down with the council for the past nine months, with the council staff, with the management team, with the executive team. We have been working through pretty much every single existing KPI that the council has to do with the services that fall within the bounds of Services Queensland. We have looked at every single piece of data to do with whether council costs those services, and we agreed two weeks ago, on a baseline that we are both very comfortable with, so we know exactly what and how the councils is performing today. That really enables us to say to the council in a year's time, these are the performance gains that have been delivered, these are the cost efficiencies that have been delivered off a base that we both agree on. That way, we know what we are getting ourselves into, and the council fully appreciates what it's getting itself into.

From a staffing perspective, that's really important. It's been a critical feature of the success of this partnership today. The staff actually owns the baseline. The information that we've got has come from the brains, the minds, from the actions of the staff on the ground, it hasn't been collated and put in a data room. We have been working with the staff every single day to collect our data. Any growth, any changes to the arrangements will be driven by business cases. This isn't a loose arrangement where we will just put a change control notice through. We are business-casing pretty much everything we do. Really important distinction - the council again appreciates the costs and the benefits of any changes, and we make sure we are able to deliver on the promises that we are agreeing to.

Jim: One of the more difficult issues that we have to deal with is the staffing issue. There are about 100 people, individuals that are involved in this process. Ipswich has about 1,450 full time equivalents. So it is a large portion of our work force. Out of those 100 people, they actually worked in about seven and ten different areas and fourteen different customer contact areas. As you can image this change management process for staff is quiet difficult. It's not a transmission of business positions. In the UK they have transmission of business arrangements, where they transfer to QPG or to the partner and are paid for and have the conditions of employment that they have in those organisations. We've taken a different view to that here in this thing. The actual 100 people will remain employees of the council. Effectively what QPG are doing is managing those staff. They have an opportunity to join QPG if they want to at a point in time, when QPG or the partnership group feel that it's an appropriate time to employee people.

A deal has been struck where they will be no worse off, there will be no detriment clauses. Employees who go over there as a package deal will not be in any way effected. We have provided them with opportunities to come back to council within a time frame if they don't particularly like it going forward. So that model has been very effective in the last nine months through the communication process. Out
of those 100 staff, there are probably 95 of them who are happy and satisfied with that arrangement and there is obviously a few who are not, and probably have genuine concerns which we will deal with on an individual basis. The model is quite different to what you might think it is. QPG aren't the employer, the council remains the employer for a lot of these people for as long as they wish to be employed by council. We expect over time, as resignations take place, positions change, as it gets up and operating, employees will probably be asking to go over to QPG.

We will see that probably in the next four or five years, as the model gets mature. We obviously involve the unions in the process, we engage with them heavily in the process, and obviously with state government as well, just to keep them informed of the change. This model hasn't been tried in Queensland before, so it's important to keep those stakeholders informed. We had one year to do the baselining process. We actually completed it five months early. So we are well ahead of schedule of where we anticipated being. All the data has been verified with the staff, and as Steve said, they actually own the data.

It is crucial to have buy-in of your department heads and council. Without that, I think these things go off the rails pretty quickly. I think you see there are some state government organisations where DG doesn't particularly like the shared services initiatives, so it just doesn't happen. The other interesting thing, in that short nine-month period there has actually been thirty staff movements, secondments, resignations, changes to structure, etc. So you can imagine there is a fairly large management role just to look after that, but it also provides a lot of opportunity to rethink the way we do business going forward. That didn't particularly surprise me, but I think it did surprise QPG a little bit with so much movement in that area. At that moment, we are in the process of putting transition plans in so QPG effectively took management control of the organisation in August, so effectively they now manage that operational part of our business. When I say operational, that means the contact with the customer, the budgets, the contracts, etc. We will transition that over the next six to nine months, in a staged approach.

We will do the easier ones first, I suppose, the quick wins, and some of the more difficult areas later. I mentioned earlier we have a business improvement office function in the council which is specifically designed to do refresh technology change. Obviously this partnership needs to work very closely with these people. Part of the next phase of the process is to develop what we call the Integrated Customer Contact Centre. We will need a technology refresh in the customer space, have a single point of data for all of our customers and get the single point of contact to our front-end customer service staff, and also our back office staff who do a lot of our administration work. That project is actually being brought forward quickly. Obviously that's a really important part of the go-forward plan. Without that integrated approach through people and through systems we won't get all of the benefits of it.

The other thing we do, is I spend an enormous amount of my time, and Steve spends a lot of his these days, with what we call the tourist trail. We are getting a lot of enquiries from different parts of the country, really all over the state and from New Zealand last week, so we are getting to build some dialogue with a lot of players about this type of initiative. If anyone wants to talk to us about it, we’re more than happy to spend some time. We used to do similar things to what all local governments do, collect heaps of data, but we don’t use it. We don't have any real understanding of the costs of what we do, we don't use activity-based costing tools, to look at some of that, we have work flows set up everywhere, but they are all different, 85% will just be the same type of process. We see some data, we recognise there is a problem, but we don't explore it to the detail that we should. That's the cultural change that needs to take place. That's beginning to happen now.

The traditional KPIs used in local government probably need a little shift, and we are beginning to do that, and we are seeing some huge benefits already in the simple things we have done in nine months, to collect some basic data, just in the change of attitude of our staff in customer service.

Steve: We want to start speaking to people about who is best placed to deliver some of these services for you. It’s a difficult question for councils to ask. Is it something which really needs to be retained in house, or can services be delivered better collaboratively by working with our partner organisations? We've got to get away from this myth that it's just about cost cutting. It isn’t. I was chatting to a CEO from a council out west and he has a problem with his payroll service, so far as they just can't find staff to deliver those services. This isn't about taking jobs out of communities, this is about making sure the services remain sustainable in communities where there aren't people, or they work on the mines, or the
resource sector and so on. We want to be in a position where we can help you to leverage technology investments.

Lots of small and medium-size councils and in fact some of the bigger councils find it very difficult to invest in large scale technology refreshers. We have to get to a point where we start thinking more sensibly and more seriously about the benefits of sharing technology across boards and traditional council boundaries. We believe that QPG and the Services Queensland relationship with Ipswich enables us to start taking that out to you and your councils and your communities. There are many models. I am not going to stand here today, and say this is the only way to do it, this is the only way to put a relationship in place in Australia.

Whether you go to the UK, as we did last year, there are many different variants on the same scheme. There are some examples whereby public sector bodies get together and they do these things themselves, and I have to say they are not terribly successful. There are public private partnerships and there are joint ventures between different sectors, and what we are presenting today is just an example of what we think is going to work in Australia, and in fact, the benefits are already beginning to flow through.

In terms of the types of services that can be accommodated and can be captured within this type of arrangement, overseas, pretty much anything can be captured by this type of arrangement in fact, the speaker who unfortunately couldn't be here today, Bill Taylor, was going to talk to you about them. His group is involved in a strategic partnership that delivers road services. They maintain highways, they build pavements, but it goes so much further than that. It also gets involved in the planning process, development assessments and so on and so forth. That's a very different type of arrangement, but I think it demonstrates the point, that we are starting reasonably small and narrow, with the services transaction based services, customer facing services.

In the UK and North America, they actually go much further and get involved in more typically you would call the blue collar type of activities. But just a list here, Customer Services, Rates, HR, Payroll, these are the real obvious candidates for sharing across boundaries and IT is clearly not only very expensive but difficult to install for small and medium size councils.

In terms of some of the challenges you will face as you hopefully embark on a similar type of journey to that of Ipswich, there is an orthodoxy that the public sector and the private sector can't work together. I completely disagree with that and I have been working in this sector for 15 years, I have seen it happen very successfully in the UK, and it is certainly happening very successfully in Ipswich. I think it is about a mindset, it's about changing the attitudes on both sides, it's about taking some measured risks, which we are certainly doing, and it's about being sensible and mature about what can be achieved and what's actually achievable in the long term, not taking short term punts on delivering benefits tomorrow, it's got to be much more measured than that.

There is also a tradition that exists not just within councils, and this really extends throughout all tiers of government in a sense, the things that are too difficult, they acknowledge in a sense is retained within an individual department, it's retained in somebody's head. That's part of the problem from a performance perspective, that's how do you get performance gains, if you're not really taking an holistic look at the way the service is being delivered. We want to break some of that tradition down, and start getting to the real root course of what the challenges are for you.

Territorialism is also clearly an issue within Australia. Not just between the states but even between councils. There is no way we are going to have my services delivered from councils x or council y, they've got to stay here. Well I think now is the time to start thinking a little more sensibly in a post-amalgamation environment about where the services really need to be delivered from, and are they sustainable from where they are currently located. So just to wrap up, Services Queensland is a new concept proven to be very successful. We came into this with absolutely no preconceived ideas that extends all the way from the Mayor, the Chief Executive, Jim, all the way through the Council Teams that we deal with on a day-to-day basis, through to QPG to the LGAQ. Anything is possible in terms of looking at new ways of delivering innovative transformational delivery outcomes for council services. It requires strong political will and leadership managerial commitment is just an obvious issue. If the
senior management team don't want to get involved in this it won't happen. It requires a lot of commitment. We need to question the orthodoxy and to be willing to take a calculated risk. These things aren't easy and they aren't going to happen overnight, but believe me they are really worth it once you get involved in doing it and you start to feel some of the cultural and transformational changes of staff flowing through your organisation. Thank you very much and if you have any questions, Jim and I would be delighted to take them.

Premier’s Address:

Hon Anna Bligh MP
Premier of Queensland

Thank you very much for that warm welcome Paul. I can assure you I can't remember the last time I got to either read or cook. It's great to join with you for this conference and thank you very much for the invitation. Can I respectively acknowledge the traditional lands of aboriginal people on which we gather, can I acknowledge my Minister for Local Government Warren Pitt, who is also a local lad, good to be up here in your part of the world. Can I also acknowledge local members; I have Steve Wettenhall, the member for Barron River, to Cr Paul Bell, the President of your Association, Cr Val Schier the Mayor of the Cairns Regional Council. I don't image Val that you had much trouble convincing people to be in Cairns in August, it's great to be here. To all of the other Mayors and Councillors of Queensland's many local governments, to any other parliamentary or council colleagues I haven't mentioned, ladies and gentlemen; I am very pleased to be able to join you today. I also want to congratulate you on the theme of this years conference; “Challenges and Choices”. I think given where local government in Queensland is right in this moment, it's a theme very wisely chosen. It reflects in some parts the events of the last twelve months. Particularly in terms of the State Government and Local Government relationship, I think it also very squarely looks to the next phase in that relationship.

I wanted today to start by acknowledging that the last twelve months have been a very difficult time. That's no secret. The amalgamation process was a big challenge, a big challenge for all of us. It’s the largest and most significant reform of local government in the State’s history. At the State Government level we certainly understood from the beginning that it would be a very difficult time, and I know that many of the people in this room are people who have been through it in a very detailed way. Standing here today, I think it is interesting to reflect, probably about this time last year, as the country was beginning to lead into a federal election campaign, the issue of Local Government amalgamations in Queensland was one of the hottest political topics in the country. Twelve months on, much of that has been left behind us. There is no doubt in my mind, I remain as firmly committed to this process as I was when we first started to deliberate on it. I committed to and supported the process as Deputy Premier, and reiterated my support for it when I became Premier, because I have a deep personal view that it was necessary to delivery stronger communities and more sustainable councils, at possibly one of the most important times in our State's development.

The way forward, as we move forward presents us with a choice. How we respond to the reform process is a clear choice - a choice for State Government, a choice for Local Government. Our collective success in making this reform work is a choice. So in that vein, I would like to take this opportunity to thank the Local Government Association of Queensland for their dedication to working through all of the reform issues.

I know there are varying levels of support within the LGAQ for the process, and varying levels of support and opposition from the members of that organisation, but from day one while the LGAQ took one view about the program itself, they at the same time committed themselves to working with local councils to make sure there were no disadvantages out there and on the ground, and I congratulate them for that. I would also like this morning, to take the opportunity as Premier to thank and congratulate everyone of the Mayors and Councillors who are here and all of those who you represent who are not here today, for the work that I know you have done in the lead-up to this year’s local government election, and all of the hard yards you have put in since that election to make those reforms work for those councils that are effected by them. It has not been an easy task, and it is only succeeding because of the individual efforts of the people who work for your organisations, but I think more importantly the political
leadership you are giving to those people as you progress through this area. I agree, and understand that Paul Bell addressed some of these issues in his opening remarks and I have to say that we're in remarkable agreement on the issue of the need to move forward.

On the question of choice, the next level of government in Queensland who will be facing the people of Queensland at an election is the State Government, and people will be presented with a number of choices on a range of issues between myself and my opponents.

On the issue of local government I understand the Leader of the Opposition was here yesterday and between Lawrence Springborg and Anna Bligh there is now very clear choice about the future of Local Government in Queensland. It is absolutely clear that there is a choice between the past and the future. There is a choice between going backwards and going forwards. I unashamedly embrace the future, I enthusiastically believe that we have a strong and positive future in Queensland that local governments are right at the forefront of creating that future and that they are more than capable in leading it. I wanted to say in this context that I have confidence in the democratic process I have confidence that the people who elected you made a good decision. The people who put you in charge of their new regional councils, chose people who are capable of this task, who are up to the job, and who will actually deliver out there on the ground.

Here in Queensland, increasingly with high growth regions, people live, work and play regionally. And what the new reforms do in amalgamated council areas with the creation of regional councils is allow for those regions to be governed and planned regionally. From my perspective that is one of the most important tools that we can have in managing the growth that is in front of us. So I am telling you today, that I think you are a pretty good mob, and I am certainly confident in your ability to meet the challenges that the amalgamation process throw up. I am not someone that is going to squib on it I don't believe that further uncertainty is in the interest of you or in the people that you represent. These are exciting times, and I think we should be excited about the future.

I don't intend to keep looking over my shoulder with sentimental attachment to a past, while there is much to be learnt from the past, while many of your councils have long and rich history from which we can draw on, we should never be afraid to have our eyes fixed on the future and we should never be afraid of trying new things and new ways to grasp the challenges of that future.

The face of Local Government has changed. I don't believe that it will go backwards. I don't believe that the people who put their confidence in you, are about to start changing in the next three years and going backwards. Just as the face of local government has changed, I think it is important for the state to recognise that the way that we support local governments needs to change to reflect some of those changes. I acknowledge in this room not every council has gone through the amalgamation process and many of the things I want to talk to you about today, are as relevant to those other councils as they are to the re-shaped councils.

The re-shaped department of Local Government is a recognition of the need for the State to do our business in new and reshaped ways. The re-shaped Department of Local Government in our estimation means better capacity better accountability and more transparency. The Local Government Minister Warren Pitt has been moving around the State meeting with newly elected councils. Since March he has done an exceptional job, he has been out there, and met personally with 24 councils, and I think he is doing a very good job of forging new relationships and important enduring partnerships. So I would like today while he is here with his stakeholders, to thank him for the work that he is doing. I set him a big task when I made him Minister last year, and I recognised that there was some mending to do, and some healing to do and I thought Warren was someone that was well placed to do that, and he has certainly lived up to my confidence in him.

We have also taken the opportunity to decentralise the activities of the agency and I know that you are aware of this. More than 150 positions from the Department of Local Government have now moved to five regional offices where we are taking support and services for the work that you do, out to the front line where you do it. The new regional office in Cairns, Val, I am happy to inform you will be in operation as of next Monday and the other offices in Townsville, Ipswich, Toowoomba and Rockhampton are scheduled to come on line shortly after that.
Structural reform in terms of the size and shape of councils was only one of 4 elements of reform. The other areas were legislative reform, performance evaluation and reporting, and capacity building. Having resolved the first area of reform, structural reform can I commit to you today to continue to work hard on each of those other areas of reform. In terms of legislative reform, we are working on reviewing the Local Government Act, the second trench of that is well underway, I understand the Ministers had a chance to talk to you about some of the components of it, and that you have had an opportunity to consider some of those aspects, and I understand that there was even some voting done on some possibilities yesterday. The key issues with the current Act, is its complexity and its ambiguity in some places particularly in relation to funding sources. Our objective here is to streamline the Act, so that you have a model and flexible legal framework in which to operate.

We also believe you need to have the capacity and the resources to meet changing community needs. I wanted today therefore to briefly touch on the restructure of the grants and subsidies to local government that are currently under review. It's my Government’s very firm belief that the current funding framework does not encourage long term planning, has grown up in all kinds of historical ways, which means we now distribute almost $800 million every year to local government through more than 30 different grant programs. Each of those programs has different guidelines, different eligibility criteria, different timetables for application. It’s clear it's insufficient in many respects, it's often incongruent with your annual budget processes, and therefore it doesn't help to drive that planning capacity that we want to see particularly in new council areas. What we have is a system where investment in infrastructure occurs based on the timing and availability of grants rather than on the needs and imperative of communities and regions. I think it is clear that the system can be improved, that it can be re-aligned and that it must be connected to a strategic planning process such as your budgets.

The sort of change we are proposing is basically common sense. We're looking, for example in the funding area, what can we do better, let’s look at the structure, how can we make the process smoother, particularly for councils This is in the interests I think of both very small as well as very large councils. What we want to do is create a system of Local Government that is supported by the State, where there is a greater capacity to plan, and develop and manage infrastructure and where that can be matched to population growth.

One of the measures that we will consider, for example, is the creation of a broad infrastructure grant to provide greater freedom within the current investment in infrastructure. I know from my time as Minister for Infrastructure, how absolutely critical local government is to getting infrastructure planning right. How absolutely critical local government is to ensuring that planning approvals and development approvals are timed and sequenced in a way that bring projects on by the time that they are necessary. I am equally aware that it is often State Government Grant Programs and the provisions around them that can often get in the way of the ability of local council to plan ahead with some certainty. So that is the sort of thing that we are looking at. I have asked the Minister for Local Government Warren Pitt and the Treasurer to deliver a report by the end of this financial year, and to do so in partnership with councils and with your Association and I would invite and welcome your input into that process. You can probably tell us much better than we can tell you about the problems in our current grant system because you are the ones experiencing it, so please take the opportunity over the next couple of months to talk to us about it.

Finally, I wanted to talk a bit about partnership, and I wanted to start by acknowledging that people regularly come to these conferences and talk about partnerships all the time, but what does it really mean for us and how does it manifest itself and what do I think are examples of partnerships that work? I think that partnership has to be a constantly evolving relationship. One that changes and grows, according to changing needs, according to changing economic environments and social realities. Sometimes that partnership can and should be enshrined in legislation other times it will be much more informal and obviously informal partnerships more than others have to be based on good will. I wanted to thank those councils for example, who have so enthusiastically embraced the challenge that I threw out two weeks ago for Queenslanders to be Australia’s healthiest people, and acknowledging that that cannot be achieved by any one single initiative, it can't be achieved over night, and frankly it can't be achieved by one level of Government. When I announced that we would be looking for communities to compete for a $1 million prize that would see money invested in healthy infrastructure in local communities, frankly I was overwhelmed by the response from Local Government. But on reflection, I
thought I really shouldn't be that surprised, it's local government that is at the absolute forefront, or is the closest to its community, its local councillors who have the size of their wards and the people that they represent that they can have the closest connection to. So a program like that where the State is looking to have a direct input at a community level, cannot ever be successful if we do it without our very close partnership with local government. In my view our partnership should be about value adding to each other.

In the same way that I have just outlined local government has a role to play in value adding to a state government program like the Healthy Communities, I think that we have the ability when we combine our resources to drive our resources and our investments further to get more bang for our buck and to make projects happen quicker and more effectively at the local level.

We are, as you know, in the midst of an economic boom and it is having a different effective on different councils and different regions in different parts of the state. But for those councils that represent regions that are affected by increased demand for our natural and mineral resources I know that you know better than anybody the sorts of pressures that are being put on you for increased infrastructure and increased services as well as on the state government. If we are going to hang on to all of the things that we love about these regions at the same time as they go through this rapid booming growth, whether it is what's happening in the Bowen Basin now or what we expect to happen out in the Surat Basin in the not so distant future, we have to be able to control that growth better than we have in the past, and we have to, I think, require more of some of the private sector companies that are getting some of the profits out of that growth.

I was very pleased last week to sign the historic Sustainable Communities Agreement in partnership with Paul Bell representing the Local Government Association of Queensland and with the Queensland Resources Council representing Mining Companies. Importantly that Agreement commits all parties, the State will have to legislate, but all parties have agreed to legislation that will require future mining approvals in all of these areas to have a social impact assessment done, and for social infrastructure to be part of the mining approval process.

We've underpinned our commitment to this with $100 million over the next three years. That $100 million will be distributed in partnerships with the local governments that represent those regions. So we will be sitting down, over and above our normal funding, and over and above our normal process and say, if there is going to be a new mine here, what is the impact it's going to have on your local roads, how can we alleviate that, what will it mean for housing, how can we make sure the companies are putting in their contributions, and how do we use State money with Local Government money to have the biggest impact in some of those areas. I think that is an example of partnership that is much more formal. We will be underpinned by legislation but equally can't go ahead without some informal goodwill, and people developing the kind of relationships sitting around a table as we allocate some of these funds that will put us in very good stead for the future. I wanted to thank you Paul for your willingness on behalf of your Association we are very, very pleased to see that come to fruition. I wanted to acknowledge Mike Brunker. Mike is one of the Mayors that has really been feeling this out in Central Queensland in the Bowen area, and is one of the people who spoke to me about the need for something like this and some of these ideas have come out of those conversations as well as the work that Jim Pearce has done in that Central Queensland area along with his councils.

Ladies and Gentlemen, I have a very clear vision of where Queensland needs to be right now and where we need to be in the future. We need firstly to keep our eyes squarely focused on investing in our economy and growing a strong Queensland economy. It's easy I think at the moment, to sit and think that these things just happen and we have prosperity rolled out in front of us, for as long as we can see.

It's not that long ago, that Queensland had an unemployment rate of close to 10%. We now have the lowest in three decades, and we now have an economy that is more diversified that it has ever been in its history. We need to be continuing to grow new industries and that can't happen unless State and Local Governments work together to plan for it and invest in it. We also need to nurture and expand our existing traditional industries whether that's in mining, agriculture tourism or other areas that we have been active in for some time. So a strong economy has to be the number one priority for the State
Government but I think it also has to be the number one priority in our relationship with local government.

Secondly, I want Queensland to hold on to everything that makes our environment and our lifestyle so desirable. That is I want us to be a green state. Again, we can't do that unless we have as strong partnership with each other. The State Government can do things, like I've announced earlier this year, increase our national park estate by 50% by 2020. That is very important and will make a real difference to the preservation to some of the most beautiful places in Australia. But in people's own neighbourhoods, in the communities that they live in, in the places that they choose to live in our State, it is equally local government that makes decision about reserving places for parkland, planning around what can be developed and what needs to be preserved. We need to do that together, so we get that mix and we get that mix right, and we get maximum outcomes for our environment. We need to continue to have a focus on being a smart place. We've got some of the biggest challenges in Australia, and if you think ahead over the next decade, they are not going to get any easier. We need to find innovative solutions and often the most innovative and smart ways to do something is something that has been determined right at the local level.

The smartest way to do it is generally found by the person most affected by it. Again, the State Government can't find the smart ways of doing things unless we are working with you and putting in place arrangements that make those things possible. I remain absolutely convinced that Queenslanders can be Australia's healthiest people. We are a long way from it now friends. Unfortunately Queensland men top the list for obesity and overweight, and top the list for Australia's smokers per capita. Queensland women are close to the top of the list for risky drinking. We have the highest rate of diabetes and heart disease. That's the cheerful news. Obviously that continues to put a lot of stress on our health and on our hospital systems. But it affects every community. People who are not well or not healthy are less productive. If we can improve the overall health and life expectancy of our citizens then we will be in a much better place to deal with an increased demand for labour force and we will be much better placed to see productivity growth at a time when we need it most.

I look forward to working in partnership with you on the challenges that are there. Obviously, investing in our hospitals has to be part of the State Government's ongoing responsibilities, but keeping people out of hospital has be part of the responsibility of everybody - every level of government and every one of our citizens. The work you do out there with simple things like walking paths are some of the best work that is happening in the country and we need to be working with you to make it possible.

Finally, I want us to, as we grow, to hang on to some of that feel of our communities that makes Queensland a place people want to live in. When people come here, when people grow up here, one of the things people say to me, and I'm sure they say it to you, what they like about our regional towns what they like about even about our capital city, they still feel there is a neighbourhood feel to it. As we grow, that is one of the challenges I think for all of us, is to hold on to that neighbourhood feel the closeness of our communities and some of that really does come down to good planning and good decision making today, and tomorrow.

Ladies and gentlemen, can I finish with where I started. I unashamedly am looking to a bright future for the local governments of Queensland. I have absolute confidence in your ability to make the reforms that occurred last year work at a local level and collectively for all of that to add up to a Queensland that has the capacity to manage the growth that it's experiencing and for us to be sitting here in 10 years time feeling that the decision that you made were underpinned by able people that you could recruit and hold, because you are strong enough to do it, and you could look back at your communities and say that we met the challenges that we were looking forward to. As I said, I think I am in a room full of people that can do it. So I look forward to working with you and your association and I thank you for giving me the chance to be here with you today. Thank you.

Questions:

Cr Paul Bell, President, LGAQ:
One of the propositions put to the conference and proposed by the local government more vigorously than any of the other policy positions this year, and that's been about the State Government creating a
more true partnership with us to move forward with regards to amalgamation expenses and costs that are
being born by local governments across Queensland. This is a proposition I as president have been asked
to take forward, and I will take forward to Government as strongly as I need to, perhaps you could tell us
a little about these costs that our local governments are finding now in this process about reform of local
government.

Answer: Thank you Paul, let me say a couple of things, firstly we are very confident that over time, local
governments that have gone through amalgamation will realise some savings and benefits through
economies of scale. But we equally realise that there are transition costs, as well as some restrictions on
your ability to realise any benefits because of agreements we have come to about phasing in and
managing that transition. That’s why we put in place a significant amount of funding to provide for what
we understood some of those costs. As we've rolled out the amalgamations I am also aware, and a
number of you have raised this to me, that in some cases you believe that the funds we have made
available are not sufficient to meet the costs that you are experiencing. What I have said repeatedly and
the Minister has also said, is that we believe in this reform and we want to make it work, if you as a
council are experiencing difficulties beyond the funding provided we are more than happy to sit down
with you and consider a detailed submission about the funding difficulties that you are facing. Obviously
these are taxpayer funds and we would be wanting to examine that very rigorously. We would want to
have a look at your books and would want some assistance from the Queensland Treasury Corporation
and others in making that assessment. In my knowledge, we are yet to receive a submission.

The Minister is correcting me. We have received a couple of submissions, and are in the process of
accessing them. We see this now very much as a case by case basis. We are not just going to make
another pot of money available and just divide it up. What is become clear is that some councils, just
because of the nature of their rate base, and the nature of the councillors presiding over them, are well
placed to deal with these transition costs and are well placed to, and in fact achieve a financial benefit.
Others are not in that position, and in order to get it right we need to actually have a case by case
consideration and we need to see it on each case on its merit. I am happy to give you a commitment
today, that if your council wants to put forward a proposal, and I am not saying you have to in the first
instance write it all down, you need to come and talk to Mike Kinnane the Director-General of the
Department who is here, but we certainly stand ready to do what we can to assist you and there might be
different forms of assistance. I say again, we put this reform in place because we believe in it and we
want to make it work.

Question from Cr Ray Brown - Dalby Regional Council - Premier I applaud you on your efforts of marriage
between local government and the government and the growing futures we have. I am from a region
that has a massive growth ahead of us, very similar to the Bowen Basin. We wish to learn, we are
stretched with resources because we are going into industries that have never been seen not only in this
country but the world also. We do need assistance in relation to that. The $100 million you spoke of
over a three-year plan, is that solely for the Bowen Basin or can the Surat Basin have some of this, to try
and at least get some seed funding in there to see how we can do our planning?

Answer: Thank you for the question, we have said that it is available for the Surat, Galilee, North
Western Bowen Basins but I, over and above that process I wanted to say to you that I certainly am very
conscious what's about to happen in Surat. It's going to be an incredible decade that you are facing
and probably more than any area of Queensland, I think that the reforms we made to councils out there were
more important there than just about anywhere else in the sense of what's coming around the corner. I
met with one of the major proponents for the NLNG Project, and just to give your colleagues a bit of a
sense of this, there are currently 5 consortia bidding for to put an LNG processing plant at Gladstone
taking coal, methane gas out of the Surat Basin and exported to Gladstone. Queensland currently uses
about 2 petajoules of gas. If two of these projects get up, which is likely, within 5 years we are likely to
be exporting 102 petajoules of gas out of the Surat Basin. One of these projects alone has a $10 million
budget in the next six years to construct to put in a pipeline and then to have a processing plant in
Gladstone. There is every prospect two or three out of the five bidding consortia will actually get
projects up because of the increasing world demand for gas, particularly in Asia. That's an incredible
opportunity, it's a brand new industry for Queensland. It could in fact rival the coal industry over time,
and anybody that has been out to the Surat Basin, knows that places like Roma, Dalby and Chinchilla are
wonderful little towns, but I don't know that they have ever seen anything quite like what might be
coming around the corner for them. So yes, we want to work with you. Over and above the
announcement on the weekend there is some big issues for us as a government and you as councils
around freight routes corridor access for pipelines all of those issues, and I am just giving some thought
to how we put in place a planning process, specifically around that region because it goes beyond one
council area. So I am happy to talk to you in the break.

Cr Annie Clarke - Burke Shire: Mention of the new mines coming on line and the conditions that will be
set around them. I would like to ask you a question about how things may improve in existing mines, you
are well aware of the problems we are having under the Century Zinc agreement from long ago. I am
also concerned about your decision about adding to the National Tax Schemes. My question is will they
be appropriately funded, we are battling to deal with the impact of tourists to come and view the
beautiful areas, we can't deal with the road infrastructure, we don't get any rates from trying to manage
those things, but we do like to have the people there and see the development in our area.

Another question, I'm sorry it's so long winded. How will we ever be able to deal with the processes under
the cultural heritage with the differences the mines are using in relation to those processes? We are
being priced out of the market and not being able to get any developments done because of the costs of
those cultural clearances? I totally support the cultural heritage legislation, I think it is a good
legislation, but underneath that there are extreme underlying problems with not being able to get those
processes done in a way that we are able to financially afford.

Answer: Thank you very much Annie. In terms of current mines, there really isn't scope to make it
retrospective in the sense that these mines have already got their approvals, and are already operating
and have been for some time. It's really a recognition of the pace of growth all of the mines I should say
have in the past, the way the mining company has conceived of them, and frankly the way that local
councils and state governments have conceived of them, when we are assessing them, we pretty much
assess them for the impact that mine will have on that place. What this new agreement is about saying,
we recognise that if there are 6 mines being approved over a 200km radius that might go across three
council areas and three or four different small towns we need to have a way of capturing the cumulative
impact, and the cumulative impact on local roads is a good example as well as the one health facility
that might be servicing all of them. It really is a feature of what's happening now in the sense of the
pace of development. There are 28 new coal mines that are about to open in Queensland over the next
couple of years, that already have approvals. That's how much is happening and how quickly it's
happening. It really is that the agreement on the weekend, is about how do we manage this differently
in the future, and how do we use the legal processes that we have available to us to say to coal mines, or
any mines, we have incredibly resources here, but you don’t have an entitlement to realise these
resources unless there is a dividend back to the communities that will bear the burden of your extraction
process. So that's the philosophical underpinning. Generally mines pay royalties and that gets shared
out. I can demonstrate where all of that money goes, but this is about saying we've got a particular
impact at this point in our history and we need to be a bit more targeted about it.

In relation to national parks, the reason why we have given ourselves from now to 2020, we've basically
said if we want to seriously focus on increasing the national park estate we need to set ourselves a
target, and we need to give ourselves a realistic period of time. A 50% increase I think is very important,
but it's not something that any one budget can cater for overnight. For example the most recent
acquisition was the McIlwraith Range in Cape York. That is a completely pristine untouched wilderness.
It is the largest remaining stand of rainforest in Australia. It is also completely untouched by logging, so
there is not even a single track in it. I don't image that we will see tourists walking on tracks there for
years. But it's in the estate we will now start working so that we have a plan, that we can gradually roll
out in a phased way and we will do that with all of the other parks. If you've got something you think I
should be looking at for acquisition, we are also looking at putting together a process by which
acquisitions will be determined, what's the best value for money in terms of acquiring and purchasing. In
relation to cultural heritage, Annie, it might be better for you and I to talk specific issues that you are
encountering. As you say I think we all recognise the importance of that act, but if in its implementation
it's posing particular difficulties for you or your council, I am very happy to talk to you about it.

Cr Greg McLean, Hopevale Shire Council: Premier, I'm not here to bring up the issue of SDFA, a cause that
has been reviewed and completed 6 months ago, nothing about the $100 million that is for social
services, but Premier, as a Local Government now, if we as an indigenous council, are to provide, participate or implement any programs within our community then Premier then we need to be resourced.

Response: Thank you Greg. I recognise that is true for your community as much as it is for every other council in the room. Obviously the resourcing of local governments comes from other levels of government as well from a rate base, and I understand that you have particular challenges in that area we have been working through some of those issues as you know and Hopevale will be the recipient I suspect of more resources over the next couple of years as part of its involvement in the Family Responsibilities trial. As you know they're not issues some of those matters that we are dealing with, but there is a lot of potential there for your community and I am very confident that we will see some big improvements.

Paul Woodhouse: McKinley centre of Queensland’s future geothermal power in Julia Creek. Supplementary, I suppose if you like in relation to the $100 million assistance funding, the operations in the North-West Providence is creating some significant demands on our physical infrastructure across the region, we all recognise that. It's my view that the state government can afford the infrastructure anywhere in this state into the future created by the mining industry. My question is to what extent will you be involved in the Federal Government particularly through the AusLink program and will you be encouraging our participation?

Response: Thank you Paul. I should say that I think the strength of the agreement we signed last weekend, while everyone lights up at the $100 million, I think the real strength of it is actually about an agreement with the companies, the state and the local government to actually plan in a different way, as new mines come on line or new opportunities are identified such as the one in your area. Obviously one of the things that gives us a chance to do, is start talking to the Federal Government. I haven't made any formal approach to them about being a part of that agreement, but even if they don't formally join the agreement, if we have a different planning approach and we are able to sit down and say, there is actually total agreement between the local council the company and the state, over the next ten years, these are the three major things that are necessary, then I think that places us in a better place than we are now to be talking to the federal government and we can also say this is what the company is putting in, this is what the council's putting in, this is what the states putting in, and this is what is needed to get it over the line. I think that is a much more powerful and compelling story than three of us separately all going off with cap in hand and not having a strategic approach. So it's really about having a much more strategic focus around those very big economic opportunities. Frankly I think we've got a chance at the moment that we haven't had for a long time, around the Building Australia Fund, the Infrastructure Australia process, I think we are better placed and we've got some imperatives driving us along as I indicated, when talking about the big growth we are going to see in Surat. The Geothermal resource in your area I think is one of the most exciting things happening in the country. It's probably going to be a bit tougher to realise just because the nature of the resource and how far it is from some of the major transition lines, we need to be starting on it right now, and if we are going to be well placed to cut emissions in this country, if we're really going to be well placed to work with renewable energy in a serious way, then you really are the centre of that universe.

Cr Alf Lacy, Palm Island Shire: Couple of questions - when is the policy overdrive on indigenous councils or indigenous communities going to start stopping and the second thing is you've indicated to us in terms of partnership, unfortunately at the moment, your various Government departments arrangements with a lot of our communities are not in the true spirit of partnership, and the third one is, we have viable Queensland Government Stalls running in our towns with all the profits going back to state revenue and nothing coming back into our towns. When is there going to be some light in terms of the last 20 years talking about putting the supermarkets back in the hands of the indigenous towns who have those government supermarkets? When are we going to see some viability in terms of economic front in terms of our township?

Response: Thanks Alf. Obviously those are very big questions, and I don't have a date when you say when will these things happen, but as a general rule, I think you would acknowledge, if you looked at all the indigenous communities and councils they have, like every other council in Queensland, different level of capacity and capability. There are some very, very difficult issues that your council and others along
with the State and Federal Government are trying to deal with. We have implemented a new reporting regime where every quarter we are publishing data on every community, every Aboriginal community along some basic indicators around Hospitalisations for assault, school attendance, hospitalisation treatment for alcohol-related violence. Frankly I think we are seeing some really great improvements. But in no community are any of those indicators anywhere near the state average and until we start to see that come down to the State average, I don't think you are going to see any state or federal government walk away from driving those issues a bit harder, until we see some very significant improvements. The curb is going the right way, and I am very optimistic about it, but I don't have a date. The safety and wellbeing and health of children and families in these communities meets communities standards, and until we see that I don't think you are going to see state or federal governments or any political persuasion walk away from trying to drive better outcomes there. In terms of the stores, you would be aware, we have actually had to take over a couple of the stores that were in local control, predominantly in the Torres Strait. I don’t’ know what work has been done in terms of transfer of other stores, like the one on Palm Island, I am happy to get back to you on that, and I am sorry I don’t have that answer off the top of my head. Can I say I do understand that sometimes it is very difficult for some of the elective councils, such as yours to feel that they are able to influence their own destiny locally, but I am trying to be honest and say that some of the outcomes that we’re seeing particularly for children are so unacceptable that higher levels of government are just never going to be in a position to walk away from it until we see those standards improve. Thank you very much, great to talk to you, good luck with the rest of your conference, to Val and your council, it's wonderful to be in Cairns, and it's great to see it looking so beautiful. Well done.

Address: “Remuneration Tribunal”

Adrian Bloomfield
Chairman
Remuneration Tribunal

The Industrial Tribunal was set up in October last year, and the Tribunal is comprised of myself as Chairman, Di McCauley a former Mayor and Local Government Minister is a member and Helen Gluer of Tarong Energy is a member as well. The Tribunal has a number of tasks that it has to perform. It must do these particular tasks each year by the first of December. The primary task that we have is to establish categories of local government. We are also expected to assign councils to those particular categories, and we also have to decide the remuneration levels paid to councillors. In looking at that type of exercise, we're required to consider things like the size, the population, the services provided by the council and also the workload of councils and whether they're potentially full time or part time persons, and we take those types of things into consideration in the assessment of the salaries which we set.

Remuneration is not salary. It's to recompense people for the time, effort and the like which they put into the performance of their duties as Mayors, Deputy Mayors and councillors. We have tried to establish rates which we think are appropriate to recognise the time and effort and also that people take on the role in a voluntary capacity, that they would often do the task even if the remuneration was much less than that which we have set. In setting the remuneration 12 months ago, we determined a total of 10 categories including a special category for the Indigenous councils and we included Torres Shire Council and the Cook Shire Council in that special category for reasons which are set out in that report. We also established a remuneration or an amalgamation loading for those councils which are going to be impacted by the overall amalgamation process where councils were coming together.

I am going to put up on some charts now, the actual remuneration levels which we’ve established. If you haven’t got a copy of this report, which is our first determination, there are some copies available down at the Local Government Booth, or if you contact the secretariat of the Local Government Remuneration Tribunal we can mail one out to you, but all of the logic and reasoning behind the determination last year is spelt out in that report in some detail.
So this is what the exercise looks like when we've completed it. If you look at the yellow lines in each category, that's the minimum band which the tribunal determined and the red band is the maximum amount which we've said councils can elect to pay themselves within each particular band. The analysis that we've done shows for category five here, the councils, some of the councils in category five have elected to pay themselves the maximum amount that we've said could be paid. Some of them have elected to pay the lowest amount in that particular category which is above the minimum but less than the maximum and then we've identified what the average is based upon the analysis that we've done.

As you can see the practise is different in the different areas, it's spread right across the board, with people not necessarily electing to take the maximum, which I must confess surprised us a little bit, but it is also reflective of the consultation process we undertook last year, where especially in the smaller councils, category 1, category 2 councils people were indicating to us, that there was a question of affordability as well as recognition of what is an appropriate payment that could be paid to the councillors for the time and effort that they put in, and a number of councils also said to us that the didn't necessarily wish to have a single rate of remuneration set for their particular council, they prefer to have a lower base rate, and then pay a system of meeting fees based upon the actual contributions which councillors put into the council, then that way not everybody who was on the council was necessarily going to be paid the same amount, it would depend upon the effort that they put in and the like as to how much they were going to be remunerated in total. We've done a similar chart there for the Deputy Mayors and the exercise shows up comparable results for councillors not everybody has elected to take the highest, not everybody has voted for the minimum, the range is quiet diverse. When we get to the Mayors, the exercise is a little bit different in that you will see that quiet a few more of the Mayors through the council voting process are being remunerated towards the top of the bands that we established. The notable difference is in category 1, which is the Gold Coast City Council, Mayor Clarke hasn't elected to take the maximum or anywhere near it which was available to him, but as you can see most other Mayors have.

Now I would like to get if I might some feedback from you, as to how we might have gone in setting the remuneration levels, and I would like to do a hands up survey and for people to be fairly honest with themselves and with me. I would like to get a view or an expression from people as to how many of you think the rates that we struck have been too low? Probably about 25% or so. How many of them think it is about right? About two thirds. How many think the rates are too high? A couple. Okay.

Do people have any idea as to what the rates might be inter-state? That's the slide that tells us. The slide up there shows what the comparative position is for Councillor Remuneration in Queensland which is the yellow and the orange columns, the yellow is the minimum figure that we said that councils could remunerate themselves, and the orange figure is the highest. Then we go to NSW which is the easiest to look at because it is across the board, there are nine categories of councils in NSW and we've just compared nine with nine to show what the comparative rates are that are being paid in NSW. In Victoria there are only three categories of council, if you leave out the Melbourne City Council, which we look over at the right hand side. You've got places in Victoria like Geelong or Greater Geelong area which is a category three council, and you compare that level of remuneration for councillors to those for example who come from places like Goondiwindi and similar size councils, and we get across to the Mayors, a little bit more remuneration for the Mayors inter-state, but as you can see it is still significantly below the rates which we've determined in Queensland. Over in the right hand side, you've got the rates for the Melbourne Mayor, and there is no minimum figure there, it's just single figure, and then in the city of Sydney there is a schedule there that shows the rates which are to be paid in that location. So what are we doing in 2008?

We are currently engaged in a consultation process and to assist that process we are looking for information to be provided by councils, down the bottom in the yellow box, I've indicated that there is an issues handout available at the department of Local Government booth, we are asking councils to complete a general questionnaire, or if they put in submission if they could address the issues that we raise in that questionnaire that is useful for us, because we look at a multi-factor approach in determining categories of council. In Victoria and NSW it is primarily based upon the revenue of the council, the population that each councillor is looking after, then they do a formula based upon that and they come up with an answer and you can into category based upon that. As you saw in the earlier slide in my presentation we are required to take into account a lot more things then just those two. And that's
what the question is all about. We are also looking for you to tell us what type of system has been set up in the council, whether it’s a committee system or a portfolio system, we’ve been particularly asked to address that issue in the preparation of the 2008 determination that we have to make by the first of December, and a number of councillors are saying that they would like to be able to pay committee chairpersons or portfolio holders higher levels for remuneration then those who just operate as “normal” councillors.

If you haven't already had a deputation with the tribunal during the course of this conference there are two spots available this afternoon and I think there is one spot available tomorrow. If you wish to avail yourself of those opportunities come and see me after we've finished this presentation or if you can record that phone number and contact Esther Blest who is the secretariat for our tribunal. Consultation process, we've already spoken at the indigenous council conference a couple of weeks ago. We will be revisiting a range of other councils as set out in the slide there, and I won't read them out, you can read faster than I can talk, but we will be engaging in a fairly extensive consultation process. The public notices about submissions have been issued, and submissions will close on the 30th September. Finally I just want to mention one thing about special cases, the Local Government Act contains a section, 250AL, which permits councils, and I underline the word councils, as opposed to a Mayor or a Deputy Mayor or a Councillor as individuals to make an application to the tribunal for a different rate of remuneration for an individual or group within that council because of special circumstances. The circumstances aren't spelt out in the legislation, and that's for people to develop a case around, and the tribunal is empowered to consider it on the papers or to reject it, or to have interviews and further consultations with people and we anticipate as a result of the deputations that we have received over the last day and a half, that are arising out of the 2008 report, and it ultimate issuing there could be the odd special application come out because we really can't consider special circumstances in the course of preparation of the report which covers the 72 councils that are covered by the tribunals jurisdiction. If you wish to find anything more out about the tribunal, the website is up there, the last years report is also available there, we periodically put other information up there about what we are doing, and a few questions and answers that come in we need to respond to, that sort of thing. That's the presentation I've got Greg, and perhaps if there's time for questions, I'll hand back to you.

Question: Cr Mark Gordery Whitsunday Regional Council: A question regarding, we’ve looked at the pay rates of the different councils compared to Queensland, NSW. I just wonder about the demographics as well, or the age groups of those people. One of my issues, I come originally from Bowen, we were all on about $8,000 a year, and really you had to be someone who could afford to be on council, and most of those people were in turn retired, and luckily I was through business, was able to be on council, but it was always my thoughts that by allowing or giving people a better pay rate you were able to entice other people who weren’t necessarily retired or were in a business situation to come on to council. I would be interested, you’ve looked at the pay rates of those other states, but I would be interested to see how old they were, and whether you get a greater opportunity for people from different walks of life and different sectors of the community to be able to be on council and contribute rather than people who are able to because of financial reasons or because they are retired want to be on council in those other areas.

Answer: You raise a couple relevant issues there Mark. The NSW and VIC tribunal had decided that local government activities are like a voluntary activity, they’re community focused and they take the view, or tribunal take the view that people become involved in local government affairs because it’s an interest that they want to go into that area. One of the problems with the levels of remuneration set in the other states, is that they tend to have people who've got particular agenda they wish to push, with due respect to the developers, there is a lot of developers who get into councils, because they want to promote projects and the like. You also have a tendency to have a lot of retired people who perhaps don't have the energy or the vision to contribute. Some of the interstate reports particularly the NSW latest tribunal report, looks at the demographics of the people who have been elected and the age spread compared to people who have been elected. We intend to deal with that issue in our 2008 report as well. We have taken the attitude that really the focus of local government should change from roads and rates, that type of thing, to more of a strategic board level type approach, so we are encouraging by the remuneration levels which we've set, people who might not otherwise think it’s relevant for them or worth their while to go into local government, to decide to go into local government, so you get that
professional experience that comes into the council, and that's one of the reasons why the level of remuneration in Queensland is so much higher as you saw in the table, than it is in the other states. It's an issue that we are aware of and trying to address but we are going to expand our understanding of the issue by looking at the demographics visibly the different states in terms of the council representation including male versus female and right down to whether you've got 25 year olds coming on to the council or whether they're 65 or something.

Address: “What Local Government should be doing about Climate Change”

Mr Luke Palmerlee  
Vice-President  
Investment Banking  
JP Morgan

Well thanks very much to the LGAQ for inviting me to speak a little bit today about Carbon. After the Vice-Presidential speeches I feel like the guy that gets to cover the tax policy plank at the party conference, so I will try to be brief and stay on topic, then let you all hear from Minister Lucas. My topic today was to spend a little bit of time exploring what local councils should be thinking about and as it relates to carbon and the emissions trading scheme.

I thought before I got into that, I might just give you a quick background on Morgan, I think most of you probably know JP Morgan Investment Banking, or Treasury Custody Services Business. It's worth just pointing out that our environmental markets practice is an active and growing part of what we do here in Australia and as was mentioned we are fortunate to be part of the panel advising the Government as it works through designing it's trading scheme. We are also spending some time with the New Zealand Treasury examining some of the international facets of their scheme which I understand they now have the votes to pass in the next couple of weeks. We are active globally and the markets that are trading now and the markets like the US should start trading in the next little while, are active here in Australia working with a whole range of clients, some of them here in Queensland, and right across the country as they face many of the same issues you all are facing on what does this trading scheme mean, and what does it mean strategically for me.

Globally to support our local effort we are fortunate to have a team that we lifted out of the world bank, and that was the team that designed a lot of the carbon funds and mechanisms that get mentioned a lot in the debate here, about Australian links with the rest of the world. We are active also in Europe which is the only compliance market of any size that’s trading. In the US we are a part of the dialogue with the Senate and with executive branches that thinks about how to approach climate change after the next election, and I think what underpins all of this, are capital markets experiencing is at the end of the day, as carbon starts to trade and as it is commoditised, it's a commodity like a lot of the other things we already structure and trade.

Let me just spend a minute or two on the context, and you'll forgive me, I think every presentation has two or three slides that are so dense you can't read them, let me just give you the punch line on the next couple of ones and then we will get to the topic. For anybody that is following the press and the debate, beginning with the Rudd Government's election and ratifying Kyoto, there has been a significant amount of progress that has gotten Australia to a point with, particularly with the release of the Green Paper where a spirited debate with all of the stakeholders can happen and the space devoted daily to the topic and the peak bodies that have weighted in and the consultation process that is happening, I think our perspective is important and will only better serve to shape what finally comes out.

The election cycle in 2010 isn't irrelevant and certainly with that start date, to be around that time I will watch with interest as I know others will, how those mesh up. My own personal view, that Dr Parkinson and his team at Climate Change are doing a good job on the consultation process, and we have been involved and I am pleased to see that they recognise it can't be a whitewash process and all stakeholders need to be consulted thoroughly. That's over the next little while, the Green Paper will wrap up, draft presentation will be tabled, and according to the Government, sometime mid to late next year you
should see that the legislation ratified. Key features that I think are relevant as we cover today's topic and I will leave you to review or not, what's on the page, really there are four bits here, reporting - in the early years reporting will cover about 75% of the economy and in 2009, 2010, 2011, 2012 and further out, the reporting requirement will increasingly be ratcheted down to smaller enterprises, or enterprises that have a smaller emissions footprints.

That's relevant, because I think as that happens, it will begin to capture small and medium sized enterprises who are headquartered regionally or aren’t necessarily multi-nationals who devoted a huge amount of resource and time to the topic. Second of all, as I said, coverage now, and I wouldn't expect this to change, is both broad and deep. 75% of emitters in Australia's broad sectoral coverage - really agricultural - is probably the main sector left out for now with discussion on that deferred for some time. Permit allocation right now is the white-hot issue. How that allocation process works, how compensation works, what's auctioned, and finally what links to the Kyoto mechanisms and to other schemes will be appropriate and useful for achieving this cost abatement. So, the big issues around that stuff really is the scheme date, are companies going to be ready to start in 2010, they're beginning to report this year.

Do we want to implement a scheme ahead of certainty around the post-Kyoto landscape for 2012 negotiations? Permit auctioning - how frequent should auctions happen to build a forward curve on a carbon price just like you do on dead instruments? What's the right mechanism to promote transparency and to help folks who may not have previously spent a lot of time in capital markets auctions participate in a way that is transparent and relatively user friendly, and how many years ahead should permits be sold to help business make capital investment decisions and give them certainty around what the costs of this liability looks like? And as I said compensation - who gets compensation, what form should the compensation take, how should it be distributed and what is the impact on domestic and international competitiveness? Finally how do we link with the rest of the world?

These to me are the issues as we go through the Green Paper process and start to see draft legislation, they're the ones that move the needle on final scheme design and they're the ones that move the needle on how industry and peak bodies work with the Prime Minister, the Department of Climate Change, the Ministers that have carried these portfolios. If you look at this State by State basis, Queensland has a significant emissions profile, and these come out of Australia's National Greenhouse Accounts that is submits under Kyoto obligations. Some of this is because of the State owned generation profile, some if it is because of the, the fact is the economy here is underpinned by carbon intensive industries it's not going to change, it's just interesting to see what a large piece of the pie the State is. You know this bit certainly better than I do, we just went and looked at some of the work that's been done in particular the report Climate Change in Queensland, what the science is telling us and I summarised a few points only to say that it seems clear to me that this State has made a conscious decision to put a scientific framework around how it is thinking about the Climate Change issue and to bring some rigour and some analysis to policy and decision making and that I guess is to me a signal it merits attention resources here in the State. Then finally I guess proof-positive to that is as we've looked through the approach that the State's taking whether it's in some of the Rebate Schemes, or the fact that the States been right involved as the next task force was active in the previous federal government trying to figure out what it wanted to do.

So with that as context, as I thought what should local councils be doing, I found myself coming back to the fact that basically your task isn't so different to the tasks facing many of my clients. You guys run a business at the end of the day, so I was doing a little bit of research and ran across your last issue of the Council Leader, and happily for me it framed out nicely some of the thoughts I had been getting down on a piece of paper. Our client base by and large has been through the process of addressing steps one, two and three, identifying and benchmarking their emissions. Most large companies in Australia have a pretty good feel for what they are emitting and what their carbon footprint looks like, and it would be no surprise to hear that most of them have a fairly good handle on where the opportunities are for internal abatement, that is, doing business differently to reduce emissions, and also as a result of the reporting requirements, most of them have or are getting a fairly good handle on what a monitoring plan might look like. Where we are spending most of our time now, is on step 4; which is developing and implementing an abatement strategy and so I thought I would pick up on 6 key themes that come up again and again with my clients, and I think do have some relevance to you, as local councils whether you have an issue for example you happen to have a large centre that has been covered under the scheme, so
you had to address strategically how you deal with that, or industry within you council is a covered entity just getting a better understanding of how they're thinking through it.

So let me go through those. The first challenge that everybody is facing is that in the past several years the discussion in companies has been how do we feel about climate change, how are we going to adapt, what are we going to do about it, and in most cases now companies are going to be entities which have sort of moved on from that, and it is shifting now to what part of our organisation is going to be on the hook for this.

So I am seeing a shift from working groups forming a strategy to actually the Risk Management and Treasury guys putting their hand up, or having their hand put up for them and having this task taken on as the normal course of business for them. Moving more into boardrooms, and the discussion is moving from Corporate and Social responsibility to this is now something that we need to begin to factor in to how we do business and are building a team that's bigger than it needs to be. What I have said here, is you need to have enough internal expertise to direct and drive the folks externally that work for you. I don't really see this as anything different than businesses are doing today, whether it is a cash management task, or currency hedging or dealing with debt or equity it's identifying the people in the organisation that can become the subject matter expert as it relates to the industry and the organisation and then identify who in the market place they can trust to actually go off and execute what strategy is developed.

I will say it again, particularly if carbon isn't a core issue for you like it is in Generators. An interesting anecdote from the EU is, that what we've seen as the EU Emissions Trading Scheme has begun to trade, a couple of things have happened. Organisations with existing trading functions are pretty good at picking this up and running with it and understanding how to deal with this new compliance obligation that they have. Manufacturers and industrials that haven't had a trading desk tend to be a little slower off the mark. The other thing that we observe is that organisations typically make a decision to take the compliance obligation and manage it actively as an asset or a liability or put it away and deal with it once a year as an obligation, and just accept that it's there, and it's just one more thing to tick and make sure you've done ahead of your audit.

My own personal view is that it probably will fall out largely the same way really according to the size of the obligation, if it's material for an organisation you'll deal with it, if it's not, it will be one more thing that you do at the end of the year. If you're a covered entity in Australia, going forward there will be a range of options for addressing the carbon obligation. The permit options that will start ahead of the scheme for Australian Emissions Units. When the scheme starts trading the spot market outside of Australia, the carbon assets that are generated in the Kyoto markets, and finally the assets from other trading schemes, I raise this just to say, this is probably the core issue in my view. Going forward I think we will spend most of the time understanding what the key risks are for choosing to actively manage this, or be a little more static about it, and it's the same issues you face in an equity market; what happens in a stock market, the volatility associated with that, how do you, concentration of assets do you want to buy only Australian Assets, or are you comfortable moving off shore. And when you've bought something, what does the counterparty look like, will they ultimately deliver.

Another piece of this, that is to me as relevant to councils and to state government too, is the precedent, when Europe started trading it was quickly recognised that a lot of enterprises didn't have the grunt to really understand how to do this, at least cost, the administrative burden was high, the learning curve was steep, the time it required away from the core business was significant and what you saw in Italy, Spain, Germany the Netherlands, the Government stepped in and actually, as a public/ private partnership, structured carbon funds to take away some of that burden from industry as it learnt early on, how to live with this carbon task. I think that's an area in where there's a real role to play at the state and local level, because I think that those exact same issues will begin to come to the fore in the next little while. So one of the things we are discussing with our clients, both Government and Private is, what are the opportunities for Government and the private sector to partner effectively on this to achieve economies of scale, to stimulate local competitiveness, and to help industry meet with what is a fairly significant challenge.
Let me just close with a couple of final thoughts and say that the regulatory landscape is going to continue to firm over the next six to twelve months, this to me is the time, it's a little bit of a hiatus while some of these issues around compensation and how auctioning is going to work and some of the finer points around coverage, it's a hiatus, and it gives industry and others the time to think about, does this scheme materially impact my business? How am I going to approach the obligation if the answer is yes? Is it a static obligation or is it something that I want to really actively devote resources to? What's the appropriate mix of internal expertise that I want to build and sort of reach out for external execution and consulting? What is the role if any, for government to help me get my head around this, and achieve what you hear almost daily, achieve cost abatement without really materially impacting my business. So I might just stop there. Thank you.

Questions: Cr Tim Dwyer Sunshine Coast - Luke, I know you are here to talk about the economics of it, even though I understand we have to move on this sort of thing, the uncertainty around some of the scientific evidence and opinion coming out for me as a local councillor, makes it very hard to get my head around how far we have to push at this point in time, with regard to that uncertainty from the different scientific opinions. Have you got any comment with regard to how that effects, or how you've looked at the economics of moving forward from that, because of that uncertainty from the scientific point of view, and them obviously them being the experts, how does that effect how you judge the economics of it going forward?

Response: Let me say, I am certainly not the scientific expert. I think the way that we as advisors have approached the task here in Australia and in New Zealand is that policy decision has been made to move forward on a scheme and by all indications there will be significant debate over the next little while. Until I have a different policy signal I am operating under the assumption the scheme will come in force between now and 2010-ish, so I guess I am not ducking your questions, but with that in hand, my client base has made the business decision, that the government has said the science is compelling enough for us to put the scheme in place, we're going to move forward, you and the private sector are going to have an obligation and you need to work with it. Looking globally, I think it's also clear that the post-Kyoto negotiations, so that's post 2012, it would be a surprise of some magnitude for Europe to step away from Kyoto and say that we've got the science wrong. I think that whether it's Obama, McCain, both those administrations have signalled very clearly that they will move forward. China and India is an unknown, so that's a long way of saying, I think the weight of money suggests that we are going to continue have Carbon as a commodity as the science firms, so my advice to my clients is probably good to get going now to preserve your optionality.

Question: Do you think that all of the markets will end up derivative markets in the area of Carbon? Do you think there will be a derivative trade?

Answer: Yes, absolutely, you have seen that already. You've got to have a market that can look forward, to facilitate hedging and decision making and that frankly can facilitate non-physical exposure, synthetic exposure, derivative exposure.

Question: Will there be specialist, arbitrage or will there be new niche players, or will it be the likes of your own firm, the traditional financial institutions, that get into that world.

Answer: Both. Logically you would expect to see, just as you do with any other commodity small shops who trade carbon who do it because they are really good at it. You will also expect to see because of the counterparty risk associated with it because of the need for frankly for balance sheets to make markets, my firm and others, involved, being the intermediaries because we are the ones who can wear the risk and warehouse the risk.

Question: Cr Peter Matic, Brisbane City Council - I just have a question about how offsets will play a role in the overall accounting and trading process. A number of councils, ourselves and a number of our regional councils are looking at planting street plantings as an offset program, but we are limited in what we can do, we all have fleets of varying degrees whether they be public transport or whether they be vehicle fleet for the council itself, what options are available to us. Firstly how much effect will a tree planting program really have, and what other options are available to us realistically?
Answer: The offsets for and I wouldn't expect to see this change, the preferred position of the Government now is that offsets that will be eligible in the scheme will be generated in really just a couple of areas, and areas that aren't covered as compliance, with a compliance obligation, for example transport. You wouldn't be able to generate offsets there. Forestry is probably, and tree planting is probably the area where the most significant buying of offsets can and will be generated. The Governments preferred position on that, is if you chose to generate offsets from Forestry assets you will have to opt into the scheme and will be liable for any decrease in the net sink when you opt in, and the exact language around that will firm over the next little while. My personal opinion, we've done a little bit of work on this, there is scope and I am saying this in a general sense, each council is different, there is scope for offset generating activity as you describe, and I am happy to take it up in more detail offline, but it will be understanding if what you have can opt in, and understanding what the commitment is to, the long term commitment and being a part of the overall scheme.

Address: “State Planning and Infrastructure Update”

Hon Paul Lucas MP
Deputy Premier
Minister for Infrastructure and Planning

It's great to be here, at the 112th Annual Conference in Far North Queensland. One of the things about Queensland that I actually find most impressive of all is our regional economy. Just one method of demonstrating what we're doing, is perhaps to have a look at some statistics that demonstrate why our regional economies are like they are. In other States, often they don't exist outside their main population centre. Western Australia is a classic example that there is very few, even though it is a boom State, there is not much going on outside the South-West corner. That is a real difference when it comes to Queensland. In fact, we have the three airports, in the top ten busiest airports in Australia, Brisbane, Cairns and the Gold Coast, and a whole string of other airports that are very, very busy. We're the only State with more than one airport in the top ten, all three are above Canberra, Hobart and Darwin, and that's as I said not to mention Townsville, Mackay, Maroochydore, and Hervey Bay as well. Out of the top 25 routes by passengers in Australia, 15 have Queensland places of origin or destination. So I just wanted to give you that bit of flavour, a quick snapshot about the nature of our regional economy.

Now our population is expected to reach 6.3 million by 2031, I think that is about the time it will pass Victoria, which I will be very pleased to witness that day, although the projections are that our growth rate will slow over the next 25 years. In the five years to June 2006, our average annual population growth was 2.4% but it will slow to about 1.7%. We will still have growth, particularly in the larger communities set growth, even the small percentages it is a pretty large number but it is moderating a little bit and I don't think there is any difficulty with that.

I wanted to say to you very clearly though, and I've been out and about a bit lately, in the regions, that we are committed to dealing with our challenges in population growth and economic development not only in South-East Queensland, but in regions as well. We released a number of the Central West, South-West and Maranoa plans a little while ago, also in some communities dealing with the issue of static population or even slight decline is just as important to us in terms of how we are planning for the future. Growth is a very strong reason to make sure you are up to date with what you are doing, but if you have static populations and the like it's actually about how can we better deal with those resources, how can we better make sure we are doing what we need to do well and in those respective areas.

We have developed five draft regional plans, for example in Far North Queensland this year, spending $850 million in infrastructure. The draft plan recognises the threat of climate change and oil shortages to the region by concentrating on future population growth closer to existing centres, that's FNQ 2025. We've had 961 submissions in response to draft FNQ plan. There's often an argument out there in the community, and I saw in a couple of sectors when we spoke about the draft FNQ plan when it first came out, this is harmful for the environment, 99% of the FNQ area under the draft plan is non-urban. We will release the North-West plan later this year, but as I said to you earlier, the diversity in our great State has its challenges in its self. One of the things that I find quite interesting, now though, particularly in
mining communities, the north-west minerals province, the coal mining communities, Surat, places where coal seam gas is taking off, in many respects I think if we get it right we can actually protect the traditional nature of those economies when it comes to farming and people on the land, and at the same time take advantage of the added sustainability and income going into those communities. If you like, there is a opportunity for a lot of farmers who may not be up with modern mechanisation or simply be in a position to do what they love doing, but the economic opportunities are provided now by virtue of resources boom to actually provide some sustainability to what they traditionally wanted to do but also economic opportunities for them for their future, and I think that is a very exciting thing about being in Queensland.

I wanted to talk a little bit about driving up the cost of housing, and housing prices and those sorts of issues, because it's something, depending on who people work for, or where they're at, they have a particularly view. What the government’s trying to say, there is a whole lot of factors involved in relation to housing and not all of them relate to the cost of infrastructure whether that's State or Local Government frankly.

I just wanted to go through some of those issues because I think it's important to do so. Over the 20 years from 1987 to 2007 the average floor space of a house in Queensland increased by 35%. That obviously has significant impact upon the costs of building that house. Shortly we will take a delegation of planning committee chairs and mayors from a number of the higher growth councils to a number of places in Queensland to have a look at more affordable housing options, sustainability in housing so we can actually try and manage that. You know the people with the hardest issue when it comes to housing affordability, is not people like me, I'm in the housing market, so if it goes up or down I go with it and I suspect most of you do. It is the children of most of you who have the issues, it's first home owners and that's why we are very, very obsessed about making sure that what we are doing is targeting the first home owners, once they get into the scheme, once they can afford to pay off, they will go up and down with house prices in the communities in which they are in.

Uncertainty of future land supply of course is an issue, and that is why it is very important for us to work with councils to make sure there are adequate supplies of land. I must also say this - what it also means, we do not support development schemes that have housing all over the country sides, with isolated settlements that cost a fortune for both you and us to service in relation to infrastructure, and that is not sustainable either. Affordability and sustainability is just as much about recurrent affordability and sustainability as it is initial point of entry affordability and sustainability. The development and assessment times, but also the State sees taxation as an important aspect of assisting people as well such as our decision to remove stamp duty from first home buyers for properties up to $500,000 which is worth about $9,500 a year but to put that into perspective. On a $500,000 loan a 1% change in interest rates yields a benefit of about $4000 per year, so you can see how interest rates are really the key to determine it and why they're so important unless you are Malcolm Turnbull.

We are very keen to continue our work with you in relation to infrastructure plans. I do not accept some of the arguments that some people put forward, that local governments should essentially eliminate infrastructure charges that are not appropriate and that is not a sensible argument frankly. However the work we are doing with you in relation to standard infrastructure charges so we actually agree on the standard infrastructure schedules, and then the ability to have an assessment that these are things are about a fair go, actually a fair go for the infrastructure that's provided. One of the real issues that I think we can all work together better in doing is working far better of the processing times we take in relation to planning scheme amendments, DAs and the like, and there are a couple of things that I just want to outline to you. I've spoken to a number of you about this before, but I think are very important.

Firstly my own department has appointed Garry White as the Deputy Director in charge of planning. Garry is former Chief Planner at Ipswich and also I think prior to that at Redlands, so he understands planning from a council point of view. Secondly I have insured now a regime with planning scheme amendments. I know how we are going in terms of state referral agency assessments, also though what I am very keen to do is to make sure that when we send them back to you is that they don’t just sit in your tray, so we will make sure that we start to write to you regularly saying “Hey we sent this back to you for your advertising, you haven't told us what you've done..” and start to remind you about
that. I suspect often that as elected officials we don’t always know what our non-elected officials are doing so it’s very important that we are actually corresponding at that level our selves as well.

It is estimated that an electronic development assessment scheme would save about $68 million in holding costs I think annually, and we have already seen some early work out in the Redlands. The Federal Government have announced $6.5 billion in funding from their housing affordability fund for us to sign. I have a Governance Agreement here Paul for you and I to sign and John Brent later, I’ve even bought a gift, so we can sign that and that is actually about making sure that we work together to use modern electronics to better understand what we are doing. I’ve said this before, like New South Wales do, in due course bring in a system probably under EDA, but I haven’t yet determined that where we will need national rules about specific issues of building in every particular place? Yes and No. We have four months to do it. That way we can compare departments, or we can compare councils frankly, as someone says what gets measured gets done. I think that will be an important way of actually encouraging us to work together. So often you find as elected officials, these things happen, you don’t really know about them until they become a problem. This is about just as much yourselves and ourselves understanding where the issues are so we know we are giving them attention. I would just like to remind you then of those circumstances with your planning people, how they are going with those time frames, so you can get stuck into it before we get to a reporting mechanism.

I do believe that local government amalgamation by and large have worked very well. I noticed Lawrence yesterday announced constitutional recognition for local government in Queensland. I am delighted about that because he was only elected a year after 1988 when the Ahern Government played a key role in sinking Federal Constitutional recognition for local government. One of the other things as I said before was the certainty of urban footprints and we will work with you, and I think that also saves you considerably, resources in terms of time you spend defending applications, defending your town planning schemes obviously in statutory regional planning process, that’s what allows that to happen, we will need to roll out more of those into the future. We need to work together to address the skills shortage, you would be aware of the Building Certification Reforms, that we brought in recently to allow level three certification of class one buildings which hopefully should assist in those areas. Also the diploma course helped ease that pressure, and the more that you can actually have your planning staff dealing with issues that don’t need to be dealt with in detail, the more you can have your planning staff dealing with the tougher things that obviously do require their expertise.

Tonight at another function in Cairns I will be talking about our sustainable housing policy. I am very, very keen to work with local government in relation to our sustainable housing policy, our discussion paper is out there. I would urge all of you to consider it. We’ve got a problem in Australia in that, sometime someone says we need strong national rules and that might be fine, and we probably do need to have national rules about how high sinks are, what size car tyres are and those sorts of things. Do we need national rules about specific issues of building in every particular place? Yes and No. We have four climate zones in Queensland, I forget the names of them, but basically Brisbane, Toowoomba, Mt Isa and Cairns. They are not all the same, and building codes that are developed in Victoria that discourage verandas, that discourage the sort of things that are absolutely fundamental to housing in Queensland, south east Queensland let alone Tropical North Queensland, are really silly. What we are very keen to do, is to encourage an examination of, for example whether we should, and we are doing some study on this at the moment in terms of where people actually live and houses with decks, pergolas, and verandas and those sorts of things to see whether we can incentivise housing design that is actually more suited to Queensland housing types and in fact rather than banning air conditioners, have people who don’t want to use them in many instances. It’s a bit different in Far North Queensland I accept that, so the sustainable housing policy is about looking at all sorts of initiatives like that as well, it’s also about realising that, McKenzie did a report in relation to green house issues in Australia, they did one in the United States as well, but in Australia there are two issues where you can actually deal with a Greenhouse issues in a net positive economic sense. That is, by dealing with reducing carbon emissions you actually save money. And that’s in transport and built environment, so what it means that what we
do in built environment if we do it the right way, it actually saves us money as well as being good to the environment. That’s a lot less challenging then of course, the stationary energy sector, where there are big issues that Kevin 07 is dealing with there. We would encourage you very much to play a role in that.

That was really all I wanted to say, but to finish off on, I think the theme I finished at an earlier speech that I gave to you, and that is to encourage you to always think laterally and think differently and think of how we can work together to get better outcomes. Not every solution and not every problem has a solution in spending large amounts of money. In fact many of them do not. Many of them have a solution in saying how can we work better or do things better in a manner by changes rules or changing procedures or changing how we spend money that actually get’s a better outcome for all of us. The classic case of it, and sorry to harp on it, is the work done in the councils, for example one rail line where they decided a whole lot of money that was being spent on a freight load that would sit in the back of a one tonne ute would be better off spending giving them an all weather road with all the employment that it generated and the long term benefits. That’s just a particular example, in a particular area, all I am saying to you is, I am always open to suggestions where we can look at different ways of doing things that actually save us money or make things more efficient. The change in building certification for level three class one buildings is a classic example of it. There are a whole lot of things out there that all we’ve got to do is think a bit more carefully about what we are doing, and those solutions sometimes manifest themselves. So thanks very much for having me again, we'll sign that document in a minute, and I look forward to continuing to work with you.

Question: Torres Shire Council - I just wanted to ask about the different standards with regards to development applications and headworks. In the shire at the moment we have a limited rate base. One of the biggest issues we have is public housing happening and totally disregarding the development processes of the local council and not paying headworks. Is there any way around, to ensure the integrated planning act and the headworks charges can be charged to state government, not just to individuals and contractors or business owners?

Answer: I suppose what you would be saying I would be happy to talk to Warren and others about that, in so far as the state doesn't pay headworks charges. It contributes 40% of the cost of all of the water supply and sewage things you do, so that's not a bad contribution and I think if you did the sums on that, you might find there is a bit of a different answer. But I am happy to take that on board. If you are indicating that we are not actually meeting that obligation, but you might find that in other areas as I said, the 40% that we pay might in fact make far more difference to that than what we would actually do for our relatively small housing areas.

Question: Mayor Brad Carter Rockhampton Regional Council - Thanks very much. I'm not sure if this might be a little bit of a difficult question for you to answer and it's a bit philosophical. We represent a region whereby we have, we still have large tracks of rural land, we have key population nodes, Yeppoon, Emu Park, Rockhampton, Gracemere etc, and I am very keen to pursue the issues of higher density living, minimising the urban footprint on our environment. Do you have any views on how we could probably work together more strongly with the state government? I recognise there are land shortages, and land pricing issues in the South East Corner, and Cairns and Townsville have this to a greater degree than we do, but looking out fifty years in terms of making sure we do have sustainable living and minimising the impact on our environmental footprint - do you have any views on how the state government and how our council could work together in a stronger partnership to try and achieve a different set of communities with a higher level of density in our living but all with a sustainable motive in mind?

Answer: Sure Brad, and I think that is a key challenge for us. I've got to say in the discussion that I've had with councils in recent times, I've found a very great understanding and a real desire in their part to actually be quite imaginative when it comes to what we're doing in housing and communities for the future. Just outside my new electorate boundaries, there is a housing estate there, which is a classic example of what you don't do. Small lot housing estate, with small roads, so you've got no chance of ever getting public transport into it. Because affordability is not just the capital cost, it's the cost of servicing it into the future. Inala was the ultimate affordable housing estate, except there was just nothing there to give people jobs, or public transport or anything like that. We don't make those mistakes anymore, you can look at what they're doing in Ipswich, in terms of trying to create employment opportunities as well as housing so of course we've got that to one side. The other thing I
think we need to do, is think far better about the housing offerings we make available to people. I have three sons who are very active rugby players, and I have a reasonable size back yard and the only time they are in the back yard, is when one of them started a blue with the other one and they are chasing him into the back yard to whack him! The rest of the time they are 200 yards up the road at the Football Club. People have changed, we have in the biggest district Brisbane, and frankly now in places like Townsville, Mackay and Cairns a whole lot of people have now said, when they're 21 or 22 before they have kids, they want to live in this high rise urban lifestyle, and a whole lot of empty nesters that at 65 say “look the kids are off my hands now, I want to go for the urban lifestyle”, that just didn’t exist in Townsville or Cairns until very recently, and it’s existed in CBD in Brisbane for about the past ten to fifteen years, so I think we are far better at understanding, that people through their life these days, don't want to at 21 go and live in the burbs, and at 85 don’t want to get carried out in a box from the burbs. Many do, but what I am saying to you, is there is a far better understanding and broadness of offerings. I do think we need to work on that a little bit better, and also understand that where we put people in communities as significant infrastructure implications for us and indeed in FNQ. I know I am not popular with Tom Gilmore for this, I think he leads a good council there, but you know, one of the issues there is continued development of and continued pressures of the infrastructure servicing costs up on the Tablelands, or indeed further development south on the Gordonvale Mt Peter area, with a significantly lesser infrastructure billing. In Redlands I had a dispute with the last council over them wanting to develop significantly the Bay Islands more than I thought was appropriate not only from an environmental point of view but a point of view of infrastructure. So I think in the future we will more and more say with councils and state OK - where do we want to develop, what are the environmental constraints, but also how will it cost us to service it with infrastructure. I will finish off on two points if I might Paul on that - in the 1980s, the railway line was extended back to Cleveland from Lota by the then Government, that was great. But if you go along that railway line now, they're all detached dwellings. There is nothing along that railway line that has any degree of density that actually maximises on the enormous capital investment that went into that asset. So more and more, when I think we build things together, you or us, or together we will actually then have a look at how we can get the maximum asset value out of that, and I think that's a challenge. The final challenge is this, and this is what I am really enjoying about the statutory of planning process, is that hardest thing in my job, and I suspect in many cases yours, and this is why the political success of someone like Campbell Newman or indeed Paul Pisasale, has been so evident, is actually for people who are prepared to actually say this is where the infrastructure has to go now, or for the future. This is where the corridor for the road has to go even though we are not going to need it for 25 years. That is actually the real challenge for us now, to make sure that they don't say in 50 years time, Paul Lucas and Brad Carter didn't make any tough decisions, they didn't actually think of what the community is going to be like, and the good news is, many of you now are in that frame of mind as well. That you are in the frame of mind of saying it's not just about what we do today, it's what do we lay down in terms of our planning schemes, instead of arguing about who is going to pay the cost of a bypass now, let's at least get it identified as to where it's got to go, so then we know in the future you don't have to argue with 3,000 residents who don't want it to go past them, and I think that is a real challenge for us and something I am really enjoying and I hope you enjoy working on as well.

Address: “Q150 Celebrations”

Professor Peter Coaldrake
Executive Chair, Queensland’s 150th Celebrations
Advisory Committee

I would like to give you a short burst on next year, which as you know is Queensland's 150th Birthday Year. The focus of the year is a very simple one, in terms of themes or tag lines and it's described there - “Our People, Our Places, Our Stories”. Most sort of reflection, and what people want to do, can be done through that, most sort of aspiration things that people are interested in, can probably be done through that tag line. So I would just like to say, I'm only going to speak for 10 or 15 at the very most. There is a large range of activities organised and the planning is obviously very well advanced. The roll of the 150 Office is to coordinate and of course sponsor a small number of initiatives but the vast bulk of things that are occurring next year, are actually deriving from councils and community groups and organisations all across the place. The Premier commenced the official launch process by launching two
particular initiatives which I will come to fairly shortly on the 4th of August. There are some major
initiatives that have been announced in which local government's been involved, such as the $100 million
for legacy infrastructure, the community grants which I will come to as well, and a couple of other major
things such as the train and the shed.

I'd just like to for a moment, talk about the three at the bottom there, and then I will come to the train
and the shed. Each council will have received or shortly will receive a couple of mosaics, and it's your
call as to how you want those to be done obviously they involve artwork. The intention is that the
mosaics which are done by councils will then be collected by around the time of the EKKA, and brought
together in a stylised way at the EKKA where of course traditionally City meets Country. It's up to
councils to determine whether kids at school do those mosaics, whether they are done by professional
artists, community groups or whatever, the idea is that one of the mosaics reflect on the past, and the
other reflect or consider the future. So the mosaics comprise one initiative that I think some of you
through your councils will be aware of fairly immediately.

Two others you might be less aware of right now are icons and digital stories. Queensland's a pretty
unique place and we have lots of icons. There can be arguments about icons, and I can tell you that the
last thing that would be smart for myself, or anyone associated with the 150 Organisation to do would be
to think that we could actually select the icons. We are going to go through a process which the Premier
will announce in a couple of months of identifying icons across the State. The project will significantly
involve members of parliament, they will be expected and obviously will want to work with Mayors and
communities in terms of identifying icons. They will be collated across the state and then 150 or so will
finally be selected. I'm sure the selection of the icons will be done by State politicians. Icons can be
people, they can be places, they can be behaviours, in other words they could be the dingo fence, they
could be the XXXX sign at Milton, they could be whatever. I think it's quite an interesting project, in
terms of it allowing people to tell stories about themselves, about their communities, about features
that are peculiar or interesting to them.

The other one is digital stories. Digital stories will also be announced later in the year. A lot of the
submissions in respect to next year have been about story telling, and one of the elements in the tag line
I referred to was our stories. The software has been developed by Federal Arts, which will allow for
people to basically tell their own stories in minuets' and for these then to electronically held, to be
collated for example by public libraries around the State. The software has the capacity to
accommodate 150,000 stories to be told. That's a lot of Queenslanders being able to in a very crisp way
tell their stories. So the Digital Stories project will be announced sometime between now and December
as well.

In regard to the train and the shed, firstly, I apologise to those communities where the train is not
stopping, and who would have liked the train to stop there. A lot of effort was made I can assure you, to
try and maximise the number of centres where the train is going over the period of April to September
next year, and about thirty centres are being covered during that time. A few things about the train, it
will have about 7 carriages, it will be carbon neutral and some of you will be aware of this, there will be
tree planting initiatives and a variety of other things accompanying it. The train essentially is a
passenger train, some people of said well why don't you take an Arts train around the state. Well with
the old historic carriages that's just not possible, besides there are all sorts of issues around platforms
and what can be accommodated. But what I can say, the train will accommodate about 200 people, and
the decision on who goes on the train, will be made by the Mayors. It is covering all the main trunk
routes, the old Inlander, Midlander, Westlander and of course is extending, so it's going through to
Winton and the case of the Midlander where it hasn't been to Winton at least as a passenger service for
many years. There will also be some special other routes occurring on special days like Queensland Day.

There are a couple of issues, one is time and the other is money, because one of my jobs is to try and
get as much corporate sponsorships as I can for the train and the shed initiatives so far we've got three
or four hundred thousand dollars and we are working on some more. The shed won't look like that, that's
really stylised to give an indication, but for those who have been in Brisbane during the Brisbane Festival
period, you will be aware that there is a piece of transportable infrastructure for entertainment, called
the Spiegel Tent, I don't know about you, but I've never thought the term Spiegel Tent had much to do
with Queensland, so we are seeking to have a transportable venue which will be used all over the State next year, and will be public property there after, and able to be used by communities all over the State. What occurs in the Shed will vary from community to community. It could be folk music, it could be other concerts, it could be B&S Balls, it could be whatever you like. The shed is going to about 14 locations so far and is in the process of being constructed. I realise you won’t be able to see all those in details, but it gives you a bit of a sense of the spread. There are only several centres outside of Brisbane which are going to have both the Train and The Shed; Mt Isa, Townsville, Cairns, Rockhampton, I’m not sure I think Toowoomba, but not many others.

The idea is that we get The Train and The Shed to as many communities as possible, the responsibility for what occurs in and around the train on it’s visits and in the Shed will be something that is shared with local communities and I guess the major picture I’ve got today is to really encourage your interest. Because these are great opportunities to show case community and use the opportunity of 150 in terms of those.

I should also mention briefly community funding, the legacy infrastructure projects are all up on the website and a lot of you will be closely familiar with those. Most of those are done and dusted. The last round of community funding closes on Friday this week. I know there are a number of bids that people have been talking about in recent days. Providing that bids are post marked electronically or whatever, by Friday they will be considered. There is also a couple of million dollars left, given that the ceiling amount for applications is $10,000 per project, there could be another two hundred projects supported as a result of this third round. So it’s a real opportunity, and the community funding can be used for anything from organising a community local BBQ to other ways of commemorating the year, or celebrating the events, so I just encourage people to, if you haven't already submitted you community funding project, to make sure you do so by the end of this week.

We’ve got a website we are trying to put everything on and keep updated. As I’ve said, the roll of the 150 office is to try and provide some guidance and coordination but more particularly to try and identify money. If you look at the itineraries of the train and the shed, we obviously have a problem that the train could not go to the Gold Coast, a whole range of technical reasons, why the train couldn't go to the Gold Coast, so obviously the shed is going there. But we've got an issue in terms of The Cape and we are trying, but I'm not promising, but we are trying really hard to raise further corporate support which would enable the Shed to go to a number of centres in the Cape. If we are able to secure that money in the next month or so, then we will be able to deliver that And that’s really our intention if we possibly can. My final message is to say, the 150th Year has been a little while coming, but we are only 120 days from it, and we really look forward to the leadership and involvement of folk across the State in local communities. Thanks very much.

Questions: Col Byrnes Cook Shire - The Shed, is it going to be permanent, what sort of materials is it going to be made of - just expand on the Shed please mate.

Answer: Hi Col. The Shed will be a building like a large marquee there will be a lot of wood in it, there may well be a lot of canvas in it. The whole idea is that it is transportable infrastructure that can be moved on trucks, so that’s basically the idea. It will be used across the 13 - 14 centres next year, but then can be used by communities in years afterwards. So it will be able to be moved by trucks, and is transportable. So I would think, I’m not technically confident, but a lot of light timber and a lot of canvass type products. Thank you.

Address: “Healthy Lifestyle”

Dr Toby Ford

Due to copyright laws this speech was unable to be published.
Local Government Act Review Forum

Greg Hoffman PSM
Director, Policy and Representation
LGAQ

Welcome to our forum on the review of the Local Government Act. A new local Government act is planned for 2009, councils have responded to issued papers both before and after the council elections in March. This forum provides a further opportunity following on from a similar session at the Local Government Symposium in Brisbane in April, to discuss with senior departmental officers the direction to be taken by the new act and the all important issues of the roles and responsibilities of local govt the relationship with state govt.

Today we will hear about some of the proposals for the new act and provide an opportunity for you to have a say before the Bill or the New Act is introduced into state parliament next month. Your views are important to us, to the department as this process unfolds. So make the most of this opportunity and have your say. Importantly the discussion today is open to all of you present here, to delegates and observers, there’s no restriction on who is able to express an opinion in relation to the issues that will be put before you.

Joining me in the panel today are Greg Hallam the Executive Director of the Local Government Association, Mr Michael Kinnane the Director General of the Dept of Local Government Sport and Recreation and Gabrielle Sinclair Assistant Director General of Modern Federation and Review of the Local Government Act also from the Department. Ladies and Gentleman please welcome our Panel Members.

The structure of the forum involves presentations from Greg Hallam and Michael Kinnane and following those presentation we will have a panel session and open forum discussing the issues that have been raised in the presentations, however if there are other matters that haven't been specifically identified that you want to raise, then feel free to do so. It's important that any matter that's of concern or interest to you, that you would like to express an opinion on, to do so. The ink is far from dry on the legislation and this forum is intended to help inform the Governments consideration as it proceeds to the introduction of the Bill into parliament next month.

So that's our structure, that's our objective and I encourage you again to please make the most of the opportunity that presents, that we're presented with today. To get things going I invite Greg Hallam to come forward and talk on matters from the perspective of the Association. Thank you

Greg Hallam PSM
Executive Director, LGAQ

Good morning everyone. I am delighted to be able to talk and I think this is another really important plank in the Local Government Reform process and some said déjà vu because when I first started at the LGAQ I was dealing with the new act then which was the 1993 act, and for those of you who have any sort of, knowledge of the history Local Government we don't have acts all that often, it was from 1936 to 1993 and it's now pressing on 16, 17 years.

Why A Local Government Act? I think it’s very important that we do have a fundamental piece of legislation that gives you your legal genesis. Its an expression of what local government is, where it fits in the whole milieu of State Relationships, it sets out your fundamental obligations and powers and it really becomes a working document for local govt, bearing in mind there is a plethora of other legislations we operate under so fundamentally it is the corner stone of how the system operates. And, as I indicated there has been a long history of relationships between State and Local governments. Queensland’s always been regarded as what the political scientists would call a laissez faire System. That is they've had minimal controls from the State and it’s just quickly worth observing those, and I’ll mention places like Cooktown in this.
If you go back and read the Hansards from the earlier parliament centuries ago now, it became so onerous for State parliaments to deal with what were fairly minor matters in places like Cooktown or Boulia or Birdsville and the parliament didn’t want to spend all its time dealing with all those matters. I mean bearing in mind, and even now we still largely decentralised but we were really decentralised back in those times. So for many, many, years over a century now, decades and decades, over a century the State has seen the general powers to Local Governments that don’t exist in other jurisdictions so the notion of a general competence power has been around for a long time, but there have been some legal fetters on the exercise of that power. It is a different way the State runs here in Queensland as opposed to the other jurisdictions, particularly Sydney, Melbourne, and Adelaide where they are capital city-centric. Capital City is the dominant force in those States and you've got two levels of government doing that Capital City function. We are getting elements of that here now, and it's because SEQ has grown so fast and you've got some conflicting State/Local Government agendas around regional growth management. But we have traditionally gone a different way to the other States. And I mention briefly some of those acts; we've got the Municipal Institutions Act in 1864, the first Local Govt Act in 1878, and then the Local Authorities Act in 1902 which acknowledged us as a level of government.

We went on to, importantly in the mid 80s, establish Aboriginal and Islanders Councillors and I was really proud to be part of that from another Jurisdiction when I was working in Canberra it was then Minister Tom Uren who insisted the Aboriginal Councils received funding. That was the basis of this state and the NT Change in Legislation to recognise those communities. Of course the Local Government Act 1993, which clarified the objects, accountability and general confidence and those of you who would remember the late Tom Burns, he had this one phrase that encapsulated the spirit of the Act - Local Governments Have Got to Carry their own Can and I think that was really significant. Mayors, Chairman became Mayors, Town Clerks became CEOs and we had a new era and I think a really fundamentally important point - Local Authorities became Local Governments, and you were said to be competent to make any decision as long as it didn't conflict with the Law of the Commonwealth or the State.

Moving on, recognition of Local Government. There isn't indeed a constitution in the normal sense that exists in Queensland. It is an act of Parliament. And that is been the historic case - both the system of local government is acknowledged in the constitution as indeed as has been the LGAQ. As you well know there is no recognition of local government in the Federal Constitution and that is the debate that is still going on. Interestingly there’s a great deal of debate around what a new federation would look like. I think we need to say, that a lot of what is happening in the local government act has got to been seen in context of what are some fairly bold experiments now in remaking the federation. Those of you who have been familiar with those debates, we had first attempts by Gough Whitlam and they were quite radical. We then had Malcolm Fraser. People might not recall it, but Fraser tried to give back taxing powers to the states and they didn’t take up that option. That was the so called New Federalism. We had the cooperative Federalism model of Bob Hawke in the start of the Council of Australian Governments. We had another approach under PM Howard, and of course we’ve got another big set of agendas rolling out there now with Kevin 07.

Paul Bell’s made mention and I think it's worth saying again, you do need to see the Henry Enquiry into Federal taxation in the same context as other reforms - that is changes in the relationship between the Commonwealth and the States and the possibilities of Local Government being recognised in the Australian Constitution. So there is a bigger framework in which this new local government act has been set. And importantly we’ve had very good cooperation from the Queensland Government particularly Minister Pitt and Michael. We were all in Canberra last week and part of the same discussions about what that formal constitutional recognition might look like, because clearly what happens in a federal constitution will have impacts in all the legislations that we’ve gathered at the state level.

So we were all there with Peter Matic, Hajnal Bahn and Paul Tully, Leon Yateeman, Jude Munro, Greg Hoffman and myself. So there's a lot of work going on. You know there’s a constitutional conventional of local government in December in Melbourne and probably, well the Prime Minister has made it clear to us that he will put the question to the Australian people in this term. So this isn't something that's off along the horizon, a real issue we are dealing with right now. So I think, context is important.

As early as 2004 Paul Bell was asking for a new act. The concerns among councils at that time was that it was cumbersome, onerous there was a lot of reporting requirements and there was one size fits all, that
didn't reflect the different, very different needs of different councils and different parts of state. The reasons, stated reasons for the review modernised Governments arrangements including regionalism, shared services, community engagements, reducing compliance burden, improving performance standards and stewardship obligations. They were the things we were interested in, and largely the matters the government paid attention to.

The LGAQ and councils welcomed the announcement of the review in July 2006. So this isn't something that we fear or running for the doors for, it is something we are embracing. The LGAQ submission is based on member consultation, we had gone through a process two years ago now of going out to ask you what your view were, we had also expert reference groups and the benefit of our legal advice King and Company, annual conference resolutions and a host of policy positions, so that all fed into what was a consolidated mission to the government. We had many, many meetings, I think Michael we've probably had two or three breakfasts, we had meetings with ministers there has been a lot of consultation about the big drivers the fundamental influences of the new legislation.

Clearly we wanted a vision statement as the foundation for philosophical and legislative framework, that is, an act is in itself a piece of law that describes relationships, and powers, and controls and constraints, what you can and can't do. We are looking for broader vision of where local government sits in the whole federation and where it sits in terms of state relationships and we have been talking to Michael about that and hopefully it will be in a secondary speech nor explanatory notes, or when the bill is introduced.

So we have this clear statement of how local government and state government react not just in the Local Government Act but where the two levels of government sit and how they sit together in the federation, there is three levels of government. We wanted a commitment to council autonomy, recognition of local government as a legitimate sphere of government and respect for councils and councillors elected by the community. Commitment to agreed principals of partnership and collaboration as per the inter government agreement signed off by the then Howard Government and every State in Australia and territory in 2006. Adoption of council categories providing risk based flexibility in governance, strategic and operational requirements and service delivery arrangements, and I think the government have come up with another, I think, probably even clever way of doing that with principles based legislation which will probably do the trick. Michael and others can talk about that later on.

For continuation of general confidence, it is fundamental that you don’t have your basic abilities to operate curtailed, that you are just as the state and federal government are - duly elected representatives of the people and have the ability to make decisions to look after those same people. Encouragement, not mandating of regional collaboration, linked to enhanced community engagement, long-term financial planning, asset management and improved performance reporting. So all of those things coming together to a comprehensive package that link and work. It’s not some dusty report that sits on the back shelf of your council that gets trotted out when the auditor-general comes through. Performance reporting and framework focusing on the needs of the community, the council and government.

So we had a really comprehensive set of drivers that really, as I said, came from you. We had a lot of process around this, we talked to councils, asked councils, had debates and that was the distillation of those discussions.

So what’s next? I think it’s really important that we do congratulate the State Government, Minister Pitt and particularly Michael and his Department on their comprehensive engagement with councils. They really have gone out and embraced people. There’s has been a lot of consultation and a lot of genuine listening about what we’re saying. Can see the listening is happening, because it is reflected in what is coming back. We certainly thank the Government for listening, we thank them for the speed. Those of you who were around in the 1993 legislation would understand that was eight years in the making. People like Scotty Mead and others would remember that. There was green paper under a former Government, there was a white paper under the Goss Government, there were exposure drafts; it went on forever and ever.

This is quite a quick process in the whole scheme of legislative making, so that’s a positive. Look, we have had regular meetings with the minister, they have been going on. In probably two monthly intervals, certainly with Michael and his departmental staff and in particular - Gabrielle. I think we are
all eagerly awaiting introduction to the bill and for ongoing engagement with councils. We’re particularly are happy with the fact that the government saw it as important to have this legislation early in your term. That was one of the trade-offs. Going through the classic green paper, white paper processes Governments normally follow, would have taken an extra twelve months. This way for what will be three years, maybe three and-a-half years, if you have your term extended till October 2012, you’ll have this new legislation to work with. So, the clear commitment from the minister has been and we accept this that when the bill goes into the house there will be good period of time for which we can consider it. It will lay on the floor of the Parliament until sometime early next year, and the government is prepared to look at amendments where they make sense and that would be done through the debate on the floor, what’s known as a committee stages of the Parliament.

Post-amalgamation we need that fundamentally important for clear statement of the State’s vision for local Government and articulation of its approach to relationship partnership and collaboration with local Government. I think you’re starting to see it shaping up. Certainly we now have a discussion about what that might look like into the future, as you know the LGAQ did in its own rights suspend the current agreement and that’s remained the case. Lawrence Springborg has been here, and talked about their partners in Government approach, and I think you will find there will be discussions go on with the Government over the next number of months about what’s their intention in that regard.

So basically, we are at the cusp of very new era. This is another one of those fundamental planks of the reform and are rest assured that the LGAQ will be pouring a lot of resources and attention into this, particularly when we get down to the detail and we see it clause by clause and have our expert legal people like King & Co, and our internal people go over it and more importantly also, CEOs who have to operational-ise it. But look to finalise it, to finish, we really like what we are seeing, it is bold, I think its contemporary and it has met most of the requirements you told us you wanted. Which we included in the submissions we have made. So we thank the Government for listening, and we thank the department for engaging us and congratulate them on the work we have done to this date, and when we get to the next phase, we will try to add value. We won’t want to have semantic debates, we won’t get into sophistry about this or that, where we think there will be operational problems, we will say it and hopefully that will be taken on board.

Thank you.

Michael Kinnane
Director-General
Department of Local Government, Sport and Recreation

Thank you very much, Greg Hoffman. May I acknowledge the traditional owners in the land in which we meet today and pay my respects to the elders. May I particularly acknowledge the President of the ALGA, and the LGAQ, Paul Bell. May I acknowledge my other panel members Greg Hallam, Greg Hoffman, Mayor Val Schier, its wonderful to be here, its been a wonderful week and a wonderful city, wonderful part of Queensland and I would also like to acknowledge my co-panel members, Gabrielle Sinclair and Ross Alcorn, Ross will be up at the stage very shortly after he drives my slides.

Ladies and gentlemen I would firstly like to acknowledge and thank the delegates for the way in which you have been available to meet with minister in the last two days we’ve conducted no less than twenty-five deputations over the last two days with Minister Pitt, which is a third of this conference, which is absolutely fantastic. It complements the travel around the state that the Minister has been doing. He has visited thirty councils so far, he has given a commitment to visit all the councils by the end of the year to the best of his ability - and he is on track to doing that. So there have been lots of discussions about the Local Government Act in those forums and we have had a number of deputations at this conference from you about those matters as well.

Ladies and gentlemen, the department is very committed to working with Local Governments and the LGAQ and the LGMA in the rollout of the new Local Government Act. Very shortly I will make a formal presentation but what I would like to do is just do a quick preamble and scan of some of the examples where we will be able to show to you that we’re being fair dinkum in saying that we want a more clear
Act, a principles based legislation as Greg has mentioned and that we're not adopting a one size fits all approach, hopefully you will see examples of that as we acknowledge the regionalise bases of Queensland and the different needs of Queenslanders and different Local Governments and different diversity and sizes and shape.

Ladies and gentlemen, we are in the process of continuing to listen, we extended the consultation process to 30 June this year. The legislation, as Greg mentioned, has not been finalised yet. The Minister has been able to take to Cabinet what's called the First Stage, which is an authority to prepare submission which has gone through Cabinet, which then gives him the power to actually go ahead and prepare the legislation. The authority to introduce the legislation, which is based on draft instructions developed by the Office of Parliamentary Council will go to Cabinet in October and the legislation will be considered by the Parliament in October this year. This was introduced by the Minister at regional Parliament here in Cairns in October this year. The bill will then lay on the table of the Parliament until March next year and we expect, and we hope all things being equal the legislation will be passed in March next year. There will be an opportunity while the legislation’s placed on the table of the Parliament for that period of time, for further input from the LGAQ, LGMA, individual Councils and other stakeholders. So there will be ample time for further feedback from you on the draft legislation as the Minister presents it in October. We will look forward to your active involvement because what we have been able to do I think is really take advantage of the consultations which have been carried out to date. The LGAQ’s submission was very helpful to us and the points that Greg mention this morning, I have no problems with at all and those expectations I think will be delivered in the legislation and we will be able to deliver on most of the recommendations in the LGAQ submission and most of the recommendations as you have replied to us. The team will be taking notes of your feedback today and we're looking upon this Conference as we did the LGAQ’s symposium earlier this year, it was an important consultation point and a milestone for getting further information.

Let me give you a very quick scan of just some of the examples of the points that we’re looking at in the new Local Government Act 2009. The new Local Government Act will define more clearly the role of Mayor, CEO and the Councillors so that there is no misunderstanding or lack of understanding of the roles that those elected representatives and Local Government officers. It will strengthen the separation of powers and ensure there is a proper statutory relationship between the Mayor and the CEO backed up by a Performance Agreement signed by the CEO, and the CEO being accountable to the full Council. We’ll remove the section 492 of the Act, which is about the exemption, the permission from the Minister for exemption from Tender process of Local Government. We think that’s highly bureaucratic, we think it's far too prescriptive and that clause 492E which forces you to write to me, and write to the Minister seeking an exemption will be removed from the new legislation. In terms of Councillor conduct we will be either having a one uniform Councillor Code of Conduct for the whole state or will include it in the legislation as a Statutory requirement. I’d like your feedback on that today, but the Code of Conduct, the behaviour of Councillors is going to be extremely important in the new legislation.

We’re going to do our very best to deal with an issue that the CEOs have raised with us, which is the conflict they find themselves in when there is a compliant against a Councillor or Mayor that may require the involvement of the CMC and we’re in discussions with the CMC about how we can help in that respect.

But, we're looking forward to having regional panels to play the role of Conduct Review Panels and we’re looking forward to the more serious allegations of misconduct to be dealt with the State Tribunal by expanding the powers of the Remuneration Tribunal and for it to become a Remuneration and Disciplinary Tribunal as well. There will be a whole continuum of interventions from facilitation to dismissal in the new legislation which will hopefully prevent the more extreme actions that the Government will need to take. We will also have an Ethics Panel advising the Minister on proper ethical practices for Local Government. The timing of the election is something that you’ve dealt with at the Conference already this week, I congratulate Conference on its courageous move to move towards an October election. The Minister has been very vocal about this on his trips around to see the councillors. I know there are differences of opinion on this and certainly the stakeholders exhibited that to us, but there was an overwhelming response in the submissions to the Legislation Review team for an October election and I know that the Ministers personal view, still to be endorsed by Cabinet of course, is that an
October 2012 election would give an opportunity to for councillors in particularly those impacted by amalgamation actually settle in a lot more and able you to deliver a budget before your election.

So the October 2012 option is one option on the table and it’s something that the Minister personally supports. We’ll have simple moral local laws, we’ll encourage the small councils who don’t want to be burdened with over prescription to adopt a model for local laws which the department will continue to produce and we’ll work with those Councils on those moral local laws.

The five percent threshold own source revenue investments on enterprises will be abolished and you’ll be able to extend that investment further than that five percent mandatory requirement at the moment. If there is a seeking of an investment in the order of ten percent or higher sourced revenues then that will be required to be reviewed by Treasury and we will just need to be satisfied that’s in conformance with your financial statement and your financial capability.

In respect to Audit Committees, that’s something that Paul Bell in particular has been very vocal on to us, the importance of ensuring the burden of setting up Audit Committees is not there for the smaller Councils. I am pleased to tell you that in consistent with the Auditor General’s recommendations that what we propose in the new legislation is Audit Committees only be required by Category Three to Ten Councils and that the smaller Councils will not be required to set up those Audit Committees.

So ladies and gentlemen, that’s just a scan of some of the provisions of the new legislation that we will be proposing to you very, very shortly. What I would like to do now is go through my prepared presentation and take you through a number of examples of what we hope will be in the legislation, and we would like to get your feedback on today.

The theme of this years Conference, “Challenges and Choices”, is very apt as we approach the 150 anniversary of Queensland, as well as the establishment of Local Government in this State. With out a doubt the challenges you face every day in planning for a meeting, community expectations and needs, would never have been imagined by your predecessors. In the twentieth first century, the more the globalisation shrinks the ternary between communities the more important it becomes for people to have a stronger involvement in the way the community plans for the future. These are the challenges you as an elected representatives face while meeting the overall expectation of delivering a wide diversity of services and infrastructure. The Government recognises the importance of Local Government as a grass roots sphere of Government. In fact the Minister has been very vocal as well in picking up the challenge from Paul Bell and the LGAQ about recognising Local Government as a sphere of Government, not a tier of Government. This was the very point of seeking to build stronger Councils which would be able to deliver on their long term plans for sustainability, viability and community service obligations as needed by each community.

The next phase is the Local Government reform and we’ll further realise Local Governments being supported through the provision of appropriate tools and assistance to enable you to deliver quality services and infrastructure and meet the expectations of your rate payers. I acknowledge that there are a number of people here this morning with a long history in Local Government, while there are others who have only had recent experience. For my presentation and on the basis of questions from the Panel, I want to quickly cover the fundamental issues about why a new Local Government Act is needed, when it will commence and what policy changes are being considered that will assist you to do your job and meet stakeholder expectations.

So why are we reviewing the legislation? And as Greg Hallam mentioned this morning, after Paul Bell’s call for a new Local Government Act in late 2006, the then Premier announced the review of the 1993 Local Government Act and the 1924 City of Brisbane Act. Despite being progressive for their times by any measure, these Acts were long overdue for renewal.

When I was appointed to Director-General in January 2006 of this Department, I was astonished at the complexity of these Acts, particularly the Local Government Act and the Integrated Planning Act. They are difficult to read, and frankly almost impossible for a lay person to understand and that’s why you need to get legal interpretation so often on the Act. Our objective is to have a piece of legislation which is reader friendly for the lay person, and which doesn’t line the pockets of lawyers for the future. They
are difficult to read, and frankly almost impossible for a lay person to understand as I have just mentioned. The level of prescription, while probably helpful in addressing the particular issues of the day, makes it almost impossible for contemporary Governments to find responsive solutions to local problems. Despite the long partnership I had with Local Governments in my role as Director-General of Emergency Services, I was amazed by the large number of Acts which provide for the Governments framework for Local Governments. While necessary for giving Local Governments the legal power to undertake their various functions the existence of multiple principle and subordinate statutes no doubt makes the operation of Local Government far more complicated then they need to be. Whether you’re a mayor or a Councillor, CEO or local officer you need legislation that is simple to access and understand, which acknowledges that one size doesn’t fit all, particularly in a State like Queensland and which provides you with a reliable tool kit to get a complex and difficult job done.

So when will the Act be ready? Those dates are up on there on the screen, I have already referred to them. So that the period from when the regional Parliament in October here in Cairns, to about February next year will be the opportunity for you to comment on the draft of legislation when you see the legislation in place. The Minister has made it very clear that he is quite prepared to amend the legislation, in what is called the Committee’s stage of debate in the Parliament to incorporate amendments to the legislation based on stakeholder feedback. For the past eighteen months we have been gathering information and opinions about what needs to be changed as a result of meetings with, and submissions from the LGAQ, Local Governments, the LGMA, the ULGA, the Aboriginal Local Government and Association, the Unions, Government Agencies such as the Audit Office, the Ombudsman, the CMC and the Electoral Commission as well as other Government Departments. We’ve also considered more than the 7,000 letters which the Minister receives annually directly from rate payers, as well as the outcomes of enquiries, court determinations and the indications of systems failures over the last five years or so. These have helped us to identify the major challenges and consider viable choices to craft the key policy proposals for the new act.

A number of these have been discussed during the Minister’s visits to new Councils since the elections in March and a variety of public forum, such as the LGAQ’s symposium in April. In summary, stakeholders have raised the following issues.

Firstly, we need to provide some clarity about the purpose and jurisdiction of Local Government. We’ve replaced the objects under the current Act with three clear purpose statements and we’ve recognised the jurisdiction of Local Government to be consistent with the Constitution of Queensland. So you can see those purposes of the new Act are very straightforward, they’re very simple, they’re very, very clear. So they will be the hallmark behind the legislation.

The Local Government to carry out the good ruling Government in their areas, for a legal framework for Local Government and recognising the jurisdiction of Local Government. Will also remove prescription and give Local Government the flexibility to determine the process to achieve the outcomes. We’re proposing for the new act to introduce a series of principles which will provide the basis for Councils performance and guide Councils policy development and decision making in line with excepted public administration standards. This means looking for ways to increase transparency. Taking a Board of Directors approach and that’s extremely important, the Minister has emphasised that in his travel around the State. A Board of Directors approach and being able to accept accountability for the performance of the Council and of each Councillor and you can see the basic principles there of Local Government up on the screen to have a look at.

These five principles will apply to both Council Performance and Councillor Conduct. The principles will allow Local Governments to make choices about processes to suit their size, location and administrative circumstances. However, such discretion will be balanced by the need for Local Governments to be able to demonstrate rational, justifiable and transparent processes in adhering to these principles. So these become the Bible for operation of Local Governments under the new Local Governments Act. Again, simple, clear, simple to understand, straightforward.

We’ll make the new act easier to use, we’re writing the new act in plain English, and minimising its complexity from the user’s point of view. We want the Act to be easy to use and this means in a practical way, removing duplicated provisions that we find in the current Act, and locating provisions in a logical
way from a practitioner’s point of view. This also means streamlining processes, which must be retained for consistency or which are needed for fairness and transparency. For example, this slide shows how four processes for what are currently known as Local Government Renewable Matters, will be streamlined into one simple process. This new process will be called Changes to Areas, Names and Representation and will maintain the independence of Electorate Commission of Queensland. The end product will be a new act which is quite different in size and content, with administrative provisions being logically coded in regulation.

We will find a more reliable way to ensure Councils, and Councillors behave in the interest of the Community and when there is evidence that the interest being served are not those of the whole Community. Establish a more effective process for dealing with these issues and ensure fair processes. We propose to replace the current model, Code of Conduct concept with statutory principles, performance and behaviour and to clarify the differences in roles between Mayors, Councillors and CEOs. We also need to address the adequacy and consistency of penalties currently provided in the Act. For example, this slide shows the inconsistency between the penalty units and the terms of imprisonment that maybe imposed. At the moment providing false or misleading information for Local Government owned Corporations attracts a maximum of 500 penalty units or five years imprisonment. While the penalty for not protecting secret information is 1,000 penalty units and one years imprisonment. Stakeholders have described the current consequences for poor Councillor behaviour as “Toothless Tigers”. New consequences should deter behaviour which is a potential to bring a Councillor into disrepute, whilst retaining a fair process which ensures natural justice.

So we want to build upon the Code of Conduct Review Panels that are the current provision of Local Government Act to ensure that we have regional panels from whom, panel members can be chosen to deal with a particular Code of Conduct problem. As I said earlier, the more serious Code of Conduct breeches can be dealt with at a State level through the Remuneration and Discipline Tribunal and of course the matters that are still the subject of the CMC Act, will be dealt by the CMC.

Stakeholders expect timely State intervention when questionable Local Government activity occurs. Stakeholders have made it clear that they expect timely State intervention when questionable Local Government activity occurs, under the current Act a range of formal intervention mechanisms are quite limited. Consistent with the establishment of a new regionalised Department, and our intent to abdicate for an assist Councils, the new Act will provide a continuum of State responses, which help to identify and prevent situations which would otherwise require punitive sanctions of dismissal and disillusion. So we’d be looking at the preventative modes of intervention before formal disciplinary powers are exercised.

This slide shows a range of responses; these include facilitation and capacity building through our new regionalised delivery structure. So you will have Local Government departmental staff located more closely to you to be able to help you with that facilitative role, particularly with other Government departments but also with other matters of concern. We’ll have the performance evaluation reporting framework which Greg mentioned as well, as one of the key components of the Local Government Reform Program. In relation to remedial action, this could include the appointment of an advisory or financial controller to Councils which need such assistance, while monitoring and enforcement could include request for information and management of behavioural breeches through the Tribunal system. As I have already previously mentioned it’s preposessed the Minister will have the ability to issue a direction and a recommend a dismissal to Council when necessary, for major issues.
It is important to add that any decision by the Governing Council to dismiss a Councillor or Mayor or to dissolve a Council will be enforced by regulation. Such a regulation will be gazetted and tabled and be subject to a motion of disallowance and Parliamentary debate.

The requirement for Parliament to ratify the regulation for the dissolution of the Local Government will continue under the new Act.

We’ll sharpen the separation of powers and responsibilities between the Council and Local Government Offices. Stakeholders have told us that the provisions of the current Act have not made the separation clear. Although the line of operations between Councils setting policies and direction and the operations of the Councils administration and implementing these policies may sometimes be crossed in error with good intentions, its time to make sure that these instances are very few and far between.

These means that the roles of Mayor, councillor and CEO must be clear; for example the new Act will provide that the reporting relationship between the Councils and the CEO is through the position of Mayor, who will also be responsible for ensuring there is regular annual review of the CEOs Performance Agreement and that’s been a problem in some areas in the past. If a Council believes that its policies and directions are not being followed, this becomes a matter for Performance discussion between the Mayor and the CEO. So you have seen on the screen there, the role of the Mayor, CEO and the Councillors.

We’ll provide one State wide system for elections consistent with State standards to enable ease of access and minimise the potential for confusion between State and Local Government election provisions. It’s proposed that the provisions relating to Local Government elections be located in new Local Government Electoral Act which will be administered by the Electoral Commission of Queensland. So we will actually have the provisions of the Local Government Act in a stand alone, Local Government Electoral Act.

As you know the last Local Government elections were conducted by the ECQ in response to create an independent central point of co-ordination and administration for Local Government elections and increase public confidence in integrity of electoral arrangements. The Government has decided that future Local Government elections should also be conducted by the Electoral Commission and the New Local Government Electoral Act will provide different mechanisms for filling Councillor vacancies depending upon when the vacancy occurs and wether a Councillor was an established party political system. Essentially the Vacancy Replacement model, as shown on the slide, during the first twelve months immediately following the election the count back of votes will be used, in the next eighteen months vacancies will be filled through a bi-election, for the eighteen month period after the vacancies are able to be filled by Council appointment, or where the outgoing Council was a party candidate the relevant party can nominate a replacement. In the final six months, of this eighteen month period Councils will have the discretion of filling vacancies. The New Local Government Electoral Act will continue the current provision of Council disqualification of becoming a candidate for State Election and maintain parity of Commonwealth requirements.

We’re considering moving the election date to later in the year, as I mentioned earlier that you have been debating this week. So a new requirement to be included is the quarter annually held elections to be held in October rather than March. Whilst stakeholders held a mixture of views on this issue, reflected in your debate earlier this week on wether or not the election date should be changed, in the main there was a strong indication in the current March election date gives an incoming Council little time to become familiar with the operations of Councils before settling the coming financial year’s budget. This means the incoming Council must go straight into budget preparation following the election. Also, a number of Stakeholders have practical concerns to do with the administration of the election itself in far flung parts of the State. As the Minister has been visiting Councils around the State he has been discussing some options with the Councillors. Stakeholders have mentioned that commencing the new arrangements in October 2012 will give the newly formed Councils more time to complete the post amalgamation transition arrangements and that’s his personal view which he will be taking to Cabinet in October.

Now, I want to make something very, very clear on behalf of the Minister, we’ll retain the Community election, direct election of Mayors, and the provisions of the New Local Government Act so there has
been speculation as to whether we would take that out of the Act and we won’t. The direct election of Mayors will remain a provision of the Act.

We’re working towards commencing the New Local Government Electoral Act simultaneously with the New Local Government Act in late 2009. We’ll make clear in the new Act what is needed for minimum requirements. The new Act will set certain minimum requirements which are needed to implement the national frameworks for assisting financial sustainability, asset planning and management and financial planning and reporting of Local Government. This is a really important point, ladies and gentlemen, this is one of the National Reform Agenda which has involved the Ministerial Council, involving Paul and Minister Pitt and other Ministers and other organisations around the State. The National Frameworks govern financial sustainability of Local Governments, and we intend to reflect that in the legislation in Queensland.

Councils will be required to develop, implement and publish ten-year asset and infrastructure plans and ten-year community plans that are reviewed annually. They will also need to show evidence of internal controls, such as processes for ethics, risk management and audit procedures.

So we need to balance the need of consistency with flexibility so that Councils can meet local differences. We really have listened hard and heard loud and clear your feedback that one size doesn’t fit all in Queensland and we’ve got to recognise the regional factor and the local nature of Queensland communities and diversity around the State. One of the factors underpinning the review of the current Act was the recognition that Queensland’s Local Government system operates in a large and diverse environment. While consistency is necessary in some cases, such as the need to have the same standards when it comes to Councillor behaviour, the review examined ways in which new legislation can support the very nature of Queensland Local Governments. The one size does not fit all concept recognises this diversity and aims to provide as much flexibility as possible for Local Governments. This slide provides some examples of where the one size does not fit all approach will be incorporated in the new act. We’re keen to identify other areas in which this principle can be applied and practical examples, and I am keen to hear from you today any examples you would like us to consider as part of this measure as well. For example, under the current Act, community engagement processes are detailed, under the new Act Local Governments will not be bound prescribed processes such as a compulsory referendum, which is a requirement under the current Act in relation to reviewable Local Government matters and specifying timeframes for consultation. Councils will have the flexibility to use a whole range of community consultation mechanisms according to the issue, their size, culture and location of their community. While internal audit will be mandatory for all Local Governments the provision in the new Act to have Audit Committees will apply only to larger Local Governments in recognition to the style of financial operations of smaller Local Governments and the availability of suitable people to be members of the Audit Committees. Other financial process stipulated under the Local Government Act are being assessed in relation to relevance for small Councils. For example the requirements for undertaking competitive tenders make sense for large urban Councils but they do not take account of the smaller remote Councils resources, geographical locations or the fact that the local market may have no private providers.

The limit of five percent on investment of own sourced revenue in enterprises will be removed, the limit impedes innovation in Local Government operations and the flat percentage limit does not take into account the financial sustainability of a particular Council, nor its ability to manage risk. Similarly, it does not recognise a five percent limit on larger Local Governments with an expansive rate base can also be problematic. For example, a cumulative investment of five percent or more in the same enterprise could be a high risk if Council investment is not diversified. Under the new Act it is proposed that if a Local Government wishes to invest its own sourced revenue in an enterprise in Private Sector involvement, this needs to be identified as a capital expense item in the annual budget. The investments where there are Private Sector involvement and more than ten percent of own sourced revenue is used the department will seek Queensland Treasury Corporation advice and Treasury department approval.

And finally, a simplified Local Government, Local Law making system will be established to enable Local Governments to make Local Laws, Interim-Local Laws and Sub-ordinate Local Laws via a process created and implemented by each of them, each of you. For smaller Councils the department will continue to provide model like laws so that such Councils will have the choice of either adopting the model or making
their own. To assist all Councils the new Act will not require ten yearly redundancy reviews and it will be up to each Council to keep Local Laws up to date.

So ladies and gentlemen, that’s my formal presentation for the legislation, I am sorry I had to go over time a little bit but hopefully that gives you a taste of what the new legislation is designed to achieve at this stage of the preparation of the bill. Can I emphasise to you that we’ve not received Cabinet endorsement for the bill at this stage so as Greg said there the ink is not dry by any means, but there will be some instances where Gabrielle, Ross and myself answering your questions, your detailed questions today. We’ll have to just take your point onboard and we won’t be able to give a commitment either way, but we will certainly take your point on board, and incorporate that process for the development of the new legislation.

Finally, may I just give a plug, particularly for the new Councillors and the new Mayors. On our website there are a series of fact sheets on the current Act. To read the current Act is a real challenge and I would commend our website to you to obtain these facts sheets, that have a very simple explanation on different provisions of the Act and I would recommend that you do that if you can, before you see a copy of the new bill which will be tabled in October.

So ladies and gentlemen this is a really exciting time for us, this is the most important Local Government reform in a long, long time and we look forward in a collaborative way to working with Local Government to have the best Local Government Act in the county.

Thank you.

OK, we now have the opportunity for you to have your say on some of those matters, all of those matters and more if you wish that have been raised in the presentation, particularly Michael Kinnane’s presentation. Could I ask our technicians please to take us back to Michael’s presentation, put it up because we will use the prompts that are contained in the last slide as a prompt to our discussion and I dare say in what Michael has said there are other issues, I have certainly identified a couple that I would like to pose a question to Michael on as well. So we have a question here, we will try and ensure we work our way through that list to cover the material, so I might have to call off discussions so we can move on, and we’re here until twelve o’clock so make it snappy thank you.

Question: I have question in relation to the count back process. In the event that there is a division in Council and that vacancy becomes in a division, is the count back in the division or is it on the entire Shire or the Region?

Answer: The count back will be on the division.

Question: Rob Clarke, Hinchinbrook Shire Council - Michael you talked about the Code of Conduct and wanting some feedback on that. I’ll give you my bureaucratic opinion, and if I can also give you a real life example that happened a few months ago with us. The Code of Conduct, we adopted the Model Code of Conduct as I am sure did most other Councils, so I think its quite appropriate to have a Code of Conduct that applies to all Queensland Councils, irrespective of their size, but I certainly support the Minister’s view that he expressed when he came around the State about having Regional Review Panels and the State Panel for serious breeches etc and also though the fact that those panels should have the full authority and power to find either for or against the breech and to do that process. Earlier this year, just after the election I had a complaint lodged against a Councillor, so I selected an external reviewer from the LGAQ list, who happened to be a retired but very experienced CEO in the North, in North Queensland. That person did the review, reported back to Council, found that the councillor had breeched the Code and then upon advice from the Department, Council had to discuss it in an open public meeting, press were present. So you had a situation of Council assessing the report. Giving the councillor complained about the opportunity under natural justice to respond, and then having to make a decision in that same meeting as to whether they had breeched it, whether the person breeched, and yes they found that they did. Then they had to decide whether to apply a penalty, which they almost weren’t but then did because of the attitude of the Council, they said “yes we will apply a penalty”. It
was a ridiculous situation because, then it got reported in the paper and the supporters of this Council then wrote in and saying “Shame on you Councillors, what are you doing to this poor Councillor who is only doing the right thing”. It didn’t achieve anything really, so I urge that you have a process where these matters, can be referred to and independent Tribunal, that finds wether they are guilt and just published. That’s my view.

Greg Hoffman: You would like to comment Michael?

Michael Kinnane: We agree with that wholeheartedly, and it is consistent with what the Minister has just said, has been saying to the Councils and we think there have been practical examples of, many actually, of problems such as the one you have mentioned, so we intend to rectify that.

Greg Hoffman: Are there any comments contrary to that? Does anyone like the current arrangement and would like to make that statement? Or are you happy with the proposed change? Anyone like to make a comment?

Greg Hallam: Hoffy can I just add, that in our regular discussions with Tim Fynes-Clinton and his partners at King & Co, it has come through that there have been inconsistencies on similar matters because of the different natures of the constituted panels around the place, there are some difficulties and people not understanding what are basic natural justice principles.

Comment: Deidre Comerford, Mackay Regional Council - I don’t disagree, I agree with what has been said the only thing I find, having watched the debacle in the previous four years in Mackay City Council - which I wasn’t a part of, is that sometimes the lead up as to why you might have bad behaviour of a Councillor and therefore a breech of Code of Conduct. The lead up which might be say the performance, or lack of performance of a CEO, or an officer, that Councillors on a whole don’t have anywhere to go. So if you are actually, not to defend bad behaviour of a Councillor that is breeching a Code of Conduct, but the lead up to something. So that might just be the explosion point, but there’s been inappropriate behaviour, or inappropriate, how should I say, their not doing their job well or professionally and if you go to a mayor who is in apt or is unable to manage the situation, where else do you actually go and if you don’t have the numbers in Council you have to wait for a Tide of Return, and often times that’s how the bad behaviour just fester and turns into nonsense that then turns into a breech. So my question is, where actually can you turn too?

Michael Kinnane: I think Deidre it’s a very good point. Its one of the reasons why and as I mentioned in one of my slides that we have a continuum of processes of facilitation leading up to that ultimate intervention and dismissal stage. What we would like to offer you is that the regionalisation of the department will mean that there will be local departmental officers, locally located to assist Councillors with queries such as that so that there will be someone you can go to and that will be and that is one of the reasons we will be regionalising the agency, which is a point well made.
Hon Treasurer’s Report

Cr Brendan McNamara
Treasurer
LGAQ

Mr President, distinguished guests, delegates and observers,

I move that the Statement of Financial Performance and the Statement of Financial Position as at 31 of May 2008 as printed in the Conference Agenda at page 196 be received.

Finalisation of the independent annual audit for the year ended 31 May 2008 has been delayed due to uncertainty surrounding tender arrangement revenues received by the Local Buy subsidiary for the year ended 31 May 2008.

It is suspected that revenues from tendering arrangements received by Local Buy could be materially improved if all suppliers were totally accurate with their statistical returns in relation to their contractual arrangements with councils. A process is currently being undertaken in an endeavour to quantify (if any) and ultimately remedy the inaccuracy of suppliers’ statistical returns.

These investigations may result in a qualified audit report for Local Buy. The Executive will await the results of these investigations before the audit is finalised to avoid a qualified audit for LGAQ if it is not required.

The LGAQ recorded a net surplus of $1,387,000 for the year ended 31 May 2008. This follows a deficit of $284,000 for the 2007 year. The surplus was boosted by the distribution of $1.5M from the LG Workcare Scheme. In previous years this distribution had been returned to councils but the LGAQ felt it necessary to hold the distribution this year to build some reserves. The training and development section exceeded budget revenue which also contributed to the surplus. The LGAQ reform program cost the LGAQ $295,000 as the association supported councils through the reform process in the 2008 year.

The LGAQ recorded total revenue from ordinary activities of $16.1M of which $2.9M or 18% was contributed by member’s subscriptions.

The consolidated group recorded a net surplus of $1,039,000 for the year ended 31 May 2008. All owned entities and partnerships returned net profit results with the exception of the QPG shared services partnership. This partnership was expected to generate losses through the start up phase. The local government infrastructure services joint venture between LGAQ and QTC is performing strongly and is well ahead of budget.

The proposed budget for the 2009 year shows a $25,000 surplus. Results for the year to date indicate that this surplus should be achieved.

I would like to thank the LGAQ staff for their dedicated work in the past 12 months. Their workload has been hectic in assisting councils in the lead up to amalgamations, the elections in March and supporting councils since the election. The staff have travelled extensively throughout the state to provide this assistance to councillors and to councils, particularly since the election. Once again thank you for your efforts over the past year.
Address: “Fearless Flight into the Future”

Mr Glen and Ms Heather Singleman

Due to copyright laws this speech was unable to be published.