

**LEGISLATIVE ASSEMBLY OF QUEENSLAND**

**PARLIAMENTARY COMMITTEE FOR  
ELECTORAL AND ADMINISTRATIVE REVIEW**

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**External Boundaries of  
Local Authorities**

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## CHAIRMAN'S SUMMARY

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On 29 March 1990 the Queensland Legislative Assembly by resolution requested the Electoral and Administrative Review Commission (EARC) to investigate and report on the existing boundaries of local authorities in Queensland and in particular on:

*Whether the existing boundaries of the areas of local authorities are the most appropriate having regard to fair and equitable representation of all electors and the proper, economically viable and efficient discharge of the responsibilities of each local authority and, if not, what changes (including amalgamation) are necessary or desirable in order to achieve such fair and equitable representation for all electors and the proper, economically viable and efficient discharge of the responsibilities of each local authority.*

On 21 November 1991, EARC presented a report to Parliament on this matter.

It is a landmark in Queensland local government. So extensive was its review that its importance has already been noted in other states.

For this state, it was the most comprehensive report on local government boundaries since the Royal Commission of 1927-28. That Royal Commission was constituted by one Parliamentarian and two public servants. They traversed this state by locomotive, conducted many hearings and recommended extensive reform. Sadly, the Royal Commission's recommendations were not implemented.

It is an irony of history that EARC and this Committee have in some cases recommended changes similar to those recommended by that Commission sixty-four years ago.

In 1928, local government was mainly a matter of road maintenance. In 1992, local government is a multi-million dollar industry with great challenges to face, including dramatic population developments.

Its responsibilities include town planning, the environment, traffic management, public transport and in some instances business, welfare and the arts - a far cry from when pioneers created road trusts, the first form of local government in this state.

Local government cannot remain outside the major reforms and restructuring Australian governments have undergone in the last decade. In particular, it cannot remain aloof from micro-economic reform and the need for government to operate in the most professional and efficient manner.

EARC's sweeping blueprint for reform throughout Queensland has provoked a broad variance of comment - mostly constructive but some frankly hysterical in nature.

EARC's report recommended:

- principles and indicators to guide boundary change
- major boundary changes to ten areas in Queensland

- boundary adjustments in other areas
- the establishment of a consultative mechanism for neighbouring councils in the Cape York area
- a joint arrangement agreed to by the Roma and Bungil Councils be endorsed
- a permanent Local Authorities Boundaries Commission to oversee future boundary review.

Because of the direct effect on local communities throughout Queensland this Committee unanimously adopted a more extensive process of review of EARC's report than it has with previous EARC reports, in particular by conducting visits to local authorities and holding public hearings.

The all-party Parliamentary Committee travelled to affected communities for public hearings with the councils involved and to meet some of the citizens affected. Committee members travelled thousands of kilometres in order to meet with affected citizens in their own local areas.

EARC's report was met with considerable protest from some in the local government community. The Committee held public hearings throughout the state so that councils affected by EARC's major recommendations could comment on the report and EARC's processes. The Committee also called for public submissions.

11 separate public hearings were conducted from Townsville to the Gold Coast and west to the Darling Downs. At a hearing in Brisbane, evidence was given by the Local Government Association of Queensland, Institute of Municipal Management, Trades and Labour Council, Australian Workers Union, Australian Services Union and the group Communities Against Forced Amalgamation. In all, the Committee heard from 97 witnesses and 289 pages of Hansard transcript were recorded. 2,915 submissions were received.

Preparation for the review had however begun much earlier. Prior to receipt of EARC's report, Committee members travelled extensively throughout Queensland visiting 41 local authorities including 12 Aboriginal and Torres Strait Island communities in Cape York, to familiarise Committee members with local government areas and concerns.

In addition, the Committee Chairman and members have, since the establishment of the Committee, attended and addressed numerous Local Government Association state and regional meetings and meetings of other local government organisations including the Local Government Engineers Association and the Institute of Municipal Management.

Committee members have visited New South Wales, Victoria and New Zealand specifically to discuss and observe at first hand the experience of local government boundary reform in those places.

Like every playwright who, as Bernard Shaw put it, sits on Shakespeare's shoulders, this Committee and EARC had the benefit of knowledge gained from those who have reviewed local government elsewhere. Hopefully, we have learned from their mistakes to come up with the best local administration our community can have.

## The Committee's Findings

In respect of EARC's processes, the Committee unanimously agreed that EARC had complied with all of its statutory duties under the *Electoral and Administrative Review Act 1989-1991*. These onerous statutory duties include requirements that EARC act independently, impartially, fairly, in the public interest and openly. The Committee was satisfied that all of these requirements had been met. In respect of EARC's methodology, the Committee found that any future boundaries review process would benefit from being required to undertake a cost/benefit analysis prior to recommending amalgamation (see paragraphs 3.2 to 3.35).

The Committee endorsed EARC's recommended principles and indicators for boundary change, subject to one amendment. The Committee recommended that the principle requiring boundaries, where possible, to follow natural geographic features and man made features which separate different communities be amended to provide that wherever possible, water catchment areas should be incorporated within one local authority (see paragraphs 4.5 to 4.9).

The Committee further recommended that the Minister for Local Government review the Grants Commission formula so as to ensure equitable funding for local authorities undergoing amalgamation (see paragraphs 5.10 to 5.15).

The Committee endorsed EARC's recommendations for the establishment of a Local Authorities Boundaries Commission as an on-going mechanism for review of boundaries, but recommended that such a commission be reviewed after five years of operation by a select committee of Parliament to determine whether or not its future existence is justified at that stage. The Committee recommended that final responsibility for boundary change remain within the jurisdiction of the Governor in Council upon the advice of the Minister for Local Government (see paragraphs 6.37 to 6.45).

The Committee endorsed EARC's recommendations for major boundary changes including amalgamation in the following areas:

- Clifton/Cambooya (paragraphs 10.37 to 10.50);
- Gympie/Widgee (paragraphs 11.49 to 11.54);
- Maryborough/Woocoo (paragraphs 12.37 to 12.46);
- Bundaberg/Gooburru/Woongarra (paragraphs 13.54 to 13.62);
- Townsville/Thuringowa (paragraphs 14.44 to 14.61).

The Committee endorsed subject to amendment EARC's recommendations for boundary changes in the following areas:

- Logan/Brisbane - subject to amendments that the boundaries in the Karawatha, Drewvale, Parkinson and Berrinba areas remain as at present, and that the Trinder Park Nursing Home be transferred from Brisbane City to Logan City (paragraphs 7.36 to 7.41);

- Warwick/Glengallan/Rosenthal/Allora - subject to amendments to the north-eastern and western boundaries of the proposed new Warwick local authority and that the Silverwood Dam area remain in the Glengallan Shire (paragraphs 9.49 to 9.57);
- Mackay/Pioneer - subject to amendment that the boundary between the proposed new Mackay City and the Whitsunday Shire be adjusted to incorporate all of the proposed Aqua Del Ray resort and certain off-shore islands entirely within the Whitsunday Shire (paragraphs 16.43 to 16.50).

The Committee however recommended that EARC's recommendations in respect of the following areas be considered further by the Local Authorities Boundaries Commission:

- Albert/Gold Coast - apart from the transfer of Tugun Heights from Albert Shire to Gold Coast City, the balance of the area should be considered with priority by the Local Authorities Boundaries Commission (paragraphs 8.25 to 8.30).
- Gladstone/Calliope - should the pending Carrara/Aldoga land use study determine that the area is suitable for industrial development, the area should then be considered by the LABC (paragraphs 15.29 to 15.37).

The Committee endorsed EARC's recommendation for the establishment of a consultative mechanism for neighbouring councils in Cape York, but also recommended participation in that mechanism by the Torres Shire Council, the Carpentaria Shire Council, the Bamaga Council, the Seisia Council and the Douglas Shire Council. Its recommendations for the fragile environment of the Cape are among its most important (paragraphs 17.26 to 17.31).

The Committee endorsed EARC's recommendations as to the implementation program for boundary change save for the rejection of the recommendation for appointed interim councils to take the place of existing elected councils. Instead, the Committee recommended that transitional committees be established with members nominated by existing duly elected councils, or failing such nomination by the Minister for Local Government (paragraphs 19.48 to 19.64).

The Committee recommended that the state government implement the boundary changes recommended without necessarily being required to conduct a referendum before doing so. The Committee noted the high cost of conducting referenda, the fact that referenda had not previously been held in Queensland before implementing boundary changes, and the overriding principle that local government, as a creature of statute, is created by and subject to change by Parliament, with state government being the appropriate body to oversee the implementation of such change. In making this recommendation the Committee took note of the misleading and often mischievous statements made by some local councillors regarding the merits of boundary changes and the propriety of the boundary review process when they saw their own vested interests threatened by the proposed changes (see paragraphs 20.34 to 20.39).

The Committee was particularly concerned to protect the job security of local government employees. The Committee has endorsed EARC's recommendation for redeployment and retraining in preference to redundancy (paragraphs 19.48 to 19.64). The Committee has also endorsed and extended EARC's recommendation for the involvement of trade union representatives on the State Co-ordinating Committee and on local consultative committees (paragraphs 19.57 and 19.58).

The Committee was also concerned to make provision to protect ratepayers in the process of amalgamation. The Committee recommended that a differential rating system be maintained by the new councils allowing only increments for consumer price rises until such time as the duly elected council determines otherwise (paragraphs 19.50 and 19.51).

Certain amendments were proposed to the Committee report as set out in Appendix J. The statement of reasons for disagreement of the minority (Mr Stoneman, Mr FitzGerald and Mr Quinn) are set out in Appendix K. The minority dispute the suitability of EARC to undertake the task of reviewing local government boundaries and criticise EARC's processes of review (pages 4 to 6 Appendix K).

The Committee records its grateful appreciation for the fine professional assistance rendered by its Research Director, Ms Janet Ransley and by its Research Consultant, Mr John Orr. Their scholarship and diligence were invaluable to the Committee in its task.

Matt Foley, MLA  
Chairman

13 March 1992

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## **1. INTRODUCTION**

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### ***The Role of the Parliamentary Committee***

**1.1** The Parliamentary Committee for Electoral and Administrative Review is an all-party Committee of the Queensland Legislative Assembly, established by motion on 21 March 1990 in pursuance of Part V of the *Electoral and Administrative Review Act 1989-1991* (the Act).

**1.2** Section 5.8(1) of the Act defines the Committee's functions and provides for it:

- *to examine the reports of the Electoral and Administrative Review Commission (EARC) and report to the Legislative Assembly on any matter appearing in or arising out of such reports (s. 5.8(1)(c)); and*
- *to monitor and review the discharge of EARC's functions (s. 5.8(1)(a)).*

### ***The Resolution of the Legislative Assembly***

**1.3** EARC's functions are set out in section 2.10(1) of the Act to include:

- (b) *subject to subsection (4), to investigate and report from time to time in relation to -*
  - (i) *the whole or part of the Local Authority electoral system; or*
  - (ii) *the whole or part of the Local Authority administration; and ...*

Subsection (4) of section 2.10 provides:

- (4) *A Commissioner or officer of the Commission shall not exercise any powers under Division 4 of this Part for the purpose of an investigation under subsection 1(b) ... unless the Commission is authorized by the Legislative Assembly or the Governor in Council to undertake the investigation and it is necessary or expedient to exercise the power in aid thereof.*

**1.4** Division 4 of Part II of the Act sets out EARC's compulsive powers by which it can obtain information and documents concerning the subject matter of its investigations (see sections 2.14 to 2.22 of the Act). The effect of section 2.10(4), therefore, is to prevent EARC's use of those compulsive powers unless the investigation is authorised by the Legislative Assembly or the Governor in Council.

**1.5** On 29 March 1990 the Legislative Assembly resolved:

*That this Legislative Assembly, pursuant to the provisions of section 2.10(4) of the Electoral and Administrative Review Act 1989; authorises the Electoral and Administrative Review Commission to undertake investigations in accordance with section 2.10(1)(b) of the said Act into -*

- (a) *the whole of the Local Authority electoral system of Queensland and, in particular, whether such Local Authority electoral system provides for fair and equitable representation for all electors of Queensland and, if not, what Local Authority electoral system should be introduced to achieve such representation;*
- (b) *that part of Local Authority administration as relates to the factors affecting the determination of the areas of Local Authorities and, in particular, whether the existing boundaries of the areas of Local Authorities are the most appropriate having regard to fair and equitable representation for all electors and the proper, economically viable and efficient discharge of the responsibilities of each Local Authority and, if not, what changes (including amalgamation) are necessary or desirable in order to achieve such fair and equitable representation for all electors and the proper, economically viable and efficient discharge of the responsibilities of each Local Authority;*

*and further requests that reports of such investigations be submitted to this Assembly, so far as is possible, by -*

- (i) *August 17, 1990 in relation to the matters in paragraph (a);*
- (ii) *July, 1991 in relation to the matters in paragraph (b).*

**1.6** By this resolution, the Legislative Assembly authorised EARC's investigation of the matters set out therein and enabled it to exercise its compulsive powers under Division 4 of Part II of the Act in pursuance of that investigation. The Legislative Assembly also set a timetable for EARC's investigations.

### ***The EARC Report***

**1.7** EARC furnished its report in relation to paragraph (a) of the resolution on 10 September 1990. By letters dated 15 April 1991 and 22 October 1991, the Chairman of EARC advised the Speaker of the Legislative Assembly of the Commission's inability to meet the Parliament's timetable in respect of paragraph (b) of the resolution. Copies of those letters appear in Appendix A to this report.

**1.8** The report entitled *Report on Local Authorities External Boundaries Review* (the EARC report) was furnished to the Chairman of the Parliamentary Committee, the Speaker of the Legislative Assembly and the Minister (the Premier) on 21 November 1991, and was deemed tabled in the Legislative Assembly and ordered to be printed.

## *The Parliamentary Committee's Review Process*

**1.9** The Parliamentary Committee began preparing for this review prior to receiving EARC's report. This preparation included:

- Committee members attended a number of state and regional meetings of the Local Government Association of Queensland to gain familiarity with local government issues (including meetings at Rockhampton from 10 to 13 September 1990; Boonah on 29 October 1990; Cairns on 1 November 1990; and Cairns from 26 to 29 August 1991).
- Committee members attended two special conferences organised by the Local Government Association of Queensland, *What Future for Local Government in Queensland* on 7 and 8 February 1991 and *Boundaries and Roads: New Directions* on 7 and 8 February 1992.
- The Committee Chairman, Mr Foley, attended and delivered speeches and keynote addresses at a number of local government related meetings including the Local Government Association of Queensland conference *What Future for Local Government in Queensland* on 7 February 1991, the 42nd Annual Conference of Local Government Engineers of Queensland in Bundaberg on 7 October 1991, and the Institute of Municipal Management North Queensland Branch 72nd half yearly conference in Townsville on 23 November 1991.
- During September, October and November 1991, Committee members undertook an extensive, state-wide programme of familiarisation visits to 41 local authorities, including 12 Aboriginal and Torres Strait Island communities in Cape York. Meetings were held with elected members and officials at the offices of each authority, and matters of electoral and administrative review were discussed. The Committee received many valuable insights into the concerns of local authorities from these visits.
- Committee members discussed relevant issues with representatives of local government, local government administrators and other experts. In New South Wales, the Committee Chairman met with Mr D Kelly, Chairman of the New South Wales Local Government Boundaries Commission on 8 January 1992.
- In New Zealand on 27, 28 and 29 January 1992, Committee members met with representatives of the New Zealand Local Government Association; the Lord Mayor of the Wellington City Council, Sir James Bellich; the Chairman of the Wellington Regional Council, Mr S Macaskal; the Director of the New Zealand Local Government Division, Mr D Smith; the Mayor, Cr G Evans; Councillors and former Councillors of the Lower Hutt City

Council; and Sir Brian Ellwood, Chairman of the New Zealand Local Government Commission.

- In Victoria, Committee members met on 30 January 1992, with the Chairman of the Victorian Local Government Commission, Mr Russell Badham; representatives of the Geelong City, South Barwon and Bellarine Councils in Geelong; and with representatives of the Municipal Association of Victoria.

**1.10** The Parliamentary Committee's formal review process began on receipt of the EARC report. The Committee advertised, inviting written submissions, in national, Queensland-wide and regional newspapers on Saturday 23 and Sunday 24 November 1991. A copy of that advertisement and a list of newspapers in which it appeared is Appendix B to this report. The Committee also wrote to each local authority in Queensland advising of its review and inviting submissions by 31 December 1991. The Committee has received 2,915 submissions, and a list of the persons making submissions is Appendix C to this report.

**1.11** The Parliamentary Committee also determined that, for the first time, it would hold public hearings in relation to a specific EARC report. The purpose of these hearings was not to duplicate the evidence gathering process undertaken by EARC in its public hearings on this project, but instead to allow those local authorities directly affected by the major recommendations in the EARC report to comment on those recommendations and EARC's processes and reasoning.

**1.12** The Committee's public hearings were held over two weeks from Monday 9 December 1991 to Thursday 19 December 1991. Immediately on release of the EARC report, the Committee Chairman wrote to each affected local authority, advising of the proposed hearings. Committee staff liaised with local authorities in making arrangements for those hearings. The time, purpose and place of each hearing was advertised in the local press, and the Committee was pleased to note an average attendance of approximately 150 members of the public at its hearings. There was considerable public interest in these hearings and some of the local press coverage appears throughout this report. The Committee's processes attracted considerable local interest and were consequently covered in the local press.

**1.13** The Parliamentary Committee's hearings were recorded by Hansard, and verbatim transcripts were provided to each participating council. In all, 289 pages of transcript were recorded, and evidence was received from 97 witnesses, as listed in Appendix D to this report.

**1.14** The Committee has been concerned to make its processes as open and public as possible. Such openness is currently inhibited by Standing Order 206 of the *Standing Rules and Orders of the Queensland Legislative Assembly*, which provides that documents presented to a Committee may not be published until the Committee has reported to the House. The Committee considered that its processes would be enhanced if, so far as was possible and appropriate, submissions to it were made public so that interested parties could read other submissions to the Committee.

**1.15** The Committee has previously tried to achieve this object by making a submission to the Standing Orders Committee of the Legislative Assembly seeking amendment of Standing Order 206, to enable the Committee to authorise publication of submissions prior to tabling of its

reports. That submission was made on 30 August 1990, but the Committee has not yet received a response from the Standing Orders Committee.

**1.16** The Committee therefore resolved at its meeting of 5 December 1991 to take steps to seek the authority of the House to empower the Committee to authorise the publication of submissions made to it on its review of the External Boundaries of Local Authorities. Such steps were taken and on 5 December 1991 the House resolved:

*That so much of Standing Orders be suspended as would prevent the Parliamentary Committee for Electoral and Administrative Review from authorising the publication of evidence given and submissions made to the Committee in relation to its review of the Electoral and Administrative Review Commission Report on Local Authorities External Boundaries Review.*

**1.17** At its meetings of Monday, 9 December 1991 and Tuesday, 7 January 1992, the Committee resolved that pursuant to the resolution of the House of 5 December 1991 submissions numbered 1 to 2,716 inclusive be authorised for publication save for those specifically noted otherwise. Submissions not authorised for publication are indicated in Appendix B to this report. All submissions authorised for publication were made available for inspection at the Committee's offices and each council subject to a recommendation for major boundary change in EARC's report was sent copies of those submissions relevant to its area.

**1.18** The Committee determined not to authorise for publication submissions which contained material potentially defamatory in respect of some person or persons. Whilst it is important for persons to be able to submit any relevant information to the Committee, care must be exercised in the publication of such information when the privileges of the House attach to that publication, removing the normal legal redress available to persons whose reputation has been damaged. The Committee made this determination in light of the comments in *Erskine May's Parliamentary Practice* that:

... the Committee at its discretion may refrain from reporting that evidence to the House or may report such summary of the evidence as appears necessary in order to present the grounds of its conclusion to the House ... [where] ... the publication of ... evidence given ... would be prejudicial to the public interest or injurious to character, or would disclose matters of commercial confidentiality, or would be undesirable on similar grounds ... (Erskine May 1989, pp. 635-636).

Similarly, Browning in *House of Representatives Practice* notes that in instances where evidence might include "unfair allegations, use of improper language and hearsay" such evidence might be expunged from the evidence published by the Committee with its report" (Browning 1989, pp. 680-681).

**1.19** In addition to studying transcripts of its hearings and submissions made to it, the Committee has had access to all submissions previously made to EARC (3,184 in all), the transcripts of all EARC public hearings (2,647 pages covering 267 witnesses) and all other material used by EARC in the preparation of its report. The Committee also studied relevant material and research from other Australian states, New Zealand and other jurisdictions.

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## **2. REVIEWS OF LOCAL GOVERNMENT**

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### ***Development of Local Government in Queensland***

**2.1** Local government has its origins in the development of traditional units of local administration in the United Kingdom: counties, with primarily judicial responsibilities; boroughs or municipal corporations, in receipt of a charter from the Crown giving the right to establish local courts, markets and parliamentary representation; and parishes, primarily responsible for the performance of local obligations such as provision for the poor and the maintenance of local roads. With growth brought about by the industrial revolution, the 19th century saw the development of new government institutions such as turnpike trusts, improvement commissioners and poor law unions which assumed and developed some of the responsibilities of counties and parishes. Municipal corporations were reformed by Parliament to expand their functions and to require the election of aldermen, but those local representatives remained subject to a minimum of central direction (Richards 1968, pp.11-17).

**2.2** The Australian colonies developed their own system of local administration. On separation from New South Wales, Queensland inherited a legislative framework for the establishment of multi-functional local authorities, under the New South Wales *Municipalities Act 1858*. *The Local Government Act 1878* and the *Divisional Boards Act 1879* imposed a system of compulsory local government in all areas of the state. By 1916, "rampant parochialism" had produced 186 local authorities; by 1919 this number was reduced to 171, and by 1925 to 154, through executive action including amalgamations and the introduction of the greater Brisbane scheme (Tucker 1981, 380-382).

**2.3** In 1927 the government appointed a Royal Commission to investigate local authorities' boundaries, which reported in 1928. The Royal Commission travelled widely and reviewed all local authority boundaries in the state. It found an urgent need for redistribution of local authority boundaries and recommended reducing the number of cities, towns and shires from 152 to 86. In particular, the Royal Commission found that:

- the heavy burden of maintaining roads had adversely affected the viability of some local authorities;
- growing, closely settled areas were divided by irrelevant and arbitrary boundaries that did not reflect the interests of people "similar, socially, industrially and commercially" (p.7);
- in the past there had been tide-like trends to subdivisions of shires and to amalgamation;
- the creation of smaller local authorities "is the invariable source of interminable wrangling between councils as to the necessity or measure of importance of certain work, or the apportionment of liabilities of such work" (p.9);

- the cost of administration in smaller authorities indicated that they were demonstrably less efficient;
- ratepayers "view with alarm any increase in rates because no tangible benefits are secured to them" (p.9);
- there were many anomalies between neighbouring authorities;
- the existence of cross servicing between authorities;
- townships and individual properties were often intersected by local authority boundaries (Royal Commission Report 1928, 7-12).

**2.4** The Royal Commission adopted as the basis for its recommendations amalgamations to create a local authority around an important railway town from which roads radiated. Objections to amalgamations were received from town councils, which wanted to acquire areas of adjoining rural land for the purpose of building up the town, and from shire councils, which feared that rural areas would have to assume the burden of heavy loan liabilities incurred in respect of the town in return for a loss of representation. The Royal Commission found that there was no artificial division between rural and town interests, but instead that an interdependence existed between them.

**2.5** The Royal Commission recommended amalgamations to create the cities of Charters Towers and Gympie, and the towns of Beaudesert, Blackall, Boren, Charleville, Clermont, Cooktown, Cooloongatta, Dalby, Gladstone, Goondiwindi, Hughenden, Mount Morgan, Roma, Southport and Warwick. It also recommended that existing liabilities remain a charge against the area which incurred them and that a special or differential rate be struck to achieve this, provided that the new authority be given power to pool liabilities as required.

**2.6** The report was met with:

*such a storm of protest from local authority members and officers that it was pigeon holed and largely forgotten. In 1948, that part dealing with the south east corner of the State was finally implemented even though it was getting out of date. Thus the Government's action on the Report was a good example of doing too little too late. Much of the far-sighted Report, however, is still relevant to present circumstances (Tucker 1981, p.384).*

**2.7** Similarly, a committee investigating regional planning and development in Queensland in 1944-1945 recommended wide-scale amalgamation of local authorities. Again, these recommendations met with strong opposition and were not implemented (Tucker 1981, 385-386).

**2.8** Changes to local government boundaries have continued to be made on an ad hoc basis. In the 1970's, such changes resulted in the creation of the Hervey Bay Shire (later city) and the Logan Shire (later city) and the abolition of the Burrum Shire. Tucker describes this process:

*Incrementalism has produced little change structurally, however, despite rapid population increases during the 1960s and 1970s in some areas and decline in others. Indeed it has been Local Government Association policy since the*

*early 1970s that the State Government should set up a standing committee to review local authority boundaries, but the Government has so far declined to do this (1981, p.387).*

**2.9** The historical context to EARC's review of local authority boundaries, therefore, is one of repeated recommendations, over several decades, for wide-spread change to boundaries. Such recommendations have consistently met with strong opposition, particularly from rural local authorities. As a result of that opposition, there has been no process of regular, comprehensive adjustments to boundaries, and such change as has occurred has been ad hoc, incremental, and limited to specific areas.

## ***Functions of Local Government in Queensland***

**2.10** Local government in Queensland is a creature of statute. It is constituted under various Acts of the Queensland Parliament - the *Local Government Act 1936-1991*, the *City of Brisbane Act*, the *Community Services (Aborigines) Act 1984-1990*, the *Community Services (Torres Strait) Act 1924-1991* and the *Local Government (Aboriginal Lands) Act 1978-1990*. There is constitutional protection for local government in the *Constitution Act 1867*, which provides in section 54 that "there must be and continue to be a system of local government in Queensland". That section, however, also clearly provides that it is for the Parliament to determine the nature and functions of local authorities. Section 54 provides in part as follows:

**54. System of local government.** (1) *There must be and continue to be a system of local government in Queensland under which duly elected local government bodies are constituted, each being charged with the good rule and government of that part of Queensland from time to time subject to that system of local government and committed to the jurisdiction of that local government body.*

(2) *The manner in which local government bodies are constituted and the nature and extent of their powers, authorities, duties and functions are as determined by and in accordance with the laws of the Parliament of Queensland.*

**2.11** Having created local government, the Parliament delegates to it certain law making power in the form of by-laws and ordinances, and certain functions. The functions of local government are set out in section 30 of the *Local Government Act*, as follows:

**30. Local Authority charged with exercise and performance of functions of local government.** *The Local Authority shall have delegated to it the functions of local government.*

*The Local authority shall be charged with the good rule and government of the whole or any part of the Area and shall have the control of the working and business of such good rule and government.*

*The Local Authority shall have full power to make by-laws for promoting and maintaining the peace, comfort, culture, education, health, morals, welfare, safety, convenience, food supply, housing, trade, commerce, and manufacturers of the Area and its inhabitants, and for general good rule and government of the Area and its inhabitants, and for the direction, administration, and control of the working and business of the government of the Area, and shall cause all such by-laws to be duly carried into effect ...*

**2.12** Queensland local authorities, therefore have a general power authorising them to do all things necessary to the good rule and government of the area. This power extends beyond the traditional local government function of roads, rates and rubbish to a broader concern with issues of environmental planning and control. Such land use issues, and the provision of some services such as water and sewerage, set Queensland local government apart from that in most other Australian states, where those functions are vested in central statutory authorities or ministerial departments (Tucker 1981, p.405). As a result, and with the added impetus of rapid population growth particularly in developing coastal areas, local government in Queensland has had a change in focus over the last two decades. That change in focus and the new challenges it brings, must still be addressed by territorial units established a century ago.

### ***Reviews affecting Local Government in Queensland***

**2.13** EARC's reviews of local government electoral issues and local government boundaries have taken place within a context of many other changes and developments affecting local authorities in Queensland. These include:

- A review of the *Local Government Act* was begun in 1990 by the Department of Housing and Local Government and is intended to be a wide ranging review of the legislative structure by which local government operates. The review is due to be completed later this year with the release for public comment of a White Paper, followed by the introduction of new legislation emphasising the autonomy, flexibility and accountability of local government in Queensland.
- The systems review project of the Department of Housing and Local Government has as its principal objective the reduction of unnecessary delays and costs caused by state and local government approval processes or development decision-making processes. It aims to create a clear and accountable development decision-making system and to ensure that quality decisions are made.

A discussion paper, *Is it too Complex?* was released in June 1990

and response was sought. Its aim is to reduce significantly the number of decisions that needed to be made in the approval process, and to remove duplication of effort in processing development applications. It established the need for an information system to allow all relevant details to be considered when processing an application for the use or change of use of land, air or water in Queensland. The aim of such an information system is to give a clear idea to all concerned of the policies, processes and fees involved in any development decision-making process.

Following the release of the discussion paper and a public consultation program, a pilot program was established involving the Queensland Departments of Housing and Local Government, and Primary Industries, to identify an effective process for rationalising the approval system within the Government. Following that pilot program, a manual for state and local agencies was released in October 1991 to inform departmental officers of the intent and purposes of the systems review, physically map all elements of state and local government decision-making in relation to development, initiate a process for implementing legislative and administrative reform of development decision-making systems, and provide state government departments and local authorities with a framework for implementing legislative and administrative reform. In conjunction with the manual, a questionnaire was released to assist in the mapping process.

- The South-East Queensland 2001 project has seen the establishment of the SEQ 2001 Regional Planning Group with responsibility for developing a vision and process for managing the expected 50% increase in population in south-east Queensland over the next ten years. All levels of government including the relevant local authorities have committed to a co-operative process to manage growth in the region. This involves consultation and joint decision-making processes in areas of planning, co-ordination and environmental protection. The regional planning advisory group on which local authorities are represented will begin a two year project on 1 July 1992 to design a regional planning model based on partnership and co-operation. The far north Queensland 2010 project is a similar initiative aimed at co-ordinating regional planning in far-north Queensland, involving relevant local authorities.
- The regulations made under the *Local Government Act* providing the form and manner in which the annual budget of local authorities is to be framed and the books of account kept have been changed to reflect the requirements of accrual accounting, Australian Accounting Standards and some aspects of the Public Finance Standards issued by the Treasurer under section 46L of the *Financial Administration and Audit Act 1977-1991*.

- A Public Sector Management Commission review of the structure and functions of the Department of Housing and Local Government was completed in late 1991 and has recommended changes in the way in which departmental support services are organised and developed, with a greater emphasis on planning.
- The Legislation Review Committee established by the Department of Family Services and Aboriginal and Islander Affairs inquired into legislation relating to the management of Aboriginal and Torres Strait Islander communities in Queensland. It reviewed the *Community Services (Aborigines) Act*, the *Community Services (Torres Strait) Act* and the *Local Government (Aboriginal Lands) Act* with the aim of recommending to the Minister for Local Government and the Minister for Aboriginal and Islander Affairs a new legislative framework consistent with government policy for Aboriginal and Torres Strait Islander communities to manage and control their own destinies.

The Committee comprised five Aboriginal and Torres Strait Islander members and conducted its review in two stages. Its stage 1 report was completed in September 1990 and resulted in amendments to the *Community Services (Aborigines) Act* and *Regulations* and the *Community Services (Torres Strait) Act* and *Regulations* in December 1990. Stage 2 involved extensive consultation and in its report in November 1991 the Committee recommended new legislation to give to Aboriginal and Torres Strait Islander people and their communities more autonomy, to be achieved by measures including new funding guidelines, establishing and resourcing state representative bodies for Aboriginal and Torres Strait Islander communities and people, and strengthening the powers and functions of the community government structure.

The legislation would allow Aboriginal and Torres Strait Islander Community government structures to have all the local government powers and functions for an area, and functions and powers in relation to education, housing, health, employment, business and enterprise recognition of custom, administration of justice, maintenance of peace, order and safety, management of natural resources, access and right of residency, alcohol and drug control, elections and referenda. The Committee recommended community control of the process of developing, drafting and adopting the new structures and legislation.

- Local authority electoral reform was addressed in the *Local Authorities (1991 Elections Act)* passed by the Parliament on 4 December 1990. This legislation arose from recommendations of EARC and of this Parliamentary Committee which advocated a one vote one value electoral system for local authorities, with tolerance of 10%, or 20% in the case of smaller local authorities with less than 10,000 electors.

- Freedom of Information in respect of local authorities is expected to be in operation later this year in accordance with the provisions of the *Freedom of Information Bill* currently before Parliament. This Bill arises from recommendations of EARC and this Parliamentary Committee.
- Increased accountability for local government is also provided under the *Judicial Review Act 1991*. This Act gives citizens a right to receive written reasons for administrative decisions of the state government and local authorities which adversely affect them. This reform also followed recommendations made by EARC and this Parliamentary Committee.
- Local government administration in Queensland has recently come within the interest of the Criminal Justice Commission. The Criminal Justice Commission is empowered under the *Criminal Justice Act 1989-1991* to investigate allegations of corruption and official misconduct by public officials and others, who by their conduct, adversely affect or could adversely affect the honest and impartial discharge of duties by public officials. In a report tabled in July 1991, the CJC detailed six case studies arising from complaints against Queensland local authorities. In its introduction, the Commission noted:

*From the tenor of many of the complaints it is apparent that high levels of concern and overt cynicism with regard to the administration of these authorities are shared by many members of the public. It seems that a broad cross-section of the community has unfortunately come to expect a lack of accountability, favouritism, and bias as an inevitable product of dealings with many council officers and officials ... As at May 1991, 198 complaints detailing some 370 allegations had been received. These complaints account for approximately 8.7 percent of all complaint matters dealt with by the Commission.*

The Commission's report of November 1991 was of a public inquiry into payments made by land developers to Aldermen and candidates for election to the Council of City of Gold Coast. It found there was no evidence of any breach of the Criminal Code or *Local Government Act*. However, it recommended consideration of electoral funding and specific changes to legislation.

## ***Review of Local Government in other Jurisdictions***

**2.14** In Victoria, there have been several inquiries into local government boundaries, each of which has recommended amalgamations. They include the 1962 Mohr Commission of Inquiry into Local Government and the 1979 Inquiry into the Roles, Structure and Administration of Local Government in Victoria (the Bains report). The latter resulted in the creation in 1982 of the Local Government Commission which has itself undertaken a number of reviews recommending

amalgamations. The reviews of the last three decades, however, have resulted in few boundary changes actually being implemented.

**2.15** South Australia has seen several major reviews of local government boundaries including the Royal Commission of 1974 which recommended a reduction in the number of local authorities from 137 to 72. A review of the Commission's findings by a Parliamentary Select Committee in 1979 ultimately resulted in four cases of amalgamation or boundary alteration being implemented. Since 1984 the Local Government Advisory Commission has continued to conduct reviews of local authority boundaries.

**2.16** In Western Australia, there have been five boundary inquiries since 1945 each of which supported a reduction in the number of local authorities. Several amalgamations have resulted.

**2.17** In Tasmania, the Boundaries Commission and Commissions of Inquiry have reviewed local government boundaries on several occasions since 1907. The 1979 report of the Board of Inquiry into Local Government in the Launceston and related areas recommended extensive amalgamation and resulted in the eventual amalgamation of three local authorities.

**2.18** In New Zealand, the Local Government Commission has reviewed local authority boundaries since 1946. In 1987 the government instituted a local government reform program which saw extensive changes to the New Zealand *Local Government Act* strengthening the role and powers of the Commission. This resulted in a review of all local government boundaries commencing in 1987, reducing the number of regional authorities from 22 to 13, territorial authorities from 205 to 74 and special purpose boards from 466 to 7. In its review, the Commission identified requirements for the improvement of local government in New Zealand, including the creation of a smaller number of units which are managerially and technically efficient and able to perform functions efficiently and effectively as well as providing responsive representation.

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### **3. *EARC'S REVIEW PROCESS***

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#### ***EARC's Procedures***

**3.1** EARC adopted the following procedures in the preparation of its report:

1. Issues Paper No. 8 *Local Authorities External Boundaries Review* was released in October 1990 and copies were circulated to all local authorities in Queensland, many libraries, Magistrate's Courts, interested persons and organisations.
2. Issues Paper No. 8 identified issues for comment including, principles and indicators to guide boundary change, the identification of priority cases, and mechanisms for on-going boundary review.
3. Issues Paper No. 8 identified 24 cases of "possible amalgamations" involving 51 local authorities.
4. EARC advertised its call for public submissions on the Issues Paper, with a closing date of 21 December 1990. Submissions received were placed on a public register in EARC's Brisbane office.
5. By 21 December 1990 1,962 submissions had been received. These were print and bound in 9 volumes, and 310 copies were circulated to all local authorities and major public libraries from 14 January 1991.
6. The Commission advertised the availability of the submissions and called for comments in response. Comments in response were received up to 22 March 1991, and were published and circulated in a further 4 volumes.
7. Further submissions and comments in response continued to be accepted by the Commission up until the release of its report. A total of 3,184 submissions and comments were received.
8. Submissions received between 22 March 1991 and November 1991 continued to be accepted by the Commission and placed on its public register in Brisbane. Volumes of these submissions were not, however, printed and circulated as previous submissions had been.
9. On 15 April 1991 EARC released a revised list of local authorities to be considered by it for possible boundary changes. This list included 27 local authorities. It resulted from EARC's

consideration of the time constraints upon it, the need to investigate a representative sample of boundary problems, public comment received on the Issues Paper, the already foreshadowed recommendation for an on-going boundaries review mechanism, and EARC's determination to add to its review consideration of the position of Aboriginal and Torres Strait Islander communities in Cape York.

10. EARC held public hearings in June and July 1991 in each of the centres on its priority list. 267 witnesses including representatives from councils, community groups and members of the public, gave evidence. Transcripts of the hearings were taken and placed on the Commission's public register.
11. In investigating the enfranchisement issue in Cape York, EARC followed a different procedure. Initial meetings were held in Cairns to discuss consultation processes. An options paper was prepared and circulated. In August and September 1991 the Commission visited affected communities, holding a series of public hearings and a joint public meeting. Transcripts and submissions relating to the issues were circulated to affected councils and interested organisations, and placed on the public register in Brisbane.
12. EARC staff researched the relevant literature and undertook investigations in other Australian States and New Zealand.
13. EARC developed a questionnaire to obtain information not readily available from other sources, which was circulated to all local authorities.
14. EARC engaged two consultants, Dr Trevor Grigg from the Graduate School of Management, University of Queensland and Mr Doug Tucker, Department of Government, University of Queensland. Both consultants assisted primarily in the preparation of the Issues Paper, Dr Grigg in respect of the compilation and analysis of financial and economic data and Mr Tucker in respect of preparing a history of boundary change in Queensland. Assistance was also received from the Department of Lands, in respect of mapping services, Elizabeth Gillam of the Queensland University Applied Population Research Unit and the Water Resources Commission.

## ***EARC's Statutory Duties***

### **3.2** EARC has statutory duties:

- *to act "independently, impartially, fairly and in the public interest" (s. 2.23(2)(a) of the Act);*
- *to act openly and make available to the public all submissions, objections and suggestions made to it apart from any such material which would be contrary to the public interest or unfair to disclose (s.2.23(2)(b) and (c));*
- *to include in its report its recommendations and an objective summary and comment on all considerations of which it is aware which support or oppose or otherwise pertain to its recommendations (s.2.23(2)(d)(i)(ii)).*

**3.3** In reviewing EARC's report, the Committee must firstly determine whether or not EARC has complied with these statutory duties. In doing so, the Committee has taken note of EARC's procedures described in paragraph 3.1 above. A number of submissions to the Committee suggest that EARC's procedures did not satisfy its statutory duties. Aspects of those submissions dealing with allegations against Commissioner Hunter are dealt with in paragraphs 3.22 to 3.38 of this report. Other criticisms are dealt with below.

### **Is EARC's report ultra vires?**

**3.4** The Calliope Shire Council submitted to the Committee (submission no. 2083) that the Commission's report and its recommendations are a nullity because the report exceeds the authority granted to EARC by the *Electoral and Administrative Review Act*. The Council notes that section 2.9(1)(b)(iii) of the Act provides that an object of the Commission is to provide reports with a view to achieving and maintaining honesty, impartiality and efficiency in local authority administration. Section 2.9(2) provides that:

- (2) *The Commission is concerned only with systems, principles and practices and not with particular instances of alleged inefficiency, dishonesty or partiality except to the extent that such instances indicate or suggest deficiency in existing systems, principles or practices.*

The Calliope Shire Council submits:

*It is the council's view that, notwithstanding the terms of the Legislative Assembly resolution, the Commission has no power to make recommendations in its report for specific boundary changes or amalgamations and should have limited its recommendations to principles and indicators to guide boundary change (Chapter 4), implementation issues (Chapter 18) and an on-going external boundaries review mechanism (Chapter 19).*

*The relevant function of the Commission as set out in section 2.10(1)(b)(ii) of the Act to investigate and report from time to time in relation to the whole or part of the local authority administration cannot override the clearly stated*

*objects of the Commission and the constraints that section 2.9(2) necessarily imposes. The requirement in section 2.10(4) for an authorising resolution of the Legislative Assembly is designed as a mechanism to allow the legislature to exercise the control by the Commission of its powers under Division (IV) of the Act, not to create new or enlarge existing functions of the Commission.*

**3.5** The Committee notes that the Calliope Shire Council's argument in relation to section 2.9(2) of the Act rests on the assumption that apart from Chapters 4, 18 and 19, the EARC report deals with particular instances of alleged "inefficiency, dishonesty or partiality" (within the meaning of s.2.9(2)). The Committee does not consider this to be the case and indeed the EARC report specifically states that councils in respect of which specific recommendations have been made are not necessarily those which have been inefficient or irresponsible. The Committee is satisfied that EARC's recommendations, whether or not they are appropriate in terms of their operation, are aimed at the efficiency of local authority administration and are concerned with systems, principles and practices within such administration, and not with particular instances of alleged inefficiency, dishonesty or partiality except to the extent that such instances indicate or suggest deficiency in existing systems, principles and practices, as referred to in section 2.9(2). The Committee therefore rejects this aspect of the Calliope Shire Council's submission.

### **Has EARC met the terms of Parliament's resolution?**

**3.6** A number of submissions to the Committee suggested that EARC, by reviewing priority cases only and not all local authorities in Queensland, failed to meet the terms of Parliament's resolution ( submissions no. 2850 from Ald Tyrell, Mayor of Thuringowa; no. 2208 from Pioneer Shire Council, and no. 1523 from Calliope Shire Council). Paragraph (b) of that resolution authorised EARC to investigate:

*(b) That part of local authority administration as relates to the factors affecting the determination of the areas of local authorities and, in particular, whether the existing boundaries of the areas of local authorities are the most appropriate ...*

**3.7** EARC notes that for it to "fully comply" with the Legislative Assembly's request would have required it to examine the boundaries of "all 134 mainstream local authorities and arguably the boundaries of the 31 Aboriginal and Island Councils" (paragraph 2.4).

**3.8** EARC notes:

*At a very early stage of this review, the Commission realised that it would not be able to comply fully with the terms of the Legislative Assembly resolution. The examination of the appropriateness of existing boundaries of LAs proved in each case to be a complex task. The complexity of the issues increased as the review progressed. The commission took the view that it would better serve the public interest by trying to identify and develop appropriate principles to apply in the course of the external boundaries review and apply and test those principles in a select number of cases.*

*The Commission accordingly decided that it would utilise the experience gained in identifying and testing the principles to recommend an on-going boundaries review mechanism which would take up the task commenced by this Commission and carry on the examination of external boundaries into the*

*foreseeable future. These considerations largely determined the manner in which the Commission approached this review.*

*The Commission made known its views in this regard at a very early stage of the review (see Issues Paper No. 8, pp.ii, 2). There was no objection from any quarter to the course which the Commission chose to adopt.*

The Committee notes that Parliament's resolution authorising EARC's investigations was framed in terms of a request. The Committee considers that given the matters raised by EARC, it was justified in adopting the approach taken in its report.

### **EARC's public hearings**

**3.9** Some criticisms of EARC's processes centred on the conduct of its public hearings. Thus, Councillor W D Dinte of Calliope Shire Council (no. 2103) submitted that:

*The process of calling for submissions and making all submissions available to the public does not, of itself, warrant criticism.*

*However the public hearing process does warrant criticism.*

*None of the witnesses were required to give their evidence on oath and this enabled them to make wild, exaggerated or political statements within impunity. Nor were witnesses tested on the validity of their statements ...*

*A matter of significant importance was that EARC selected which witnesses were to appear before it. This was done on the basis of testing its principles only, and consequently the evidence was incomplete and inadequate for a specific recommendation for amalgamation.*

*The Commission stated publicly that witnesses were to be chosen from those who had provided submissions. Yet the Commission did not adhere to that policy when it allowed Cr. Bailey (and others) to give evidence. Councillor Bailey had not previously made a public submission to EARC.*

*In these circumstances justice demands that if EARC saw merit in conducting public hearings, then it conduct its proceedings in a fairer manner. EARC should also have ensured that the evidence of witnesses at the hearings was subjected to proper scrutiny, not only by EARC, but also by the parties directly involved. Had this been done, then, in the case of Gladstone - Calliope a considerable amount of the evidence on which EARC had based its conclusion would have been shown in a totally different light.*

Similarly, Councillor P Petrie, Chairman of the Woongarra Shire Council, suggested at the Committee's public hearings that at EARC's hearings, only individuals favouring amalgamation were called to give evidence, to the detriment of the anti-amalgamation argument (transcript 81). This allegation was echoed by Alderman L Tyrell, Mayor of Thuringowa, in the Committee's public hearings in Townsville (transcript 144).

**3.10** The Committee notes and accepts EARC's assertion, in paragraph 2.24 of its report, that witnesses were neither subpoenaed nor sworn by it in an endeavour to make the hearing process as informal as possible. Similarly, in paragraph 2.23, EARC notes that in selecting those witnesses appearing at public hearings, it attempted to ensure a wide range of opinion was effectively represented given the operative time constraints. Cr Dinte's assertion that EARC's conduct in allowing Cr Bailey to give evidence when he had not previously made a submission overlooks the fact that Cr Bailey is a member of the Calliope Shire Council, which had made a submission to EARC. Cr Petrie's assertion that no individuals opposing amalgamation were called in EARC's Bundaberg hearings must be considered in the light of the extensive evidence obtained from both the Gooburrum and Woongarra Shire Councils, both of which vigorously oppose amalgamation. Ald Tyrell asserted that:

*When 91% of the submissions to the Commission in Townsville and Thuringowa were against amalgamation, was it impartial or was it unbiased that 30% of the invited guests at the public hearings were for amalgamation and only 2% represented those people opposing amalgamation (transcript 144)?*

The Committee notes, however, that evidence at EARC's Townsville hearings was given by representatives of the Townsville, Thuringowa, Burdekin and Dalrymple Councils, representatives of the Water Resources Commission, the Burdekin District Canegrowers Executive, by Mr Mark Stoneman MLA, by Mr Dan Gleeson (former Mayor of Thuringowa) and by six individual members of the public. The Committee accepts that these witnesses presented a balance of views to the Commission.

**3.11** In view of the foregoing discussion, the Committee considers that EARC has complied with its statutory duty to act independently, impartially, fairly and in the public interest in relation to its public hearings.

#### **EARC's procedures with submissions**

**3.12** The Woongarra Shire Council further criticised EARC's compliance with its statutory duties. In submission no. 2055 the council notes that the first 13 volumes of submissions to EARC were printed and widely circulated, the balance of submissions, whilst placed on EARC's public register, were not circulated to councils and libraries:

*A telephone conversation between myself and officers of the Commission on 20 December 1991 stated that submissions received after number 2,512 were sent to councils and public libraries in June and July 1991. This appears to be incorrect as this council and the Bundaberg District Library do not have any such volumes of submissions in their possession other than volumes 1-13 previously referred to.*

*Council again repeats its statement that merely having submissions other than those documented in volumes 1-13 on display in the Commission's Brisbane*

*office is simply unacceptable to local authorities located outside the greater Brisbane area.*

Cr Petrie, on behalf of the Council, said in the Committee's public hearings in Bundaberg:

*Some 21% of the total submissions made to EARC on this matter were not released to councils and the general public as were the first 13 volumes of submissions. To travel to Brisbane each day and to view submissions is not good enough. Such submissions included those from the ALP Member for Bundaberg, Mr C Campbell, which has been used for 10% of the references in Chapter 12 dealing with this district (transcript 81).*

**3.13** In response to questioning from the Chairman of the Parliamentary Committee, Cr Petrie conceded that the submissions in question were received after the advertised closing date for comments in response and were placed on a public register in Brisbane and therefore made public, although not circulated as previous submissions had been (transcript 85).

**3.14** The Committee considers that EARC has complied with its statutory duty under section 2.23(2)(b) to make available to the public all submissions, objections and suggestions made to it, by placing all submissions and comments in response on its public register in Brisbane. EARC's actions in publishing and widely circulating the earlier submissions and comments in response were in excess of what is required under the Act, which simply asks that such material be made public, as on EARC's public register. Whilst widely circulating submissions was appropriate in order to allow interested parties throughout the state as much access to the process as possible, EARC was under no obligation to continue this process once begun, and indeed, it may well have become impractical for it to do so after the formal closing date for comments in response had passed. EARC has previously established the practice of continuing to accept submissions and comments after the advertised closing date and the resulting increased public input outweighs the disadvantage of such comments not being circulated.

### **EARC's timetable**

**3.15** Ald Tyrell further criticised EARC in his evidence to the Committee's public hearing in Townsville:

*I think the first question that we need to have answered is: Has the government already made up its mind on amalgamation, and, really, have EARC and the Parliamentary Committee hearings been a taxpayer funded token gesture to suggest that some form of democratic process is taking place? Is it a coincidence that the Commission and the Committee have asked for public submissions in December of each year to coincide with the busy Christmas period in the hope that the number of submissions will be small? Such was the strength of dealing on this issue throughout the state that over 3,000 submissions were received even at this time of year last year, with almost 10% of those coming from Townsville/Thuringowa region. I would like to know how many were read by the mainly part-time Commissioners (transcript 143).*

**3.16** The Committee has received no evidence to support Ald Tyrell's criticism firstly, that EARC (and subsequently the Committee) timed its review process so as to limit public comment, and secondly, that EARC Commissioners failed to read relevant material before them. To the contrary, the Committee considers that the 3,184 submissions made to EARC indicate that

EARC's review processes were successful in maximising public input. Furthermore, the Committee believes that all of the EARC Commissioners have in the past and continue to take very seriously their responsibilities in participating in review projects. There is no evidence before the Committee to suggest otherwise, and the Committee rejects Ald Tyrell's allegations as baseless.

### **EARC's investigative processes**

**3.17** In its submission to the Committee, the National Party of Australia - Queensland criticises EARC's investigative and consultative processes in general. It says in part:

*With the LAs the Commission identified as being problematic or priority cases, it did not have time to look at their physical structures or to spend time talking to their Shire Clerks, engineers and town planners. The best the commission could do was to undertake research - some of this interstate and overseas - and to take evidence ...*

*The NPAQ is of the view that the time limitations imposed by the State Government impeded the Commission's consultative processes. More time would have enabled the Commission to adopt a different research, consultation and analysis regimen resulting in much less controversy and uncertainty.*

The submission echoes a sentiment expressed to the Committee on several occasions that EARC lacked "hands on experience" in local government, and that its investigations were too academically based.

**3.18** By contrast, in his submission to the Committee (no. 2828), Mr D Tucker suggested that EARC had undertaken insufficient academic research:

*In particular, EARC needed to inform itself about the complexity of the second project by commissioning research into relevant overseas and interstate experience (through appropriate literature reviews); to commission, or commence work in-house, on the required historical research in relation to Queensland areas and boundaries; to acquire, via consultants, part-time staff, and/or full-time staff, the required expertise in discipline such as social and economic geography, urban economics, social survey research, local government administration, and (perhaps) operations research, to tackle the technical aspects of the areas/boundaries projects. To the best of my knowledge, none of this occurred, with the exception of Dr Grigg's appointment as consultant around the time of completion of the Electoral Report. This was far too little too late.*

**3.19** The Committee notes Mr Tucker's suggestion that EARC did not research relevant overseas and interstate experience; yet it is clear from EARC's report that Commission members and staff not only researched boundary change in other Australian States and New Zealand, but visited and personally discussed and observed that experience in New South Wales, New Zealand and Tasmania (EARC report, paragraphs 2.40 to 2.43). The criticism that EARC did not perform required historical research is particularly curious, given that Mr Tucker himself was retained by the Commission for this purpose, and in his submission to the Committee advises that he had been involved in the preparation of a draft of the history section. The Committee notes that paragraphs 3.1 to 3.22 of EARC's report detail the history of boundary change in Queensland. Mr Tucker

asserts that EARC did not acquire required expertise in a number of disciplines. Again, this criticism is curious given Mr Tucker's own engagement by the Commission as an academic with expertise in Queensland local government, Dr Trevor Grigg's engagement, assistance received from staff of the Department of Lands, representatives of the Water Resources Commission and from Elizabeth Gillam of the Applied Population Research Unit of the University of Queensland (paragraph 21.2) and the Commission's own multi-disciplinary project team.

**3.20** In his submission, Mr Tucker writes that EARC had an impossibly difficult task, commenting:

*That conclusion is reinforced by the inexperience, lack of relevant qualifications, and number of staff employed in the local government team and also by the general lack of experience of the Commission members in Local Government matters.*

**3.21** The Committee believes EARC was well qualified to review local government in Queensland. It firstly acknowledges the specialised local government knowledge of EARC staff. The Committee is satisfied that EARC's project team acquitted themselves well in a difficult task. It notes their experience in state and local government administration as well as the complementary disciplines of local government law, economics, geography, demography and finance. It regards the Commissioners themselves as also competent in their difficult deliberations and notes their broad community experience in public service, law, academia, business, social work and local government management.

**3.22** Cr Petrie of the Woongarra Shire Council suggested in the Committee's public hearings that:

*The Commission lacks accountability, and ignores the need for an immediate public awareness program to allow for informed judgement of their and your Committee's performance (transcript 81).*

The Act, in fact, establishes a clear accountability mechanism for EARC. That mechanism is this Committee, which monitors and reviews EARC's work.

**3.23** The Committee notes the criticisms of EARC's method which have come from academic, political and local government sources. Even though much of the criticism was unfounded, there is scope for improvement on the methods adopted by EARC. Any on-going boundaries review mechanism (as discussed in Chapter 6) would be well advised to harken to the many counsels of perfection which have been offered. Nonetheless, it should be appreciated that the review undertaken by EARC has been the most comprehensive, open and fair inquiry into local government boundaries ever undertaken in the history of Queensland, and perhaps in Australia. It has developed methods and established principles in an area fraught with political difficulty and too long neglected by academics and legislators.

**3.24** The Committee is satisfied that these criticisms of EARC's investigative processes do not establish any failure by EARC to comply with its statutory duties.

### **The argument for costs/benefits analyses**

**3.25** The Committee considers it appropriate to deal at this stage with one recurrent criticism of EARC's methodology, raised in many of the submissions and at many of the Committee's public hearings.

**3.26** This criticism is that prior to any boundary change some form of cost/benefit analysis should be performed. The Local Government Association of Queensland Inc in its submission (no. 2097) makes this criticism and notes:

*No detailed analysis is undertaken, no options evaluated other than in qualitative terms and costs and benefits are not identified. This is a significant shortcoming in the EARC report. ...*

*EARC makes no attempt to quantify its assumption in relation to savings. The LGAQ accepts that an amalgamation will result in some areas of saving (e.g. meeting fees for one council, some senior/middle level officers redundant).*

*For the four cases presented in relation to reductions in FAG [Financial Assistance Grants] payments, it is possible to provide a broad estimate of likely savings based on the total number of Federal Award Employees in each group. It has been assumed that up to 20% of these officers could be affected if the concept of economies of scale is accepted.*

*The following are the estimates of savings per Council for each group if 20% of Federal Award staff were saved at an average saving of \$40,000 per officer including on-costs.*

*[Where A is Clifton/Cambooya and Allora/Glengallan/Rosenthal, B is Maryborough/Woocoo, C is Gympie/Widgee and D is Townsville/Thuringowa and Mackay/Pioneer.]*

<i>GROUP REDUCTION IN STAFF</i>	<i>AVERAGE SAVINGS \$'s</i>	<i>STAFF SAVINGS \$'s</i>	<i>MEETING SAVINGS \$'s</i>	<i>TOTAL</i>
<i>GROUP A</i>	<i>1.8</i>	<i>\$72,000</i>	<i>\$30,000</i>	<i>\$102,000</i>
<i>GROUP B</i>	<i>1.8</i>	<i>\$72,000</i>	<i>\$30,000</i>	<i>\$102,000</i>
<i>GROUP C</i>	<i>9.1</i>	<i>\$364,000</i>	<i>\$70,000</i>	<i>\$434,000</i>
<i>GROUP D</i>	<i>18.9</i>	<i>\$756,000</i>	<i>\$100,000</i>	<i>\$856,000</i>

*While these figures must at this stage be used cautiously, they illustrate the fact that in most of the amalgamations examined by EARC, "rough" estimates of savings in inside staff resources do not offset the loss of the FAG payments. A proper examination of any amalgamation option would be expected to quantify the order of savings rather than making sweeping generalisations which have not been substantiated.*

*The "balance sheet" on costs and benefits also needs to include the social aspects associated with the proposal. Social impacts include:-*

- \* the loss of representation by sectors of the amalgamated authority (negative for any amalgamation)*
- \* increased access to services (this will depend on the specific situation);*
- \* more comprehensive local area planning;*
- \* loss or gain of identity;*
- \* capacity for "locally" based decision making*

*The EARC principles and indicators cover many of these factors and a thorough analysis would attempt to set down the benefits and disbenefits of these social impacts in a manner which allowed the community to become aware of what they were gaining or losing from the proposal.*

### **3.27** In respect of the argument for a cost/benefits analysis, EARC comments:

*The Commission is persuaded by the experiences in New Zealand and New South Wales that it is not possible to quantify possible savings in advance of a boundary change. Boundary change makes available to LAs a range of possible savings and efficiencies of operation, but it is the elected representatives of the community who will choose which savings or service adjustments are appropriate in the particular circumstances.*

*The Commission recognises that where, for example, two LAs are combined into one LA there is potential for savings, but particularly where there are transitional costs, such savings may take time to emerge. Further, amalgamated LAs should be given maximum flexibility in this regard.*

*Some LAs may wish to achieve savings (including reduction in staff), other LAs may wish to use the savings to offer a wider variety of services.*

*Whilst the Commission has identified benefits, however, it has not attempted to make any calculations of savings which might result from rationalisation. To have done so the Commission would have had to conduct a detailed study of each LA examined which would have been expensive, time consuming and disruptive of the LAs concerned.*

*Finally in this regard the Commission notes that only two LAs (Blackall Shire Council S1197; Tambo Shire Council S1962) carried out any joint investigation of what savings might result from an amalgamation of the two LAs. The two LAs commissioned a firm of consulting engineers to examine the effect of amalgamation on the field staff of the two LAs totalling 82 staff. The study identified a potential savings of three field staff [paragraphs 4.198 - 4.201].*

**3.28** The Parliamentary Committee accepts that there is some force in the argument that boundary changes to local authorities should be preceded by a costs/benefits analysis. In some other jurisdictions such analysis is required. For example, the New South Wales *Local Government (Boundaries Commission) Amendment Act 1982* requires that State's Local Government Boundaries Commission, in considering the boundaries of local authorities, to have regard to "the financial advantages or disadvantages (including the economies or diseconomies of scale) of any relevant proposal to the residents and ratepayers of the area concerned" (section 15J(1A)(a)). EARC suggests that such analysis cannot be attempted because of the range of options which will be open to the elected representatives of the new entity once it is in place. The Parliamentary Committee is not convinced that such a range of options cannot be costed, although such an approach necessarily involves making assumptions as to future policies on revenue and expenditure by the new council.

**3.29** The Committee notes the speculative nature of any cost/benefit analysis preceding local authorities' amalgamation. While the Committee heard several witnesses compare such amalgamations to company mergers, it does not accept such comparisons as necessarily analogous to local authority amalgamations. Although there are gains to be made by local authorities from greater purchasing power, money management, loan raising capabilities and the adoption of corporate management strategies; the functions and responsibilities of good government are clearly different to that of private enterprise. Local government must undertake services that are clearly not profitable. Such comparisons similarly deny the reality that there can be economic benefits other than economy of scale for amalgamated local authorities. Greater effectiveness and more professional management are also economic gains.

**3.30** The Committee's investigations in New Zealand indicate that only now, three years after amalgamations occurred there, are reliable figures on savings and costs emerging. It appears that amalgamation is bringing real gains for ratepayers and councils, but those gains are yet to be fully realised or quantified.

**3.31** Similarly, the Committee notes the Victorian Local Government Commission's costs/benefits analyses and case studies indicate potential savings of 12-18 percent in cases of proposed amalgamation; however, as there has not been a series of amalgamations in that state in recent times, such figures remain as estimates. At Geelong, a case study estimates that the amalgamation of nine councils in the district whose citizens all identify themselves as coming from

Geelong would save \$14 million. It would also eliminate the need for a state appointed planning commission to make local decisions on planning that the cumbersome multiple council system cannot.

**3.32** The Committee notes the forthright comments of the Victorian Local Government Commission Chairman, Mr Russell Badham, that at the very least there would be considerable savings from amalgamation in the reduction of a new council's car fleet having regard to the luxury vehicles currently provided to the chief executive, engineer and elected head of each of the nine local authorities in the Geelong area.

**3.33** The Committee also notes the view of Mr R Edwards, Queensland president of the Institute of Municipal Management, who viewed costs/benefits analyses as useful but accepted EARC's finding that they may not be necessarily accurate:

*I concur with that. You could have a good stab at it, but you could not be held to it and then say, you said it was only going to cost so much, and you find some other hidden cost there that not all of the best brains in the world could come up with.*

**3.34** The Parliamentary Committee is disappointed that EARC did not attempt to perform costs/benefits analyses in the areas in which it recommends major amalgamation. Equally, the Parliamentary Committee is disappointed that notwithstanding the opportunities it has provided to affected councils themselves to perform such analyses, only the Townsville, Clifton and Cambooya Councils have attempted this exercise. The opinion offered by some councils that amalgamation will place a high financial burden on communities, might have been borne out had those councils done some fairly elementary financial exercises themselves. The Committee notes that the Woongarra Shire Council, in the Committee's public hearing, offered to provide a breakdown of its estimate of the cost (\$7.5 million) of boundary change in the Bundaberg area; but to date the Committee has not received this breakdown.

**3.35** The Parliamentary Committee is not convinced that EARC's failure to perform costs/benefits analyses amounts to a fatal flaw in its recommendations, but does consider that the methodology of the proposed LABC should include a cost-benefit analysis (see paragraph 6.38 hereunder). In those individual cases which the Committee goes on to discuss at length in this report, where a recommendation for amalgamation or boundary change is supported, the case for amalgamation is so strong that the costs/benefits analysis argument is not of itself decisive, or the result is self-evident.

### ***Allegations of Bias***

**3.36** Several submissions to the Committee raise serious allegations of bias in respect of the conduct of Commissioner Brian Hunter (nos. 2083, 2103, 2203, 2679 and 1172).

**3.37** In summary, it is alleged that:

1. Having held office as Town Clerk of Gladstone City Council and Shire Clerk of Clifton Shire Council prior to his appointment to the Electoral and Administrative Review Commission, Commissioner Hunter was biased in respect of the review of boundaries of Gladstone/Calliope/Miriam Vale and Clifton/Cambooya respectively.
2. In a paper delivered to a conference in Brisbane in 1989 prior to his appointment to EARC, Commissioner Hunter made statements indicating a pre-existing favourable attitude to the amalgamation of Gladstone and Calliope.
3. Because he carries on business in the provision of consultancy, publishing, agency and merchandising services to local government, and as such has prior and existing contractual obligations to local authorities including the Miriam Vale Shire Council, Commissioner Hunter had a pre-existing bias in favour of Miriam Vale Shire Council, and a potential interest in respect of other past and future clients.
4. Commissioner Hunter and his wife have financial interests in Gladstone, and therefore a bias in favour of Gladstone City Council.
5. The Calliope Shire Council, however, specifically concedes that "Commissioner Hunter has no direct pecuniary or personal interest in the outcome of the report".

**3.38** In paragraphs 2.30 to 2.36 of its report, EARC notes the disclosures made by Commissioners of relevant interests. It notes that in each case, such an interest was disclosed at either the outset of the relevant public hearing or, where there was no public hearing, as soon as practicable by correspondence (EARC report paragraph 2.31). Such declarations were made by correspondence by Commissioners Sherman and Hughes, in respect of interests held by both of them in Noosa.

**3.39** EARC notes that in respect of Commissioner Hunter, the issue of disclosure was raised in correspondence with the Calliope Shire Council in September 1990. As a result of that correspondence, which was read out at the commencement of EARC's public hearing in Calliope, Commissioner Hunter took no further part in the review of boundaries of Gladstone, Calliope and Miriam Vale Councils. EARC also notes that at that public hearing, the Chairman of the Calliope Shire Council, Councillor E Cunningham, indicated that the Council's concerns had thus been acknowledged (paragraph 2.34).

**3.40** The submission from the Calliope Shire Council argues that notwithstanding Commissioner Hunter's withdrawal from the review of Gladstone/Calliope/Miriam Vale, EARC's report and its recommendations are a nullity by reason that:

*Council and the electors of Calliope Shire have been denied natural justice and procedural fairness by the Commission in its deliberations leading to the Commission's recommendation for the amalgamation of Gladstone City and Calliope Shire ...*

**3.41** The Council argues that inferences adverse to Commissioner Hunter's fairness and impartiality might be drawn including that:

- *Commissioner Hunter has, and always has had, the belief that Gladstone City and Calliope Shire should be amalgamated.*
- *On the assumption that amalgamation will lead to 'one stop shopping' for negotiations and approvals by developers as Commissioner Hunter suggests, the Gladstone region can be expected to enter a period of sustained growth and expansion to the benefit of Commission Hunter ...*
- *Commissioner Hunters continuing to act as a consultant in Local Government matters both for and against Local Authorities that may be the subject of deliberations by the Commission enables Commissioner Hunter to further his self-interest in that he may become privy to matters not generally known to the public or a matter of public record.*
- *Generally, Commissioner Hunter is not a person who can be seen to be able to be trusted to act independently, impartially, fairly and in the public interest.*

The submission continues:

*In this instance, the circumstances set out in paragraphs 7 to 11 are such that the Council and the public have a reasonable apprehension of a bias by Commissioner Hunter by reason of a pre-judgement of the issue of the amalgamation of Gladstone and Calliope or of a generally adverse attitude towards Calliope's interests. The Council is not suggesting at this time that Commissioner Hunter has a direct pecuniary or personal interest in the outcome of the Report, nor is it necessary that such a direct interest be demonstrated. As the Committee's learned Chairman will be aware the relevant test is that '.....a judge should not sit to hear a case if in all the circumstances the parties or the public might entertain a reasonable apprehension that he might not bring an impartial and unprejudiced mind to the resolution of the question involved in it' Livesey v NSW Bar Association (1982-3) 151 CLR 288 at 293 ...*

*Even though the function of the Commission in this instance is administrative in character and not quasi-judicial and the Commission is charged with providing a report to the Legislative Assembly and the Minister without being able to 'affect the rights, interests and expectations of the individual citizen in an immediate way', it is clear from the Maurice Case and the High Court of Australia's decision in R v Commonwealth Conciliation and Arbitration Commissioner: Ex parte Angliss Group (1969) 122 CLR 546 that the principle in question has been applied in the past to commissions and tribunals which are not courts, although as noted in the Angliss decision 'It is plain that when it is necessary to consider a question of fairness in relation to a tribunal the whole of the circumstances in the field of inquiry are of importance. The nature of the jurisdiction exercised and the statutory provisions governing its exercise are amongst those circumstances. It is therefore important to bear in mind that the Commission does not sit to enforce existing private rights. Amongst other things, it is its function to develop and*

*apply broad lines of action in matters of public concern resulting in the creation of new rights and in the modification of existing rights.'*

*The Commission in the Report and in the previous correspondence with Council states that Commissioner Hunter took no part in the hearings for Calliope or the compilation of the recommendations contained in the Report pertaining to Gladstone and Calliope. Nevertheless, it is not contested that Commissioner Hunter did participate in the compilation of the Issues Paper and that at that time the Commission had concentrated on the matter of which Local Authorities should be examined as priority cases, had made a preliminary assessment on the matter and had identified Gladstone and Calliope as a priority case for possible amalgamation or boundary change.*

**3.42** Having been sent copies of the correspondence between the Calliope Shire Council and EARC in July 1991, the Parliamentary Committee wrote to the Chairman of EARC on 3 September 1991 drawing to the attention of the Commission the provisions of section 7.4 of the Act and in particular the duties of the Commission and each Commissioner under that section. The Chairman of EARC responded on 17 September 1991.

**3.43** On receipt of the submissions mentioned above the Parliamentary Committee again wrote to the Chairman of EARC on 10 January 1992 enclosing copies of the submissions and seeking the Commission's response. The Commission responded by letter dated 18 February 1992. In respect of the allegation that in view of his previous office as Town Clerk of Gladstone City Council Commissioner Hunter was biased in the review of boundaries of Gladstone/Calliope/Miriam Vale, the Commission notes:

*Mr Hunter commenced duty as Deputy Town Clerk in Gladstone on 2 May 1978. He commenced duty as Town Clerk of Gladstone on 20 July 1984 and ceased as Town Clerk on 29 July 1988 ... Mr Hunter's knowledge of local government was, and continues to be, of great assistance to EARC. To associate experience with bias is erroneous ... Mr Hunter, during the period he was Town Clerk of Gladstone City, would have had to press Gladstone City's views in negotiations and discussions with Calliope Shire. To suggest that he had "an anti-Calliope Shire attitude" is an unwarranted attack on Mr Hunter's professionalism.*

**3.44** In respect of the allegation that Commissioner Hunter made statements indicating a pre-existing favourable attitude to the amalgamation of Gladstone and Calliope, the Commission responded that:

*Mr Hunter delivered the relevant paper on 28 February 1989. He was appointed to EARC on 8 March 1990. Accordingly, the relevant timeframe was not in the same calendar year or even within a year ... His speech to CEDA was essentially a matter of making predictions. Predictions do not involve opinion. For example, Commissioner Hunter predicted that a second airport would be constructed in Gladstone. Commissioner Hunter was not arguing for a second airport, he may not even have thought it necessary or desirable, he was merely predicting it. Prediction does not involve an expression of a point of view.*

**3.45** In respect of the allegation that through his consultancy arrangements with Miriam Vale Shire Council Commissioner Hunter had a pre-existing bias in favour of Miriam Vale, and a potential interest in respect of other past and future clients, the Commission responded:

*In paragraph 9, page 3 of its submission the Calliope Shire Council contends that as at 11 July 1991 Commissioner Hunter had current contractual obligations to Miriam Vale Shire Council, such obligations originating in negotiations that began prior to his appointment as Commissioner. I am advised by Mr Hunter that prior to his appointment to EARC he had discussed and proposed possibilities for systems installations with Miriam Vale Shire Council (MVSC). Such discussions took place with many Councils and, in Mr Hunter's view, it may take years before any project is actually undertaken, if at all. MVSC indicated a continuing interest but the record of events is of no consequence until 4 May 1991. This was the date of publication in the tenders column. Hunter Consulting quoted for this work and its quote is dated 7 May 1991. By letter dated 24 June 1991 MVSC accepted the quote. The acceptance letter was received and first read by Mr Hunter on 30 June 1991. On or about the 1st or 2nd July Mr Hunter advised me of the acceptance of the quotation. We agreed that this information should be added to all other declarations of interest intended to be made public at the Gladstone/Calliope hearings. It is important to note in this regard that Mr Hunter had no sense of a possible conflict of interest in relation to MVSC until 30 June 1991. Ten days later (10 July 1991) Calliope Shire Council wrote its letter objecting to Commissioner Hunter's participation in the Gladstone/Calliope matter ...*

*In relation to paragraph 12, page 4, the Calliope Shire Council asserts that the Commission's consideration of the Gladstone/Calliope/Miriam Vale issue as being "fatally flawed"(sic). The Commission rejects this assertion. Commissioner Hunter withdrew from the hearing of this matter, in accordance with Commission procedures, pursuant to which relevant interests were declared at an appropriate time. In this case the Commission had proposed to announce the interests of Commissioner Hunter at the commencement of its hearings in Gladstone on 12 July 1991. However, the matter had been raised previously by the Calliope Shire Council by letter. The members of the Committee are thoroughly familiar with this correspondence.*

**3.46** In respect of the allegation that Commissioner Hunter and his wife have financial interests in Gladstone and that therefore Commissioner Hunter is biased in favour of Gladstone City Council, the Commission responded:

*Paragraph 10, page 3 of the submission sets out particulars of properties which were acquired by Mr Hunter and his wife in Gladstone. The raising of these particulars causes me considerable disquiet. Some of these properties were the Hunters' residence. The implication to me seems to be that Commissioner Hunter and his wife could not, without inferences being drawn by the Calliope Shire Council, purchase properties in Gladstone in which even to reside. Moreover, I believe the Calliope Shire Council has engaged in a massive invasion of privacy of Mr Hunter's personal affairs ...*

*I find the statements of inference in paragraph 17 both offensive and unfair to Mr Hunter. No reasonable person would draw the inferences which Calliope Shire Council seeks to draw from the limited framework of inaccurate allegations in paragraphs 7 to 11. Let me give one simple example: It is alleged in sub-paragraph 17(c)(i) that Mr Hunter was at least unwise and at worst abused his office as Town Clerk to actively speculate [sic] with his wife in the residential housing market in Gladstone. The facts do not support any such inference ...*

*Councillor Cunningham's submission in my view constitutes an unwarranted attack upon Commissioner Hunter in relation to his interests and associations. It reflects no credit on Councillor Cunningham, the Calliope Shire Council and the legal advisers who obviously gave advice in this matter.*

**3.47** The Committee has considered carefully the allegations made against Commissioner Hunter and the implications thereof for the issue of potential bias on the part of the Commission. In respect of the allegation that his previous office of Town Clerk of Gladstone City Council and Shire Clerk of Clifton Shire Council unfairly influenced Commissioner Hunter, the Committee is satisfied that there is no evidence to support this allegation. Commissioner Hunter performed a professional role in each case, and in respect of Clifton Shire Council that role finished some 25 years before his appointment as a Commissioner. As EARC notes, Commissioner Hunter's expertise in local government was of considerable value to it, and that expertise could not have been gained without his previous professional experience.

**3.48** The Committee likewise rejects the allegation that Commissioner Hunter's statements at the CEDA conference in Brisbane 1989 indicated a pre-existing favourable attitude to the amalgamation of Gladstone and Calliope. The Committee accepts that those comments were in the nature of a prediction only and given that they predated Commissioner Hunter's appointment by a year, the Committee regards this allegation as unsubstantiated.

**3.49** In respect of the allegation that his consultancy with the Miriam Vale Shire Council indicated a pre-existing bias in favour of Miriam Vale, the Committee notes that Commissioner Hunter tendered for this consultancy on 7 May 1991, after EARC had determined and released its priority list of cases for consideration, on 15 April 1991. The Committee also notes that Commissioner Hunter advised the Chairman of EARC of his contractual interest within two days of his receiving notice of his tender being accepted on 30 June 1991 and that it was agreed between them that this interest be made public at the Gladstone/Calliope hearing. Similar declarations were made by Commissioner's Sherman and Hughes in respect of interests held by both of them in Noosa. The Committee notes that after the Calliope Shire Council objected to Commissioner Hunter's participation in decisions regarding Gladstone/Calliope/Miriam Vale on 10 July 1991, it was determined that he would take no further part in any decisions regarding that area.

**3.50** The Committee is satisfied that while Commissioner Hunter did participate in the original decision to place the Gladstone/Calliope/Miriam Vale area on the list of priority cases for EARC to consider, this decision took place prior to Commissioner Hunter entering into contractual arrangements with Miriam Vale Shire Council. The Committee is also satisfied that from shortly thereafter Commissioner Hunter took no further part in the Commission's determinations regarding the Gladstone/Calliope/Miriam Vale area.

**3.51** Furthermore, the Committee notes that the submission from the Calliope Shire Council acknowledges that EARC's role in these matters is administrative only, and that its only function is to report to the Legislative Assembly, the Minister and the Parliamentary Committee. Its recommendations may be accepted, rejected or amended by the Parliament and cannot of themselves adversely affect the interest of any party.

**3.52** The Committee therefore rejects the contention that the Council and electors of Calliope Shire, or of Cambooya Shire, have been denied natural justice and procedural fairness by the

Commission.

**3.53** Section 7.4 of the *Electoral and Administrative Review Act* provides:

**7.4 Register of interests.** (1) *The Commission shall maintain -*

- (a) *a register of the pecuniary interests of each Commissioner had by him at the time of his appointment as a Commissioner or acquired by him during his term of office as a Commissioner;*
  - (b) *a record of personal or political associations had by each Commissioner that might influence him in the conduct of an investigation by the commission.*
- (2) *Each Commissioner shall furnish to the Commission, the Minister and the Chairman of the Parliamentary Committee -*
- (a) *a summary in writing of pecuniary interests had by him at the time of his appointment as a Commissioner;*
  - (b) *advice in writing of such associations had by him at the time of his appointment as a Commissioner;*
  - (c) *within 30 days following any substantial change in such pecuniary interests, or a change in such personal or political associations, information in writing of the change.*
- (3) *The register and record maintained under subsection (1) shall be updated at least once in every period of 12 months of a Commissioner's term of office.*

**3.54** In its submission to this Committee, the Calliope Shire Council referred to section 7.4 of the Act and suggested that:

*Whatever the outcome of the Committee's consideration of the natural justice ground, Council submits that to maintain public confidence in the Commission, to conform with the judicial formulations of the natural justice rule regarding bias and the requirement under Section 2.23(2)(a) of the Act that the Commission shall act independently, impartially, fairly and in the public interest, it should be a requirement of Section 7.4 that -*

- (a) *The pecuniary interests of the spouses and immediate family members be included in the Register;*
- (b) *The Register of interests be a matter of public record in the same manner as the Register relating to Members of the Legislative Assembly;*
- (c) *If the Register is not to be a matter of public record, disclosure be made where necessary at the Issues Paper stage and, where necessary, any affected Commissioner should disqualify himself then.*

**3.55** The Committee considers that there may be a case for amending the Act to give more specific guidance as to what constitutes a pecuniary interest, particularly in relation to tenders or offers made by a Commissioner, and the appropriate time for disclosure of interests to be made. The Committee notes that the register of interests of Commissioners is currently maintained by EARC as a public document on its public register, but that there is no statutory requirement for this to be done. The Committee intends considering these matters in its forthcoming report reviewing the *Electoral and Administrative Review Act 1989-1991*.

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## 4. PRINCIPLES AND INDICATORS

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### *EARC's Principles and Indicators*

**4.1** In Chapter 4 of its report, EARC analyses and develops the principles and indicators which it uses to guide boundary change. Initial principles were proposed for public comment in Issues Paper No. 8. These principles formed the basis for the recommendations made in paragraphs 4.131 to 4.135 and 4.187 to 4.189 of the EARC report, which set out the principles and indicators used in arriving at the recommendations for boundary change. They are as follows:

#### Principles

*A sound LA should have a sufficient resource base to:*

- (a) *be able to fulfil all the functions under the Local Government Act 1936-1991 and other Acts ascribing authority to it that are appropriate to its community, as efficiently and effectively as possible (whether by itself, by contract or in co-operation with other LAs);*
- (b) *provide and maintain services and facilities required by its community and respond to changing needs of that community (whether by itself, by contract or in co-operation with other LAs);*
- (c) *be flexible and responsive in financing (a) and (b); and*
- (d) *function without becoming unduly dependent on external financial assistance or losing its independence as an autonomous elected body (paragraph 4.132).*

*An LA should have boundaries that facilitate:*

- (e) *co-ordinated planning and development of the area for the long term good of present and future residents;*
- (f) *efficient and effective provision of physical and human services (whether by the LA, by contract or in co-operation with other LAs); and*
- (g) *future projected growth (paragraph 4.133).*

*LA boundaries should conform to community of interest principles, and for that purpose, an LA should generally:*

- (h) *reflect local communities, for example, the spatial pattern of human activities, where people live, work and play and the linkages between them;*
- (i) *have boundaries which, where possible, do not divide local neighbourhoods or adjacent rural and urban areas with common interests or interdependencies (including cultural and ethnic factors);*
- (j) *have boundaries that reflect the economic makeup of an area;*
- (k) *recognise and foster urban and rural interdependence where it exists;*
- (l) *where possible, reflect community self-awareness and foster community based action;*
- (m) *have a centre (or centres) of administration and service, easily accessible*

- to its population;*
- (n) *ensure effective elected representation for residents and ratepayers at the local level;*
  - (o) *provide representation of total population, population characteristics and population distribution within the area;*
  - (p) *take cognizance of its rating base, that is, it must be sufficient in size to maintain autonomous existence. An area with a uniform rating base (eg. purely rural) can foster community of interest, however a more mixed rating base (incorporating rural residential or industrial development), can offer an LA greater economic viability and flexibility;*
  - (q) *have boundaries which, where possible, follow natural geographic features and man-made features which separate different communities; and*
  - (r) *where possible, have boundaries which do not split properties (paragraph 4.134).*

*These principles are to be applied subject to the following ancillary principles:*

- (s) *no single principle should be regarded as absolute;*
- (t) *there will always be special circumstances which justify a departure from a general principle;*
- (u) *there will be occasions when it is not possible to apply a particular principle without departing from another principle;*
- (v) *there will be cases where principles may overlap or even conflict;*
- (w) *there will be cases where problems in an LA do not relate to an external boundaries issue, and consequently can be solved by other means such as joint arrangements, resource sharing, or review of administration; and*
- (x) *in changing LA boundaries, preference should be given to simple amalgamations or minor boundary adjustments, for example, an existing LA should not be dissected unless this is clearly the best course open having regard to other factors (paragraph 4.135).*

### Indicators

*Indicators relating to financial viability and resource base are:*

- (a) *number and type of functions performed by the LA. (Not all LAs choose to undertake all the functions available. This choice can reflect community needs and desires or that an LA is unable to provide the services needed. The range of functions provided, however, is proposed as one indicator of what service an LA is able to provide).*
- (b) *indicators of potential financial stress include:*
  - (i) *external risk assessment, which indicates LAs with an undue dependence on grants, subsidies and work contracts from other levels of government and are, therefore, vulnerable to changes in the level of external financial support on the level of reimbursable works,*

- (ii) *fund flexibility assessment, which measures the extent of commitment of LA funds to debt servicing or to tied expenditure programmes and, therefore, the extent to which the LA can alter its expenditure priorities in the short to medium term,*
- (iii) *rating stress (all LAs) assessment,*
- (iv) *rating stress (rural LAs) assessment which together with (iii) measures the rate base, rating capacity, rating level and rating burden of an LA, and*
- (v) *population trends;*

*Indicators relating to service area are:*

- (c) *the degree of co-operation, consultation and co-ordination of neighbouring LAs with regard to:*
  - (i) *strategic and town planning,*
  - (ii) *provision of water supply, sewerage and drainage,*
  - (iii) *road works,*
  - (iv) *other major infrastructure,*
  - (v) *economic and regional planning, and*
  - (vi) *policies impacting on more than one LA;*
- (d) *use of joint arrangements by the LA, and specifically the type of joint arrangement, its membership, its functions and the length of time it has operated;*
- (e) *duplication of facilities, including location of administration centre and depot;*
- (f) *sharing of any municipal facilities with neighbouring LAs, and any sharing of cost or user pays arrangements;*
- (g) *extent of use of facilities by residents of neighbouring LAs, and any sharing of cost or user pays arrangements;*
- (h) *general public services expenditure per capita (ie. general administration);*
- (i) *recreation and culture expenditure per capita (ie. people related service activities of an LA excluding libraries);*
- (j) *housing and community facilities expenditure per capita (ie. property related service activities of an LA excluding garbage and cleansing services);*
- (k) *administration costs as a percentage of total income;*
- (l) *administration costs as a percentage of total expenditure;*
- (m) *administration costs per head of population;*
- (n) *details of staff employed by the LA (ie. how many are employed in specific senior/specialist areas, and the type of employment arrangement, eg. part time, full time, shared, consultant, contracts).*
- (o) *length of roads of an LA, and level of expenditure on roads;*
- (p) *details of plant and equipment used by an LA (ie. the type of plant, and whether it is owned, leased, or shared with other LAs or agencies)*
- (q) *facilities provided by an LA (ie. the type of facility and its location);*
- (r) *level of building approvals;*
- (s) *planned future development in the LA in the next decade; and*
- (t) *area of an LA.*

*Indicators relating to Community of Interest are:*

- (u) patterns of life, travel and work, and the linkages they form;*
- (v) communication lines within an LA (e.g. roads);*
- (w) geographic features and man-made features which separate communities;*
- (x) identification with an LA by residents (eg. use of LA name by businesses and organisations);*
- (y) total population;*
- (z) population density;*
  
- (aa) population growth or decline;*
- (bb) distribution of population, including such matters as urban overspill;*
- (cc) average number of electors per member;*
- (dd) adequate access between the LA and residents, that is, location of LA office and access to it; and any other mechanisms encouraging access; and*
- (ee) urban-rural population split.*

*The Commission recommends that the indicators listed in paragraphs 4.187 to 4.189 above be utilized by an on-going boundaries review mechanism, as a guide to assist in identifying LAs, which do not fit within the principles or which vary significantly from the norm, for closer examination. The Commission recognises, however, that a future on-going boundaries review mechanism will need to modify these principles and indicators from time to time in the light of its own experience.*

**4.2** In its submission to the Committee, the Local Government Association of Queensland (Inc) agreed generally with EARC's principles and indicators, although disagreeing with their application to specific recommendations for boundary change. The Association notes:

*Generally speaking, EARC has opted to regroup principles under three broad categories related to:*

- financial resource base;*
- service area;*
- community of interest*

*While this is not significantly different from original proposals, emphasis on matters such as economy of scale have been reduced while community of interest factors have received greater emphasis. The most significant change appears to be an acknowledgment in principle that co-operative arrangements and resource sharing are appropriate ways in which to achieve efficient and effective arrangements.*

*Indicators that were very clearly flawed e.g. administrative cost as percent of rate revenue have been replaced. Nevertheless, the fine tuning of principles and indicators does not really represent any significant departure from what EARC proposed in Issues Paper No. 8.*

*However, the principles as such, subject to their various qualifications, are accepted by the LGAQ as reasonable. They are not prescriptive and do not rely on simplistic measures to quantify outcomes. They provide a flexible base against which to assess the merits of individual boundary adjustments.*

**4.3** The Committee accepts that community of interest may at times be difficult to define and that different communities of interest may from time to time overlap. At the same time, however, the Committee accepts that in setting local authority boundaries it is appropriate for consideration to be given to the community of interest principles set by EARC, such as the spatial pattern of human activities, local neighbourhoods and centres of administration. The Committee considers it particularly important that EARC has recommended that no single principle should be regarded as absolute and thus where communities of interest overlap or where a particular community of interest is difficult to define, other principles may come into play. The Committee therefore considers community of interest to be an appropriate principle, as recommended by EARC.

**4.4** A note of opposition to EARC's principles was sounded by Mr D Tucker:

*The major problem here is that the principles, so-called, are simply non-operational. That is to say, while they tell future inquiries what to consider, they make no effort to say, in cases of conflicting principles, how appropriate trade-offs are to be determined. At the end of the day, a classic, policy-less "each case on its merits" approach is in effect advocated by the Commission, despite its explicit disclaimer in paragraph 4.11 of the "arbitrary case-by-case approach". EARC cannot have it both ways: it cannot maintain the "ancillary principles" laid down in 4.135 (especially ancillary principles "t" and "w") without importing subjective and, indeed, arbitrary elements into the application of its principles.*

**4.5** The Committee considers that Mr Tucker's submission confuses the existence of principles with the need for judgement. The use of broad principles which are applied with judgement to individual cases is a common legislative tool. The problem to date in local government in Queensland has been that neither legislators nor academics have developed the necessary principles to aid the application of judgement in the difficult task of setting local government external boundaries. The Committee considers that EARC has now addressed this task in a most useful way. Given the broad support for EARC's principles and indicators, the Committee endorses those principles and indicators subject to the recommended variation below.

**4.6** The Committee has considered a refinement to EARC's principles and indicators, in relation to principle (q) and indicator (w), which specify that boundaries should follow natural geographic and man-made features. Whilst the Committee accepts the validity of this principle in relation to mountain ranges which clearly divide communities, it does not accept it in relation to waterways and river catchment areas. Indeed there are strong arguments in support of including such areas within one local authority area rather than using them as boundaries. Thus, Mr J M Amprimo of the Queensland Water Resources Commission notes in submission no. 958 to the Committee:

*From a water resources viewpoint, the boundaries of any rural land-based socio/economic/political area (such as a shire) are preferably along catchment boundaries (or watersheds). This philosophy encourages a total catchment approach to land water use/management. WRC, within the Department of Primary Industries, is committed to the concept of integrated catchment*

*management which encourages community interest and community consultation within stream catchments.*

*Accepting that the ideal position for boundaries is not always achievable for various reasons, the next preferred position for a boundary is perpendicularly across a stream valley thereby keeping the stream at its catchment elements together above and below the boundaries. The least desirable position for a boundary is along the stream itself.*

**4.7** Similarly, Mr M Medley noted (no. 1509B):

*From a river improvement trust point of view, it is also the general opinion in the area that the inclusion of the entire Haughton [River Improvement Trust] area in the Burdekin Shire is nothing short of common sense.*

**4.8** The Committee accepts the force of these suggestions, particularly in view of its experience in New Zealand where it learned first hand of the importance of catchment areas and water systems to New Zealand's regional councils.

**4.9** The Committee therefore endorses EARC's principles and indicators, but recommends that principle (q) be amended to read:

(q) *have boundaries which, where possible, follow natural geographic features and man-made features which separate different communities provided that, wherever possible, water catchment areas should be incorporated within one local authority area; and ...*

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## **5. GENERAL ISSUES**

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### ***The Importance of Change***

**5.1** In Chapter 2 of this report, this Committee reviewed the development of local authorities in Queensland since the 1870's. It found that since that time, changes to local authority boundaries have been ad hoc and incremental, but that at the same time, there have been major changes to the functions and responsibilities of local government, particularly those local governments in the developing coastal districts of Queensland.

**5.2** Local government cannot be isolated from the review process which has affected many other aspects of Queensland society. The criminal justice system, the police service, the public service and Parliament itself have all been subject to wide-ranging review and change. Local government must also be subject to such review, and where change is warranted local government must change so that it can continue to meet the needs of Queensland's citizens in an effective, efficient and equitable manner.

**5.3** This review and change process may be perceived as a threat to those in the local government community with entrenched interests. Reaction to the EARC Issues Paper and subsequent report at times has verged on the hysterical. Rather than seeking to enter a rational debate on the merits and drawbacks of EARC's recommendations, it is apparent to the Committee that some with entrenched interests in the existing local government system have fostered this hysteria. At times some councils have participated in what can only be termed orchestrated attempts to mould and mislead public opinion. For example, the Parliamentary Committee is most disappointed with the actions of those shire councils which, with ratepayer funding, have distributed to residents one sided and at times misleading information regarding EARC's recommendations. In many instances, this information focused on unproven and misleading allegations that EARC's recommendations would lead to massive rate increases. Some councils, far from reassuring their workforces that EARC's recommendations strongly favoured retraining and redeployment rather than redundancies where amalgamations occurred, contributed to staff misgivings and insecurity about the future. The Parliamentary Committee strongly commends, by contrast, the actions of the Mackay City Council and the Pioneer Shire Council, which moved quickly to reassure their respective workforces that all but the most senior of positions were likely to be maintained, whatever the outcome of the EARC recommendations.

**5.4** Previous reviews of local government in Queensland have failed because the hysterical reaction from some entrenched parts of the local government community has led to a lack of political will to implement the recommended changes. The Parliamentary Committee regards it as of fundamental importance that this review process, after its commitment of substantial time and funds, does not likewise fail. While it is important to ensure that there is no change simply for the sake of change, it is equally important to ensure that change is not stalled by those who merely have their own interests to pursue. Local government must not be isolated from the review and reform process taking place in every other part of Queensland's public life.

**5.5** In this regard the Committee wishes to note the generally helpful and co-operative attitude of the Local Government Association of Queensland Inc, which while strong in its

opposition to some of EARC's recommendations, has sought to advance logical and reasoned argument to support that opposition in its submission to this Committee, though the Committee notes with concern the proceedings of the LGAQ Special Conference on 7 February 1992 which indicated a hardening of attitudes against reform. Likewise, the Committee commends the attitude of the Institute of Municipal Management, and particularly Mr Roland Edwards who gave evidence before the Committee's public hearing in Brisbane on Wednesday, 18 December 1991. As EARC notes, "the contributions of those organisations were invariably thoughtful, positive and helpful" (paragraph 2.3).

### ***The Importance of Size***

**5.6** EARC stressed at the outset of its process that there was no ideal size for local authorities, and the Parliamentary Committee endorses this view. Each instance must be viewed in the context of its own circumstances and the Parliamentary Committee is satisfied that EARC has adopted neither a "big is beautiful" nor a "small is beautiful" approach, but has instead assessed each case on its individual circumstances, having regard to the principles discussed in Chapter 4 (above).

### ***Local Government: An Industry in Need of Micro-Economic Reform***

**5.7** All industries in Australia are being asked to engage in the process of micro-economic reform to make the delivery of their service or product more efficient, effective and competitive. Local government must be part of this process. In New Zealand the rationale for reforming local government was essentially economic: the abolition of inefficient economic practices in order to strengthen the responsiveness and flexibility of local government to modern challenges. The New Zealand Treasury provided the impetus for reform. The Treasury considered that reform was needed because of the inter-relationship between local government operations and central government funding, an institutionalised expectation that subsidisation was always going to continue and a judgement that local governments' real financial position was not being revealed.

**5.8** In many local authorities, particularly smaller rural shires, local government activities represent a significant proportion of employment, income and expenditure generation (see EARC report paragraph 3.54). Local government represents a significant proportion of Queensland's gross domestic product. Such an important sector of Queensland's economy cannot be excluded from the process of micro-economic reform without affecting the economic performance of the whole state. As EARC notes, local government in Queensland employs 28,114 people and had total outlays for all funds for the 1989/90 financial year of \$2,395,068,000 (EARC report paragraph 3.1).

**5.9** Thus the reform of local government boundaries is important not only to the particular local authorities involved, but also to the economic performance of the state as a whole. The importance of the reform process transcends purely local and regional factors, even though such factors must remain an important consideration.

**5.10** An argument against amalgamation which has been frequently put to the Committee is that amalgamated local authorities will be financially worse off than the prior existing councils, because they will attract diminished Grants Commission funding. For example the Local

Government Association of Queensland Inc said in its submission:

*Once amalgamated, the combined local authorities will receive less than the total grant currently received as separate LGA's [Local Government Areas]. This is the result of the constant amounts in Grants Commission equations. These constants effectively provide a "flagfall" amount per council which ranges from over \$250,000 in the case of LGA's less than 5000 population to around \$530,000 for those over 15,000, since there is no corresponding reduction on the revenue side of the equation.*

*To illustrate the point, one specific expenditure function is examined. In calculating the expenditure need for General Public Services the following equations are used by the Queensland Local Government Grants Commission ...*

*The loss from amalgamation would therefore be as follows:-*

*[Where Case A is Clifton/Cambooya and Allora/Glengallan/Rosenthal; Case B is Maryborough/Woocoo; Case C is Gympie/Widgee, Bundaberg/Woongarra and Gladstone/Calliope; and Case D is Townsville/Thuringowa and Mackay/Pioneer.]*

	CASE A	CASE B	CASE C	CASE D
1992/93 (53%)	\$127,000	\$193,000	\$215,000	\$265,000
1993/94 (64%)	\$163,000	\$248,000	\$276,000	\$340,000
1994/95 (76%)	\$194,000	\$295,000	\$324,000	\$404,000
1995/96 (88%)	\$224,000	\$341,000	\$380,000	\$468,000
1996/97 (100%)	\$255,000	\$388,000	\$432,000	\$532,000
<b>TOTAL LOSS OVER 5 YEARS</b>	<b>\$963,000</b>	<b>\$1,465,000</b>	<b>\$1,627,000</b>	<b>\$2,009,000</b>

*It must be recognised that the above figures are only approximate estimates of the changes that will occur. The major exception to the above estimate of lost grant entitlement is in the case of Mackay and Pioneer. In this case, the grant entitlement for Mackay is currently moving to the per capita minimum which acts as a "cushion" to the extent of fall that can take place. (At the present time, the methodology results in a negative grant result for Mackay at full implementation without the 30% minimum entitlement)*

*If amalgamated, this "cushion" no longer operates as the assessed "gap" will be in excess of the per capita minimum entitlement. Based on available information, the "gap" for a combined Mackay/Pioneer situation would reduce by approximately \$1.1 million at full implementation. The total loss of FAG in this situation at the time of full implementation (relative to what would have been received by the two separately at that time) would therefore be of the order of \$1 million.*

*There would be a minor change to the above estimates as a result of the redistribution effects from the reduction in grants to these amalgamated LGA's. Effectively, there would be an increased pool of about 2.5% to share amongst all LGA's, including those amalgamated.*

**5.11** The Committee notes that in advancing this argument, the Local Government

Association of Queensland Inc seeks to establish that EARC has omitted to consider a serious aspect of amalgamation, rather than to use a possible reduction in grants funds as an argument against amalgamation itself. In this regard, the Committee notes that in paragraphs 3.90 to 3.94 of its report EARC did present some analysis of the current impact of grants funding on local authorities. The Committee notes the argument that it would have been of assistance had EARC attempted an analysis of the potential impact on grants funding of the proposed amalgamations.

**5.12** In hearings and submissions, the possibility of reduced grants was a constant refrain from those who opposed EARC's recommendations for boundary changes. The Mayor of Maryborough, Alderman A Brown, asked the Committee in its hearing at Tinana on 10 December 1991, to recommend that a new local authority based on the city of Maryborough and the Shire of Woocoo receive an amount commensurate to that granted to the two abolished local authorities:

*Comments have been made in the media that the amalgamated council will receive less grants Commissions funds that if the two councils remained as separate entities. To date, information is not available from the State Government Grants Commission to confirm or deny this. Maryborough views with considerable concern any suggestion of a reduction in Commonwealth grants funding to an amalgamated council. Maryborough now seeks a firm assurance from the State Government that total Commonwealth Grants Commission funding to amalgamated councils will not be reduced below what would apply to individual councils if no amalgamations had occurred. This assurance should be for a period of at least six years after amalgamation.*

**5.13** The Widgee Shire Clerk, Mr S Slatter, told the Committee that two local authorities would receive more per capita than one amalgamated local authority because each local authority has a "base grant" that would disappear. In contrast, the Whitsunday Shire Council submitted that the likelihood of increased grants was another reason for the committee to endorse EARC's recommendation that it absorb the northern portion of Pioneer Shire.

**5.14** The Committee notes that Grants Commission funding for some urban councils partly compensates them for servicing surrounding rural areas. EARC's recommendations on boundary change will alleviate this need in some cases.

**5.15** The Committee notes the concerns in relation to the impact of the Grants Commission formula on the amalgamated local authorities; it would be an absurd result if application of such a formula was to result in fewer resources for residents of an amalgamated LA. The Committee recommends that the Minister for Local Government review the Grants Commission formula so as to ensure equitable funding for local authorities undergoing amalgamation.

### ***The Argument for Joint Arrangements***

**5.16** Another argument frequently put to the Committee in this review process was that EARC had not sufficiently considered the merits and possibilities of joint arrangements between local authorities, rather than amalgamation. For example, the Local Government Association of Queensland Inc said in its submission:

*Unfortunately, EARC appears rather reluctant to accept that recommendation of joint arrangements may well have been the first appropriate step in a number of*

*cases. It appears that it is only because Roma and Bungil demonstrated that they could negotiate an agreement that this case was left out of the amalgamation. Elsewhere comments are made on the lack of past co-operative arrangements and that "... the establishment and successful operation of a joint arrangement ... would require intervention by a third party." (p.236)*

*This statement suggests that such arrangements could be successful provided a third party assisted. It would be reasonable to think that EARC is a relevant third party and could have recommended alternative arrangements, just as it has proposed that the LABC fulfil such a role in the longer term. If, as EARC suggests, such arrangements could be established and operate successfully, then it is apparent that EARC has been deficient in its review.*

*Certainly in the case of the Cape York communities EARC has gone to great lengths to evaluate co-operative arrangements and propose a specific model. It could also have done so with mainstream situations.*

*This is clearly a major gap in the approach of EARC to its task. A major thrust of State Government policy is to place greater responsibility on local government for decision making on matters relevant to the local area.*

*It would have been preferable for EARC to adopt an approach which placed the first responsibility with local government to achieve resolution of issues raised.*

*The LGAQ submission to EARC contained considerable information on models of joint arrangements and the Parliamentary Committee may wish to refer to this when considering the above comments on the need for joint arrangements to be adequately considered before resorting to amalgamations or major boundary changes. EARC unfortunately gives too much weight to past failures rather than looking at the issue in the light of changes taking place within the local government sector. In the case of Cape York issues, consideration of past performance alone would not have led EARC to its recommendations regarding joint arrangements. In this case EARC studied the current situations and looked at the potential benefits through effective joint arrangements.*

**5.17** The Committee accepts that there are considerable advantages in joint arrangements, as EARC itself noted in its report. In some situations, as in the Roma/Bungil case, where there has been a history of successful co-operative activity, joint arrangements may be a viable alternative to amalgamation.

**5.18** In many cases, however, that history is completely lacking, and instead the record shows a history of mistrust and lack of co-operation. The Committee is not convinced that this trend will suddenly disappear and be replaced by a blithe spirit of co-operation, simply because local authorities now faced with amalgamation say that they are willing to accept joint arrangements as the lesser of two evils. In the Committee's view, there has been little of the fundamental change in attitude that would be necessary to make joint arrangements successful.

**5.19** The Committee also has some philosophical concerns about joint arrangements, and notes the comments of Alderman J Cunningham, Mayor of the Bundaberg City Council, given at the public hearing in Bundaberg:

*... the move to have a joint committee looking after the various services is the one*

*reason that I am very much for amalgamation because I think that while a council can operate efficiently and provide the services that are required by its ratepayers, and they can provide those efficiently, then they should be allowed to continue. But when they have got to lean on other councils and have joint committees to provide basic services like water, I think that they really should be amalgamated. Also, by having joint committees looking after these things, particularly water which is such an emotional issue with most people - by having a joint board to look after that, the people have lost their democratic right to elect or put out somebody on that board who is making decisions that they are not in favour of, or against their wishes. So, they are the two reasons I am against them.*

**5.20** The Committee notes two basic models of joint arrangements. The first involves the appointment of a board or commission with representatives from two or more councils, which simply has the power to send recommendations about areas of joint activity back to those councils. The second involves a similar structure which has vested in it the decision making power of its constituent councils in respect of some area and which involves the loss of that decision making power from those councils. The problem which arises in respect of the first model is that the recommendations of the joint board can be ignored by councils without penalty; thus leading to no resolution of the original problem. Whilst the second model overcomes this problem, it removes accountability from the decision making process: the decision makers are no longer elected representatives and it is unclear to whom they are accountable.

**5.21** The Committee received many other submissions on joint arrangements and resource-sharing. It notes also that the latter concept, although promoted vigorously by some councils in their submissions, is not yet common among Queensland councils.

**5.22** The Committee can only be frankly sceptical at the sudden enthusiasm for joint arrangements expressed in submissions from the Thuringowa, Rosenthal and Woongarra Councils to the Committee in hearings, submissions and by letter after the February 1992 LGAQ special conference. The Committee welcomes the prospect that these councils have had such a dramatic attitudinal change. These councils in the past decade have demonstrated an inability to reach agreement with their neighbours on matters as essential to their ratepayers as water supply, but, post-EARC, appear converts to understanding, co-operation, consultation and contribution for cross-servicing; however, Dr Clark considers that despite the problems inherent in achieving successful joint arrangements, the amalgamations recommended by the Committee should proceed only if the Minister for Local Government is satisfied that the problems identified by EARC cannot be resolved by voluntary cooperation between councils including joint arrangements, resource sharing, cost sharing, regional planning, advisory committees or any other cooperative arrangements.

**5.23** The Committee notes suggestions from several witnesses in its hearings that the state government can be of some assistance in brokering such arrangements. It also notes the part played by the Victorian Local Government Commission in arranging joint-staffing and administration for the Tullarook and Bet Bet Shires and assisting in those councils' efforts to improve their performance.

**5.24** In particular, the Committee appreciates the worth of the evidence of Mr R Edwards, Queensland president of the Institute of Municipal Management, who saw a potential facilitatory role for the proposed on-going boundaries review mechanism:

*In the past, the Local Government Department used to look at these things. What is the role of the Local Government Department? I think that is a big thing the public sector management committee is looking at. In New South Wales, previously in the Local Government Department they had senior officers who could go to local authorities and sort a lot of these problems out. If the Local Government Department is not going to do that, somebody has to pick the role up.*

**5.25** The Committee emphasises that it does not see joint arrangements as a substitute for logical boundaries, or as a cure for local authorities which are not viable, or as an alternative to necessary amalgamation where there are overriding issues of good planning and development involved. It does see such arrangements as necessary for neighbouring local authorities where functions cross rational boundaries.

**5.26** The Committee thus adopts the suggestion that the proposed on-going boundaries review mechanism have a role in either initiating or facilitating joint arrangements in those circumstances. The Committee discusses this further in Chapter 6.

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## **6. AN ON-GOING BOUNDARIES REVIEW MECHANISM**

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**6.1** EARC in both its report on the *Local Authority Electoral System of Queensland* and its *Report on Local Authorities External Boundaries Review* recommended an independent body be established to review and monitor local government electoral and boundary matters. The Committee, in its report on *Remaining Matters arising out of the EARC report on the Local Authority Electoral System of Queensland* tabled 25 June 1991, endorsed in principle this recommendation (paragraph 3.10.4).

**6.2** In paragraph 19.121 its report on external boundaries, EARC recommended the establishment of an on-going boundaries review mechanism:

*The Commission recommends that:*

- (a) *a permanent Local Authorities Boundaries Commission be established to examine external boundary matters;*
- (b) *the Commission consist of five members qualified as prescribed, being a Chairman and four other part-time members, appointed by the Governor in Council, on the recommendation of the Minister, by notification published in the Queensland Government Gazette;*
- (c) *a person qualified for appointment as a member of the Commission is one who has extensive knowledge and experience in one or more of the following areas:*
  - *Local government;*
  - *Industrial relations in Local Government;*
  - *Law;*
  - *Public finance; and*
  - *Community affairs.*

*and at least one member with Aboriginal or Island Council experience when the boundaries of an Aboriginal or Island Council are being considered;*

- (d) *the LABC prepare a three year review programme for the Minister's approval based upon:*
  - (i) *matters referred by the Parliament or the Minister;*
  - (ii) *matters raised by any LA;*
  - (iii) *any matters identified in the course of EARC investigation, particularly the priority cases referred to in paragraph 19.110 above; and*
  - (iv) *any other boundary issue considered appropriate by the LABC;*
- (e) *the LABC adopt the public consultation mechanisms developed by EARC and any other mechanism the LABC considers appropriate;*

- (f) *the LABC report to the Minister on the outcome of each review and the Minister table the report in Parliament as soon as practicable;*
- (g) *the LABC be vested with compulsive powers to require the production of information;*
- (h) *the LABC be subject to statutory criteria as discussed in paragraph 19.116; and*
- (i) *the LABC review the implementation of any recommended boundary change after five years to monitor whether predicted benefits are being realised.*

**6.3** EARC also recommended certain priority cases and other matters be referred to the LABC (Local Authorities Boundary Commission) for consideration. These are:

*In addition, the LABC should be authorised to examine any boundary proposal arising from this review, in particular any matters identified by this commission as priority cases for the LABC, namely:*

- (a) *Cairns/Mulgrave;*
- (b) *Ipswich/Moreton;*
- (c) *Aurukun; and*
- (d) *Jondaryan/Pittsworth/Oakey.*

*The Commission further recommends that the remaining matters raised by Jondaryan and Pittsworth Shires be referred to an on-going boundaries review mechanism for review (paragraph 19.110).*

**6.4** EARC also recommended other matters for consideration by the LABC:

*The performance of the agreement be monitored by an on-going boundaries review mechanism and if the arrangement proves unsuccessful, the question of amalgamation of Roma Town and Bungil Shire be reviewed again (paragraph 9.111).*

*The Commission further recommends that the question of the possible future excision of the western part of the new Maryborough City, and its amalgamation with the adjoining Biggenden Shire, be referred to an on-going boundaries review mechanism for examination (paragraph 11.126).*

*The Commission also recommends that Recommendation 29 of the Report of the Commission of Inquiry into the Conservation, Management and use of Fraser Island and the Great Sandy Region, be referred to an on-going boundaries review mechanism for examination (paragraph 11.127).*

*The Commission further recommends that an on-going boundaries review mechanism consider whether the southern part of the proposed Bundaberg City, particularly that area south of the Elliott River, would be better serviced by Isis Shire (paragraph 12.152).*

*The Commission further recommends that the common boundary of the new LA of Townsville City and Hinchinbrook shire, including the relevant off-shore islands, be referred to an on-going boundaries review mechanism (paragraph 13.170).*

*The Commission further recommends that in the event of amalgamation, the on-going boundaries review mechanism considers whether any areas of the former Calliope Shire should be transferred to neighbouring rural Shires (paragraph 14.121).*

*The Commission also recommends that the common boundaries of the new LA of Mackay with Mirani and Sarina Shires be referred to an on-going boundaries review mechanism for examination (paragraph 15.136).*

*The Commission further recommends that the proposal by Aurukun Shire Council (S1307), modified by excluding the town of Coen and its environs (T2366), should be examined by an on-going boundaries review mechanism as a priority case (paragraph 16.149).*

**6.5** The LABC was the subject of a number of submissions received by the Committee.

**6.6** The Mayor of Mackay, Alderman G Williamson, spoke of the need for a body like the LABC at the Committee's hearings at Calen on December 12 1991. He said of EARC's recommendation that a new authority replace the City of Mackay and the Shire of Pioneer:

*Now if there had been an ongoing boundary commission over the last 30-odd years, perhaps we would not have arrived at this rather traumatic year this year as far as changing a lot of the boundaries in Queensland ...;*

and:

*There has been a history of boundary change in Queensland. That was stopped, and what we are saying is that we endorse the ongoing boundaries commission because that will probably alleviate this sort of thing happening in the future.*

In Mackay's City Council's formal submission to the Committee (no. 2199), the council endorses EARC's proposal:

*The criteria outlined in the EARC report in relation to this issue appears a very sound solution to the problem of accomplishing incremental change, which it is suggested is far preferable to the State-wide review and boundary change.*

**6.7** The Pioneer Shire Council, which opposes amalgamation with Mackay City, requested that its case - if the Committee saw merit in EARC's recommendation for amalgamation - go to a body such as the LABC for fuller review. The Council similarly suggested other major cases be held in abeyance for a fuller review.

**6.8** The Aramac Shire Council took the view in its submission to the Committee (no. 1042) that if an LABC was to be established, it should review all local authorities' boundaries.

**6.9** The National Party of Australia (Queensland) supports the concept of an LABC in its submission (no. 1404). The Secretary, Mr Ken Crooke wrote:

*The NPAQ supports the establishment of a permanent Local Authorities Boundaries Commission to examine boundary matters and to review the recommendations on boundary changes and amalgamations put forward by the*

*Commission.*

**6.10** The Flinders, Isis and Taroom Shire Councils all opposed the establishment of an LABC, arguing that changes should be made on the basis of agreement or be arbitrated by an independent body as suggested by the Local Government Association of Queensland. The Waggamba Shire Council in its submission (no. 1421) complains of the number of "secondary" boundary changes EARC has referred to an LABC after implementation of its major recommendations.

**6.11** The Local Government Association of Queensland Inc proposed an alternative to a LABC. The LGAQ president, Councillor J Pennell, suggested to the Committee at a public hearing on 18 December 1991 that if councils could not reach agreement, a non-permanent local authority arbitration body - "LAAB" - could be established.

**6.12** Cr Pennell described this as an overriding principle in the LGAQ's response to the EARC report. He said:

*Establishing an effective process for ongoing review that supports the development of an accountable local government sector with appropriate autonomy is important. The LGAQ recommends that:*

1. *Where the involved local authorities initiate and agree on boundary changes these should, as a general principle, be implemented without interference by the State Government.*
2. *Should councils not be able to reach agreement on changes proposed by:*
  - *any one council;*
  - *a poll of electors requesting an investigation;*
  - *the Minister for Housing and Local Government;**then the non-permanent LAAB be established to develop options for consideration including comprehensive cost benefit analysis in social and economic terms and to make recommendations to the Minister; and*
3. *An amalgamation of councils or boundary changes in the terms I have stated recently in relation to the 10 percent.*

*The proposed LAAB, the association believes, should consist of-*

1. *three elected members of local government in Queensland appointed by the LGAQ, including at least one member with Aboriginal or Islander Council experience where the boundaries of an Aboriginal or Islander Council are being considered, one of whom shall be the chairperson;*
2. *one member of, and appointed by, the Institute of Municipal Management, IMM; and*
3. *one Government representative appointed by the Minister.*

*This approach would be more consistent with the need for the local government*

*sector to act accountably and effectively manage its own affairs with minimal external control and regulation. The LGAQ also proposes that the costs of the LAAB be borne-*

- 1. by the State Government if the proposal is initiated by the State Government or by a poll of electors;*
- 2. by the council initiating the proposal if, in the opinion of the LAAB, the proposal is frivolous; and*
- 3. by the State Government, 50 per cent, and by the councils involved, 50 per cent - this amount to be shared between or amongst the councils involved - in all other cases.*

**6.13** Cr Pennell said:

*This would emphasise local accountability and responsibility for costs imposed by local decisions. There is, however, a need for State financial contribution to redundancy and retraining programs where changes impact on human resources as is proposed by EARC.*

**6.14** In the hearing, a consultant to the LGAQ, Mr A Morton, clarified how an LAAB would operate:

*I think that what we have said is that there will be difficult cases where the councils cannot work, and this Local Authority Arbitration Body would come in. Its job would be to make sure that it did its investigations and produced the information that will inform the community so that when the community gets to the stage of saying, do we agree or disagree?, they are informed and not misinformed.*

**6.15** Cr Pennell compared this proposal to that of the LABC:

*If there is a permanent organisation or a permanent set-up, sometimes there is a need to justify its existence - and going around looking for problems that do not exist, too. We think that such a body should be called in as needs be, and that membership should vary. It should also be strictly assessed for any conflict of interest - I nearly said "pecuniary interest", but that was not what I meant. A board that might be appropriate in one sector might be totally inappropriate in another sector.*

**6.16** The LGAQ director, Mr G Hoffman, proffered his opinion that:

*I do not necessarily see a significant difference in terms of the outcomes between what we are recommending and what EARC recommended, but it was the triggering point that was the significant issue.*

**6.17** The Institute of Municipal Management Queensland president, Mr R Edwards, had a contrary view to the LGAQ. He told the Committee hearing on 18 December:

*I have always felt for a long time that there should be some investigative body that can look at these problems. In the past when local authorities wanted more territory they wrote to the Minister for Local Government. He did an*

*investigation and sent some officers up. They talked it over with the council. They might have made a recommendation to the Minister. Then the Minister receives the representation from the elected representatives and they are at loggerheads straight away. The people do not want to be taken over. I think you mentioned this earlier. People want to take local authorities over and vice versa. They can never agree. So there has got to be some arbitrary body that can say, we have looked at all the angles and we think this is the best way to operate.*

**6.18** Mr Edwards, when asked about LGAQ opposition to a permanent review body like the proposed LABC, commented:

*I think that the first duty for the boundaries commission would be to look at all of the problem areas identified by EARC, and I could see that the boundary commission would be very busy for the first four or five years until all those problems were solved. They would have to have a definite time-table in which to solve them, say within two or three years. It cannot be an on-going thing for 10 years. It gets back to what you just said, that they cannot justify their own existence. I think later on after four or five years down the track, it is working successfully the time then would be to have another look at it to see whether it should be reconstituted or changed in some way. However, to set up a permanent boundaries commission for ever and a day I think is an impossible dream. I do not think that it is needed or required.*

**6.19** Mr Edwards said he was ambivalent about whether much needed change should be implemented by a body like the LABC or the Department of Local Government. Specifically, he said:

*I would like to see it done in the Local Government Department. There are benefits, I suppose, in an independent commission not tied up in the any way with the Local Government Department. So I suppose I am 50-50 each way. I can see benefits on both sides.*

**6.20** Mr Edwards said some of the problems of local government had not been solved because local government resentment of state government interference meant reform was not proceeded with:

*As I said before, I think local government is still subservient to the State. Big Brother is there, handing out the medicine and saying, "You take this medicine. It's good for you and it will make you feel better". However, local government would perhaps have liked to have seen something happen since 1928. There was that royal commission into boundaries which made certain recommendations, but no Government of the day, I understand, was game enough politically to do anything about it, so it just went into the too-hard basket and went on and on and on.*

**6.21** Mr D Tucker, Senior Lecturer in Government at the University of Queensland, submitted to the Committee his opposition to an on-going boundaries review commission (no. 2828). Mr Tucker's view is that the Department of Local Government can perfectly well implement necessary change.

**6.22** The Mulgrave Shire Council, in its submission to the Committee (no. 2104), took issue

with being placed on a priority list, coupled with the Cairns City Council, for an LABC or other ongoing permanent boundaries commission to investigate. It suggested Toowoomba City/Crows Nest Shire or Rockhampton/Livingstone Shire would be more appropriate cases for review. Mulgrave was against what it calls "predator councils" who seek amalgamation with neighbours. It said being listed "was disturbing". The Committee acknowledges several submissions that the southern part of Mulgrave Shire be referred to an on-going boundaries review mechanism to determine whether it has a greater community of interest with Johnstone Shire.

**6.23** In its submission to the Committee (no. 2891) the Cairns City Council concurred with EARC that the boundaries issue in Cairns/Mulgrave should be reviewed with priority. The council noted that issues of concern in the area include:

*Differences between town planning schemes, conflicting by-laws and policies, duplication of administration, staffing, infrastructure, physical and social services and different franchisement of half of the "cities" residents from participation in the local democratic process. Opportunities to broaden services and improve resource utilisation efficiency are also denied as a consequence of the present boundaries and our failure to rationalise them.*

**6.24** Whilst the Cairns City Council agreed on the need for a review of boundaries in the area, it expressed concern that EARC's recommendations for the establishment of an LABC could lead to delay in such a review. It suggested therefore that a review be immediately commissioned by the state government on "the future of Cairns City and Mulgrave Shire as separate councils, and as a combined Cairns/Mulgrave" and that this review be completed within the 1992/1993 financial year so that it could then form the basis of a "full and positive community consultative process".

**6.25** The Ipswich City Council gave its view:

*A permanent Local Authorities Boundaries Commission would be self defeating as such a Commission would have to continually recommend changes in order to justify its own existence. Council is concerned that the ever-present threat of external boundary change could undermine the stability of Local Authorities and take away the certainty of long-term planning by such Local Authorities.*

**6.26** The Moreton Shire Council submitted to the Committee (no. 1472) its support for the LGAQ position and opposed an ongoing boundaries review mechanism.

**6.27** One Moreton Shire Councillor took another view. Councillor P James made two submissions - one as an elected representative and one as the Ipswich Chamber of Commerce President (no. 1397). He favours consideration of Ipswich/Moreton by an ongoing boundaries review mechanism and considers that a joint Ipswich/Moreton Council would be more efficient, would represent the area more effectively and ensure greater planning and co-ordination. He also foresees an ongoing boundaries review mechanism considering a new local authority based on the Camira/Gailes/Goodna area.

**6.28** Mr K Mulcahy similarly made two submissions on Ipswich/Moreton to the Committee. As Ipswich Region Development Corporation president (no. 1977), Mr Mulcahy expresses his view that amalgamation would ensure the future of the city and give the shire a "civic heart". As manager of Radio Q-FM (no. 1738), he notes that the majority of new Moreton residents look to Brisbane rather than Ipswich because of the lack of regional identity.

**6.29** The Karana Downs Progress Association President, A E Nobbs submitted to the Committee (no. 2067) that if a LABC is established it should have a public hearings procedure and hold a poll of affected ratepayers before change is implemented.

**6.30** The Cook Shire in a submission to the Committee (no. 1422) concurred with EARC that the boundaries of the Aurukun Shire should be reviewed by a body like the proposed LABC.

**6.31** The Committee considered at some length whether EARC adopted the right model in its proposed Local Authorities Boundaries Commission. To this end, the Committee, as did EARC, looked at other models in New South Wales, Victoria and New Zealand as part of its deliberations.

**6.32** In particular, it questioned whether the LABC should be determinative or merely advisory, permanent or temporary, "problem solving" or "arbitrary", quasi-judicial or executive in nature.

**6.33** EARC reports that local government in Queensland currently is characterised mainly, but not exclusively, as having a "central superintendent role", that is, local government exercises delegated powers and functions established by and accountable to the state. EARC reported there were, perhaps, other models to assist the administration of local government that were preferable. It canvassed the alternatives, namely, a "local sovereignty model", a "local populism model", an "expert commission model" (EARC report paragraphs 19.7 to 19.10). The local sovereignty model views local authorities as multi-purpose models whose representatives make political choices between conflicting policy demands and service priorities.

**6.34** EARC reports one of the results of the current government approach to local government in Queensland is:

*The policy of the State government in the past of not effecting boundary change without the agreement of all LAs involved, reflects to some extent the philosophy underlying the Local Sovereignty model.*

**6.35** EARC in its analysis of evidence concluded:

*It appears therefore that no review body in another State can review boundaries of its own initiative. Matters must be referred by a Minister or LA. New Zealand's Local Government Commission, however has the ability under Section 37(x) of the Local Government Act 1974-89 to consider and report both on matters referred to it by the Minister and matters relating to Local Government which it considers appropriate (paragraph 19.50).*

**6.36** The Committee notes that almost all submissions to EARC suggest such a body should be totally independent. The Committee's own investigations indicate that the independence of Sir Brian Ellwood's Local Government Commission in New Zealand was central to effecting meaningful rationalisation of local government in that country.

## **Findings**

**6.37** The Committee believes an independent body like the LABC with initiating power could enhance Queensland local government administration. Based upon its investigations in other jurisdictions, the Committee considers that such a body can act as a broker for responsible reform, not merely on the drawing of boundaries, but also as the LGAQ submission suggested, on issues of resource sharing, dispute resolution and joint arrangements. The Committee sees that this brokerage role could extend to initiating, facilitating and monitoring joint arrangements in cases where regional functions overlap logical local government boundaries.

**6.38** The Committee endorses EARC's recommendations for an LABC subject to the change it recommends to EARC's principles and indicators in Chapter 4, and subject also to the requirement for the undertaking of a cost benefit analysis where amalgamation is recommended. The Committee emphasises that the LABC's function should be to advise the Minister rather than having a determinative role. Ultimately it is for governments and not commissions to govern.

**6.39** The Committee has taken particular note of the submissions to it regarding whether or not the LABC should be a permanent body. The Committee accepts that because little assessment of boundaries has occurred during the last six decades, there is at this stage a need for a permanent full-time body to undertake that assessment. Once a comprehensive assessment has been performed, however, it may be preferable that future changes to boundaries be a function of the Department of Housing and Local Government. Alternatively, it may be the case that such functions should remain with an LABC, but perhaps a part-time LABC. In any event, the Committee considers that this matter should be reviewed no later than five years after the establishment of an LABC. Such a review could be conducted by the LABC itself on a similar basis to the review which the Public Sector Management Commission must conduct under section 2.15 of the *Public Sector Management Commission Act 1990*, that is:

*2.15 Commission's duty to report. It is the duty of the Commission -*

...

(b) *Within six months of furnishing the reports prescribed by paragraph (a) to furnish a report to the Minister concerning the activities of the Commission since its establishment and whether or not it is necessary for the Commission or some similar body to continue to exist and related matters.*

**6.40** Alternatively such a review could be conducted by an independent body, such as an appropriate Select Committee of the Parliament.

**6.41** The Committee recommends that a Select Committee of the Parliament review the operations and functions of the LABC after five years, having regard to the activities of the Commission since its establishment and whether or not it is necessary for the Commission or some similar body to continue to exist, and related matters.

**6.42** The Committee endorses EARC's referrals (set out below), including priority cases, to the LABC save for that of Townsville and Hinchinbrook (which is referred to in Chapter 14):

*In addition, the LABC should be authorised to examine any boundary proposal arising from this review, in particular any matters identified by this commission as priority cases for the LABC, namely:*

- (a) Cairns/Mulgrave;
- (b) Ipswich/Moreton;
- (c) Aurukun; and
- (d) Jondaryan/Pittsworth/Oakey.

*The Commission further recommends that the remaining matters raised by Jondaryan and Pittsworth Shires be referred to an on-going boundaries review mechanism for review (paragraph 19.110).*

*The performance of the agreement be monitored by an on-going boundaries review mechanism and if the arrangement proves unsuccessful, the question of amalgamation of Roma Town and Bungil Shire be reviewed again (paragraph 9.111).*

*The Commission further recommends that the question of the possible future excision of the western part of the new Maryborough City, and its amalgamation with the adjoining Biggenden Shire, be referred to an on-going boundaries review mechanism for examination (paragraph 11.126).*

*The Commission also recommends that Recommendation 29 of the Report of the Commission of Inquiry into the Conservation, Management and use of Fraser Island and the Great Sandy Region, be referred to an on-going boundaries review mechanism for examination (paragraph 11.127).*

*The Commission further recommends that an on-going boundaries review mechanism consider whether the southern part of the proposed Bundaberg City, particularly that area south of the Elliott River, would be better serviced by Isis Shire (paragraph 12.152).*

*The Commission further recommends that the common boundary of the new LA of Townsville City and Hinchinbrook shire, including the relevant off-shore islands, be referred to an on-going boundaries review mechanism (paragraph 13.170).*

*The Commission further recommends that in the event of amalgamation, the on-going boundaries review mechanism considers whether any areas of the former Calliope Shire should be transferred to neighbouring rural Shires (paragraph 14.121).*

*The Commission also recommends that the common boundaries of the new LA of Mackay with Mirani and Sarina Shires be referred to an on-going boundaries review mechanism for examination (paragraph 15.136).*

*The Commission further recommends that the proposal by Aurukun Shire Council (S1307), modified by excluding the town of Coen and its environs (T2366), should be examined by an on-going boundaries review mechanism as a priority case (paragraph 16.149).*

The Committee also recommends that the LABC consider:

- Gold Coast/Albert as a priority case.
- The Dalveen area following the Stanthorpe Shire Council's submission

that its residents may have a community of interest "and be more comfortable" with it than an extended Glengallan Shire.

- Whether the Palooma Dam should be transferred to the new local authority of Townsville.
- Fraser Island.
- Monitoring the consultative mechanisms in Cape York.
- Whether the communities of Aldershot and Riverview should be transferred from Hervey Bay to Maryborough.

**6.43** The Committee recommends that Gladstone/Calliope be considered by the LABC if the pending land use study endorses Carrara/Aldoga as suitable for industrial use.

**6.44** The Committee recommends boundary adjustments where local authorities reach complete and voluntary agreement on boundary change as in the cases of:

- (a) Gladstone/Calliope where both councils agree Heron, part of Curtis and other offshore islands should be transferred;
- (b) Townsville/Hinchinbrook where the two local authorities are in accord on a transfer of responsibility for off-shore islands; and
- (c) Albert/Gold Coast where the two councils accept the transfer of the suburb of Tugun Heights as sensible.

The Committee elaborates on its reasons for these changes in Chapters 7, 14, 15 and 19.

**6.45** The Committee further recommends that final responsibility for boundary change remain within the jurisdiction of the Governor in Council upon the advice of the Minister for Local Government.

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## **7. LOGAN/BRISBANE**

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### **7.1** EARC notes in paragraph 5.1 of its report:

*The Commission decided to examine the proposal involving Brisbane as a priority case principally because it had been the subject of lengthy unresolved negotiations between two of the largest LAs in Queensland.*

### **7.2** EARC recommended:

*The Commission recommends that the boundary of Logan and Brisbane Cities be altered, as indicated on Map W.2 of Appendix W:*

- (a) at Rochedale, to include Reserve No 2775 Priestdale Road currently in Logan City in Brisbane City;*
- (b) at Underwood and Kuraby, to extend the existing boundary west along Underwood Road, from Logan Road (Pacific Arterial Road) to the intersection of Underwood Road with Millers Road, the boundary to then follow Millers Road south including the unformed Millers Road) to Compton Road to the existing boundary;*
- (c) at Karawatha, to extend the existing boundary where it intersects Compton Road west to the intersection of Acacia Road with Compton Road, the boundary to then follow Acacia Road south to its intersection with the existing boundary; and*
- (d) at Karawatha, the Logan City boundary be extended at the south-west corner of R 2160 (Elm Park) in Elm Avenue, westwards to include all the subdivisions north of Garfield Road; the boundary to then run south to Wembley Road, to include all the subdivisions north of Wembley Road in the vicinity of Garfield Road and Charles Avenue; the boundary to then follow the northern side of Wembley Road, generally south westerly to the Logan Motorway; the boundary to then follow the Logan Motorway west along the centre of the Logan Motorway to the Sydney-Brisbane Railway Line at Parkinson, to then follow the Sydney-Brisbane Railway Line south along its eastern boundary to where it intersects the existing Logan/Brisbane boundary at Johnson Road (paragraph 5.65).*

**7.3** The Committee notes EARC received 60 submissions on this matter and held a public hearing in Logan City on 11 June 1991.

**7.4** Members of the Committee had previously visited the Logan City Council to discuss matters relevant to electoral and administrative review on 18 October 1991. The Committee received 23 submissions and held a public hearing with the Logan and Brisbane City Councils on 19 December 1991.

**7.5** Alderman S Ayling of Logan City told the Committee:

*Looking at their rationalisation and recommendations we, whilst agreeing with the majority of it, found what we would perceive as being flaws.*

**7.6** Ald Ayling supported the concept of the Logan Motorway as a boundary:

*The importance going right through is to actually give us some defined boundary in the first instance between Logan and Brisbane. The second one is to continue a green belt running as far as we can.*

**7.7** Ald Ayling specified the placement of the Trinder Park Rest Home in Brisbane City as illogical:

*The rest home itself has all services from Logan City: water; sewerage; the road system is through Logan City. They have no way of accessing Brisbane except through Logan City yet they are actually in Brisbane City. We would prefer and they themselves would prefer to be in Logan City.*

**7.8** Ald Ayling argued Trinder Park residents had a greater community of interest with Logan:

*It is not just that Logan supplies their services. The majority of people that reside there come from Woodridge and the Logan City area. They are orientated towards Logan. All their shopping is done in Logan. Our aged care facilities - they utilise them in Logan. Everything that they do is in Logan.*

**7.9** The Committee received a petition from residents of Trinder Park Rest Home requesting boundary change.

**7.10** Ald Ayling said that transferring just Trinder Park would mean an irregular boundary, and that Logan and Brisbane could implement a joint management arrangement for Karawatha Forest.

**7.11** Ald Ayling thus requested boundary change to transfer part of the Karawatha forest to Logan. He told the Committee:

*We do have, as indicated, some concerns with regard to Karawatha, and we believe that a working party can work. Knowing the workings of local government as I do, I believe by having it actually split - this is my own personal opinion - there is less chance of anything ever occurring in the Karawatha area.*

**7.12** In Logan City Council's formal submission to the Committee (no. 1705), it argues that the failure to include Trinder Park in Logan would "ignore significant people-orientated principles".

**7.13** Logan City Council also submits that the transfer of Drewvale and Parkinson reflect good planning and logical boundaries. The submission notes that Brisbane City Council's land ownership should not be considered when implementing EARC principles.

**7.14** Ald Ayling acknowledged in the hearing that EARC's recommended boundary changes would place a large parcel of Brisbane City Council land in Logan:

*After thinking about it, I have seen that Brisbane City has never been hesitant in taking rates off Logan for the land that Logan owns in Brisbane, so I cannot see the problem in reversing that trend.*

**7.15** He also drew the Committee's attention to the need for several cadastral changes necessary to avoid the splitting of individual properties at the end of Garfield Road.

**7.16** Ald Ayling's view was that EARC should have drawn boundary lines around the edge of properties:

*To rationalise that we then looked to the various lots running down from the rest home to Wembley Road, and therefore bringing, hopefully, Wembley Road fully into Logan Road. That does make quite considerable sense instead of that road being split between two local authorities.*

**7.17** He said land that carries Brisbane City vegetation protection orders would, on transfer, be immediately placed under Logan City tree preservation orders.

**7.18** The Deputy Mayor of Brisbane, Alderman J Campbell at the Committee's hearing, also endorsed the principles of boundary change:

*We would like to make it plain as a council we support the concept of reform of boundaries. We do not believe that the present boundaries over Queensland should be set in stone, so we support the concept of reform and review.*

**7.19** He agreed with EARC that Underwood, east of Acacia Road and part of Berrinba should be transferred to Logan City.

**7.20** He took issue, however, with the proposals to transfer the areas of Berrinba, north of Wembley Road, Drewvale and Parkinson south of the Logan Motorway to Logan City.

**7.21** Ald Campbell expressed the view that EARC's use of the motorway as a boundary was inconsistent with its decision that the Pacific Highway should not be a boundary.

**7.22** He argued that the current boundary should be retained as both Drewvale and Parkinson, while having mixed uses, were planned as part of Brisbane's buffer zone. In evidence, he told the Committee:

*Central to Brisbane's submission has been the concept of non-urban buffer zones. The Lord Mayor has had a commitment to reduce urban sprawl and to protect our environment to ensure that our future growth does not reduce our quality of life or destroy our environmental treasures ...*

and:

*The Commission acknowledged that for many years Brisbane City has planned this area as part of a buffer zone and has established its credentials in properly managing the area. We support the retention of the area.*

**7.23** Ald Campbell further argued:

*The Commission does recognise the veracity of Brisbane City's strategic planning for non-urban buffer zones within its boundaries, but does not appear to fully understand the concept. As outlined in our June submission to EARC, non-urban buffer zones are a fundamental component of the strategic planning of the City of Brisbane. The Commission wrongly assumes that a buffer is an area of high ecological significance and must be retained in a natural state for perpetuity. The Brisbane City Council's buffer concept include such areas as Karawatha which has high environmental significance, as well as other open space areas both in the conservation and open space zones. It also includes low-density rural residential areas which are called non-urban, and slightly higher-density rural residential zones, and areas to be protected by the recently gazetted vegetation protection orders which, I might add, are significantly better from the point of view of preservation of habitat than Logan's tree preservation ordinances.*

**7.24** Ald Campbell rejected Logan's submission on joint management of Karawatha Forest:

*I would like to comment briefly in regard to Trinder Park which is in that area and was mentioned by Logan as a reason why they should be taking a greater chunk of the Karawatha forest. We believe that is a nonsense. We think the integrity of the whole Karawatha forest should be retained, and Brisbane City Council would be the appropriate planning authority. We do not believe that because one establishment is draining into and has its toilets flushing and going in the direction of Logan is not a valid reason for taking the planning of that area away from Brisbane.*

**7.25** The Brisbane City Council's Director of Environmental Management, Mr P Nichols, told the Committee that retention of the areas south of the Logan River assisted in the maintenance and management of an ecological link or corridor from Karawatha to Greenbank which was of importance for the koala population.

**7.26** Mr Nichols said part of Berrinba, north of Wembley Road, should be retained in Brisbane as part of the corridor. He described the areas in question as a "valuable transitional buffer zone that effectively protects the integrity of the Karawatha forest".

**7.27** In particular, he argued that EARC had made a mistake in its reasoning for transfer:

*In regard to Drewvale, area 7, again the Commission is wrong to assume that a buffer has to be green and natural - that is, totally preserved in its natural state. The area is an important part of Brisbane City's non-urban buffer concept and is*

*zoned rural residential.*

**7.28** Mr Nichols also rejected the suggestion that the two local authorities could jointly control Karawatha:

*Quite frankly, a joint arrangement is not as efficient as under our control. We have got a single unitary planning arrangement that has been set out as part of the buffer of the extremity of Brisbane and therefore fits into our strategy.*

**7.29** In a subsequent formal submission to the Committee, the Lord Mayor of Brisbane, Alderman J Soorley (no. 2903), writes that "representatives from Brisbane City Council and Logan City Council have held discussions in an attempt to resolve the boundary issues between the two cities."

**7.30** Ald Soorley submits:

*It was agreed that the two councils should first identify and resolve issues of preferred land use and then agree on boundary lines.*

*The land use strategy attached was developed by Brisbane City in consultation with Logan City planners. Unfortunately, however, while the plan has been endorsed by the Brisbane City administration and Logan City planners, the Logan City administration has been unable to resolve its internal political differences and either endorse the plan or offer a cohesive alternative.*

*Brisbane City Council is the only local authority with the planning and financial resources to achieve a land use outcome in the region which satisfies economic, employment and conservation objectives.*

*Brisbane re-affirms its commitment to retaining Drewvale, Parkinson, Larapinta and Berrinba, north of Wembley Road. We emphatically reiterate our desire to see the Brisbane City Council owned lands in Parkinson (202 ha) retained within Brisbane City. We also restate our willingness to transfer lands at Underwood, Acacia Road and Berrinba, to Logan City.*

**7.31** Ald Soorley notes that Brisbane City Council plans to purchase privately held lands at both Karawatha and Parkinson with money raised from its "green levy" on ratepayers.

**7.32** Ald Soorley records that Brisbane and Logan planners met on 6 January 1991, where it was agreed that Trinder Park Rest Home be transferred to Logan.

**7.33** Ald Soorley also records that further agreement was not able to be reached in a meeting between him and Alderman R Golledge, Mayor of Logan, on 30 January 1992.

**7.34** Mr L Ardill MLA for Salisbury also submitted (nos. 32 and 1975) to the Committee that EARC's recommendations regarding Drewvale and Parkinson should be re-considered. Mr Ardill suggested these areas remain in Brisbane.

**7.35** Mr I Olsson of the Karawatha Forest Protection Society in a supplementary submission (no. 2881) amended the society's previously expressed view. Mr Olsson suggested that the

locality of Berrinba remain in Brisbane to assist the city in management of the Karawatha Forest. This was contrary to its earlier submission (no. 2078). Dr R D Walton of the Toohey Forest Protection Society submitted to the Committee his support for EARC's recommendation that the Karawatha Forest be retained within the local authority of Brisbane.

### **Findings**

**7.36** The Committee recognises that the issues raised regarding Logan/Brisbane are distinct from those in EARC's other recommendations for major boundary change.

**7.37** It accepts EARC's recommendations (a) and (b) regarding the Rochedale and Underwood areas, but not its recommendations (c) and (d) regarding the Karawatha, Parkinson and Drewvale areas.

**7.38** The Committee accepts that the Brisbane City Council is better able to manage the sensitive environment of the Karawatha Forest. It further accepts Brisbane's submission that Drewvale and Parkinson can, with proper management and monitoring, sustain a wildlife corridor that will assist in the maintenance of Karawatha's high environmental value.

**7.39** The Committee thus recommends that the Brisbane/Logan common boundary remain the same as at present at Larapinta, Drewvale and Parkinson.

**7.40** The Committee recommends that the northern part of Berrinba similarly remain in Brisbane.

**7.41** The Committee notes the wishes of the residents of the Trinder Park Nursing Home and recommends the boundary be changed so the site is transferred from Brisbane to Logan City.

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## **8. GOLD COAST/ALBERT**

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**8.1** The town of South Coast was formed in 1949, after amalgamation of the towns of Southport and Coolangatta and the coastal portion of the Nerang Shire. It became the town of the Gold Coast in 1958 and the City of the Gold Coast in 1959. The Albert Shire was formed in 1949, an amalgam of the Coomera Shire and parts of the Nerang, Beenleigh, Tingalpa and Waterford Shires.

**8.2** EARC recommended that:

*The Commission recommends that the boundary of Gold Coast City and Albert Shire be altered as indicated on Maps W.4, W.5 and W.6 of Appendix W:*

- (a) *west to the eastern low tide mark of canals from Miami Keys Estate (in Broadbeach Waters suburb) to Burleigh Waters suburb, as indicated on Maps W.4 and W.5; and*
- (b) *at Tugun, to follow the centre-line of the proposed Tweed By-Pass Road Reserve, from where it joins the Pacific Highway at the existing Gold Coast/Albert boundary, to the New South Wales border, as indicated on Map W.6 (paragraph 6.85).*

**8.3** EARC noted that:

*Immediately prior to the public hearing on 13 June 1991, Gold Coast City Council advised that it did not have consensus on the proposal for boundary change it had previously put to the commission. At the public hearing on 13 June 1991, the Town Clerk for Gold Coast City Council read a resolution from six Gold Coast City Council Aldermen, including the Mayor, Alderman Bell. This document (L17) indicated that Gold Coast City Council had no territorial ambitions except for some specific anomalies and for South Stradbroke Island and was otherwise satisfied with its present boundaries. The document went on to state that if EARC wished to make boundary adjustments between Gold Coast City and Albert Shire, then the Council's position was as set out in paragraph 6.1 above as amended (see paragraph 6.2 above), the Council would be happy with the decision along those lines. Significantly, neither Alderman Bell nor any other Alderman attended to give evidence at the Commission's public hearings. Gold Coast City Council's evidence was left to the Town Clerk, Mr Brown, and Chief Engineer, Mr McGinnity, and Administration Officer, Mr McCann. This was the only occasion in the course of the Commission's public hearings on Local Authorities External Boundaries (excluding the ATSI hearings) where an LA was not represented by either its Mayor or Chairman, or in the case of Nebo Shire, the Deputy Chairman (paragraph 6.6).*

**8.4** EARC also reported that:

*Notwithstanding Gold Coast City Council's ambivalence on the issue, the Commission decided to press ahead to consider Gold Coast City Council's original proposal. On 14 June 1991, Councillor John Handley, Shire*

*Chairman of Albert Shire, was reported in The Courier-Mail that day as stating that the hearing in relation to this proposal was "a monumental waste of time and money". The Chairman of the Commission responded to that criticism at the outset of the public hearing in Albert Shire on 14 June 1991. In the course of this response the Chairman (T241) stated:*

*"Both Councils conceded in evidence yesterday that there are anomalies in the boundaries between these two local authorities, and they need to be addressed; and they conceded that communities are split, and communities are isolated by these present boundaries.*

*... We believe that it is highly significant that these anomalies that are conceded by both Councils have not been addressed all these years, and it is only when you have a review by a Commission of this kind that they start to be seriously looked at" (paragraph 6.7).*

**8.5** The Committee notes that Cr Handley is the Albert Shire Council's Deputy Chairman.

**8.6** The Committee notes that EARC received 36 submissions on the matter as well as holding its hearings on 13 and 14 June 1991.

**8.7** The Committee received 399 submissions on the matter and invited the two councils to a public hearing on 19 December 1991. The Committee comprising the Chairman Mr Foley, Mr FitzGerald, Mr Welford, Ms Robson and Mr Quinn attended. Committee members had previously visited both councils to discuss matters of electoral and administrative review, on 18 October 1991. An account of the Committee's hearing in the Gold Coast Bulletin of 20 December 1991 is reproduced in Appendix E.

**8.8** At the Committee's hearing, the Deputy Mayor of the Gold Coast, Alderman K Thompson, submitted to the Committee that its recommendation to EARC be disregarded and that the Committee recommend to the Parliament a total amalgamation of the two local authorities.

**8.9** The Committee notes that the Gold Coast City Council's submission advocating total amalgamation was neither presented to or considered by EARC in its review of Queensland's local authorities.

**8.10** Ald Thompson told the Committee that the various challenges facing the region like the supply of water, sewerage, planning for tourism, transportation, town planning, would be better faced by one council rather than two.

**8.11** Ald Thompson described the EARC proposals as "tinkering at the edges" and conceded that, in effect, the internal policy of the Gold Coast City Council had changed on the appropriateness of its external boundaries.

**8.12** After hearing from Ald Thompson and other officers of the Gold Coast City Council, the Committee adjourned the hearing.

**8.13** During the adjournment, the Committee resolved that it would not consider the Council's application for amalgamation.

**8.14** The Committee Chairman, Mr Foley, addressed the hearing:

*The Committee has had regard to the Committee's functions under the Electoral and Administrative Review Act, being to report to the Parliament on matters appearing in or arising out of EARC's report. The Committee has also had regard to the function of EARC under the Act to investigate and report to the Parliament. The Committee has also had regard to issues which might be broadly termed issues of fairness. While this Committee is not bound by the rules of procedural fairness, there may be some perception of unfairness on the part of Albert Shire or surrounding local authorities that they have been taken by surprise in relation to the proposal advanced by the Gold Coast City Council for amalgamation in accordance with their submission. Accordingly the Committee has resolved that it will not in its current review consider the proposal to amalgamate Gold Coast City Council with Albert Shire as submitted to us by the Gold Coast City Council but may make recommendations on how this matter should be dealt with.*

**8.15** The Committee notes that both Ald Thompson and the Albert Shire Chairman, Councillor W Laver, concurred that EARC's recommendations be set aside albeit for differing reasons and different proposed outcomes.

**8.16** Cr Laver told the Committee:

*The view of the Albert Shire Council has always been that there are certainly anomalies with the boundary between Albert and the Gold Coast which requires addressing, and these are well noted by the Commission in its report. The Gold Coast City Council has been advised that the Albert Shire Council is willing to sit down and sort out these problems in an amicable way. I now understand its reluctance in this regard because members of the Gold Coast City Council were secretly plotting a last minute submission to create a super city.*

**8.17** Cr Laver acknowledged significant differences between the two councils and difficulty reaching agreement in supply of water, provision of sewerage and other matters.

**8.18** The Committee acknowledges the submissions from the managers of Bond University and the solicitors for Conrad Hotels and Jupiters Ltd opposing EARC's proposed boundary changes. The former suggest EARC's boundary would split the campus between two local authorities.

**8.19** R E Balchin of Robina submitted several specific suggestions for changes to EARC's recommendations. He also suggested the retention of the status quo - with the exception of Tugun Heights - until the proposed changes could be reconsidered by an on-going boundaries review mechanism.

**8.20** The Committee recognises that both EARC in its report and the Albert Shire at the Committee's hearing acknowledged the prospect of a future local authority of a differing character in the northern extremity of the Albert Shire. The Committee further notes this has recently become the subject of some public debate in the Beenleigh community.

**8.21** The Committee notes submissions from the Beaudesert Shire Council expressing concern at the effect that implementation of a Gold Coast/Albert amalgamation would have on its operations.

**8.22** The Committee notes that the Albert Shire is agreeable (as expressed at the Committee's public hearing) to the transfer of the suburb of Tugun Heights to the Gold Coast as recommended by EARC and that this transfer is acceptable to the Gold Coast City Council. This is in line with the Committee's general recommendation on agreed boundary change between local authorities in Chapter 6.

**8.23** The Albert Shire, in its formal submission, opposed the transfer of the Hawaiian Village - currently divided - on the grounds that its residents would be subject to higher rates.

**8.24** The Committee acknowledges the objections of many Albert residents that if EARC's recommended boundary changes were implemented, they would be subjected to an annual lump sum rates payment rather than quarterly levies.

### **Findings**

**8.25** The Committee's view is that both the Gold Coast City Council and the Albert Shire Council are local authorities with mixed tourism and residential sectors. It also notes the significant rural component of Albert and the strong shared community of interest among residents of both local authorities.

**8.26** The Committee, however, notes that the public antagonism the two neighbouring councils have demonstrated over issues as fundamental as water, and the large number of public submissions it received on the EARC proposals, indicate a need for further assessment of this area.

**8.27** The Committee notes the submission of the Gold Coast City Council that its amalgamation proposal be referred to a proposed on-going boundaries review mechanism. It notes further that Albert Shire Council is agreeable to this provided such a mechanism provide a cost/benefit analysis and the passage of a referendum precede any merger.

**8.28** The Committee delineates its perception of the role of an on-going boundaries review mechanism in Chapter 6. It discusses the validity of a costs/benefits analysis and a referendum in Chapters 3 and 20 respectively.

**8.29** The Committee recommends an on-going boundaries review mechanism reconsider Gold Coast/Albert, taking into account the fresh submission of the Gold Coast City Council, the possibility of a new local authority based upon the town of

Beenleigh and anomalies and effects on the named local authorities boundaries with neighbouring Shires like the Beaudesert Shire.

**8.30** The Committee recommends the transfer, in accordance with the agreement of the councils of Tugun Heights from the Albert Shire to the Gold Coast as recommended by EARC, and the Committee in Chapter 6.

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## 9. WARWICK/ROSENTHAL/ALLORA/GLENGALLAN

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**9.1** Warwick became a municipality in 1861, a town in 1903 and a city in 1936. The Glengallan Divisional Board was created in 1879 and the Rosenthal Divisional Board in 1889. In 1903, Glengallan and Rosenthal became shires. Allora became a shire in 1915, being created from the municipality of Allora and part of Clifton Shire. The Royal Commission of 1928 recommended changes in the boundaries of Warwick, Rosenthal, Glengallan and Allora.

**9.2** EARC in its report recommended:

*The Commission recommends that Warwick City and Glengallan, Rosenthal and Allora Shires be abolished.*

*The Commission recommends that a new LA be created comprising:*

- (a) *the former Warwick LGA;*
- (b) *that part of the former Allora LGA which incorporated the Warwick Airport Reserve north of the Condamine River;*
- (c) *that part of the former Rosenthal LGA to the south and west of the former Warwick LGA, namely parts of Divisions One and Two, which incorporated the Leslie Dam, and the former Division Four;*
- (d) *that part of the former Glengallan LGA to the east and south of the former Warwick LGA, incorporating the urban parts of the former Divisions One, Two and Four and lands on the eastern side of Rosenthal Creek, incorporating the Connolly Dam; and*
- (e) *the LA be known as Warwick City.*

*as proposed by Warwick City Council in its amended proposal (S2625, S2719) and outlined in Maps W.7 and W.8 of Appendix W.*

*The Commission recommends that a second new LA be created comprising:*

- (a) *the area of the former Glengallan LGA, as amended by paragraph 7.139 above;*
- (b) *the balance of Division One of the former Rosenthal LGA, as outlined in Map W.7 of Appendix W; and*
- (c) *the LA be known as Glengallan Shire.*

*The Commission recommends that a third new LA be created comprising:*

- (a) *the area of the former Allora LGA, as amended by paragraph 7.139 above;*
- (b) *Division Three and the balance of Division Two of the former Rosenthal LGA, as outlined in Map W.7 of Appendix W; and*
- (c) *the LA be known as Allora Shire.*

*The Commission further recommends that a Contiguous Councils Consultative Committee be established (under subsection 15(2) of the Local Government Act 1936-1991 or otherwise) comprising the three new LAs, to meet regularly to discuss and resolve matters of mutual concern (paragraphs 7.138 to 7.142).*

### **9.3** Specifically, EARC reasoned:

*The Commission is persuaded that there are benefits in extending Warwick City's Boundaries in the manner proposed by it. Warwick City is one of the smallest LAs in the State in terms of area (see Table 3.5), yet it is a substantial urban centre. The extension of the boundary will, in the Commission's view:*

- (a) *provide more efficient and consistent Local Government services in the whole Warwick urban area;*
- (b) *give Warwick City more flexibility in planning both residential and industrial development for the future; and*
- (c) *as Warwick City is the major user of reticulated water for both domestic and industrial purposes, the areas for dams and supply pipes will come under Warwick City's jurisdiction.*

*The Commission notes that Warwick City currently supplies both water and sewerage to properties which are in the urban environs of Warwick but are in Glengallan and Rosenthal Shires (S2625, pp.13, 20) and continues to receive requests from residents in those Shires for services. This is a clear case of detriment caused by the current boundaries.*

*On the other hand the Commission does not see any real benefits for total amalgamation. There is still a significant rural community of interest in the Southern Downs area which a rural Shire or Shires could more effectively service than one amalgamated LA. The commission cannot accept, however, that continuation of the current situation of three rural Shires can be justified, particularly where two of those Shires are centred in Warwick City. The existence of so many Shires clearly results in duplication of facilities and in the Commission's view has been a factor in the lack of co-operation between the four LAs over the years.*

*Further, the expansion of Warwick City's boundaries will leave the balance of Rosenthal Shire unviable and will also have a significant impact on Glengallan Shire's rate base. Restructure of the rural shires is therefore necessary.*

*The Commission does not believe, however, that one rural LA (encompassing Allora Shire and the remainder of Rosenthal and Glengallan Shires) would be practical or efficient. An LA based on Allora would be too removed from communities such as Killarney or Dalveen.*

*The Commission believes that, in current circumstances, the interests of the area would be better served by two rural LAs:*

- (a) one LA based on Allora Shire, combined with Divisions Two and Three of Rosenthal Shire; and*
- (b) one LA based on the balance of Glengallan Shire, combined with Division One of Rosenthal Shire.*

*This would mean that Rosenthal Shire would be split up, but as already noted, once Warwick City's borders expand to encompass its urban environs, Rosenthal Shire ceases to be viable.*

*The Commission's proposal:*

- (a) would reduce the number of LGAs and the cost associated with those authorities;*
- (b) would result in three larger, stronger LAs servicing both urban and rural needs; and*
- (c) would provide greater scope for co-operation, rationalisation and economies of scale.*

*The Commission recognises that the new Shire offices and depot recently built by Glengallan Shire council would once again be within the boundaries of Warwick City. It must be remembered, however, that a similar situation was accepted by Glengallan Shire residents for many years, and evidence indicated that a Warwick City based site was the best location for the Shire's service centre.*

*Given the problems over water in the region, the Commission believes that formal co-operative arrangements may be necessary. The Commission also considers that co-operation between the LAs in the area has not been utilised to its fullest potential. Co-operation will be necessary in the future if the Southern Downs area is to be developed in an effective and harmonious manner (paragraphs 7.130 to 7.137).*

**9.4** The Committee notes that EARC received 105 submissions relating to this proposal and a further 19 submissions relating to an earlier proposal examining Allora, Clifton and Cambooya Shires. EARC conducted a public hearing in Warwick on 17 and 18 June 1991.

**9.5** The Committee received 266 submissions and invited the councils involved to a public hearing at the Cunningham Hall in Rosenthal on 17 December 1991. The Committee also received a petition from the Citizens for Democracy in Rosenthal asking that amalgamation not take place. Committee members had previously visited each of the councils on 16 October 1991 to discuss issues of electoral and administrative review. An account of the Committee's hearing published in the Warwick Daily News of 18 December 1991 is reproduced in Appendix E.

**9.6** The Mayor of Warwick, Alderman S Walsh, endorsed the EARC recommendations:

*For decades, the development of Warwick City has been constrained by a lack of sufficient area. The city has been restricted by external boundaries which best suited a bygone era.*

**9.7** Ald Walsh said Warwick had been restricted in its developmental strategy and had been unable to reach agreement with its neighbours:

*I do not believe that they want to or have been able to see our strategic point of view.*

*He agreed with EARC there had been little evidence of consultation of co-operation between LAs "particularly with regard to water supply, sewerage, town planning and regular discussion of matters of mutual concern".*

**9.8** In its formal submission (no. 1167), the Warwick City Council indicated there had been a number of expressions of interest in industrial development in the district.

**9.9** Ald Walsh said:

*We are not looking to the year 2000; we are looking to the year 2050. We must be looking forward with vision.*

**9.10** The Glengallan Shire Council Chairman, Councillor C Jamieson, however, told the Committee:

*A sensible adjustment of the Warwick/Glengallan boundary in order to provide sufficient area for future expansion of the city and to provide an adequate buffer zone for the mutual protection of both lifestyles is not opposed by this council, but the massive acquisition of prime agricultural land as proposed cannot be justified, particularly as the architect of the Warwick submission relied on nothing more than convenient parish boundaries for his inspiration ...*

and:

*The reference in Warwick city's submission to a lack of coordinated development and planning and the so called urban overspill areas around the Warwick/Glengallan boundary is challenged, as the evidence is proved otherwise. Shire residents living in the proposed city expansion zone, with a few hundred metres, or two or three kilometres from the existing shire boundary, would be foolish indeed to expect such urban luxuries as water and sewerage services given the exorbitant costs of introducing such services and the long running water supply problems being endured by the existing city population.*

Cr Jamieson also said:

*a very important factor which appears to have been overlooked is the Queensland Government's strong commitment towards the conservation and preservation of good quality land ... the land so casually claimed by Warwick city generally falls within this category, and my council requests that as little as possible of this limited resource be placed under urban administration.*

*The town plan gazetted for Glengallan Shire provides for a two kilometre wide buffer zone - Rural E - between the present city boundary and the shire's highly productive rural lands - Rural A. This protective zone extends completely around the present city/shire boundary and my council strongly believes that this zone should be the area considered for inclusion in Warwick City as a continuing buffer between urban and rural pursuits and with the proposed 170 square kilometres proposed for acquisition from Rosenthal Shire would provide more than sufficient area for the future expansion of the city. We have maps to indicate that.*

*The third reason is to control strategic facilities, including Leslie Dam, Silverwood Dam and water supply headworks. In relation to Leslie Dam - the current problem being experienced between Warwick City and Rosenthal Shire is outside my mandate. Silverwood Dam is purely a town water supply dam and offers little potential for industrial use when compared in size and importance to Leslie Dam. Unlike Leslie Dam, which is under the control of the Queensland Water Resources Commission, Silverwood Dam is the property of the Warwick City Council. Warwick City owns the land surrounding this dam - 76.1 hectares in Glengallan Shire - which leaves the trunk main from the dam to Warwick as its only concern. My council has no record of any problem whatsoever occurring in connection with this trunk main and sees no reason why a large and ill-shaped area of rural land should be absorbed into the city merely to reinforce control over a water main over which they already exercise control by easement rights. To my knowledge, no other statutory authority demands this privilege.*

*The length of this pipeline from the present city boundary to silverwood Dam is 12.5 kilometres. It is sited on the western side of the southern railway line and is located on private property for all but 2.5 kilometres, which utilises the Silverwood Road. There is absolutely no justification for such a large area of rural land far removed from any thought of urban services being included in the proposed expanded city area, and council requests that favourable consideration be given instead to extending the proposed southern boundary of the city directly east from Leslie Dam to the southern railway line. This will still leave 5.5 kilometres of the pipeline and the pump station within the proposed expanded city area. One of the most satisfactory of all physical separations would be a railway line, and one wonders why this most obvious of separations - the southern railway line - was ignored in favour of a parish boundary.*

Cr Jamieson tendered a map in support of his submission that EARC was in error in its recommendations (see Appendix H).

**9.11** Cr Jamieson said he was unaware of an instance where Warwick's growth was hampered by its current boundaries. Cr Jamieson's alternative boundary is as follows:

*Commencing at the south-west corner of Lot 290 on Plan W303 north along the*

western boundary of Lot 290 on Plan W303 on Lot 447 on Plan W3014, eastward along the northern boundary of Lot 447 on Plan W3014, northward along the western boundaries of Lots 1 and 2 on RP157240, then along the southern boundary of Lots 619 and 620 on Plan M341367 and Lot 1 on ML367, then along the western south-western and south-eastern boundaries of Lot 656 on Plan M341367, then along the southern boundary of Lot 388 on Plan W3010 and Lots 1 and 3 on RP36430 to the south-western corner of Lot 415 on Plan W3010, then along the western boundaries of Lots 4 and 5 of RP36424 and along the southern boundary of Lot 5 on RP36424, then along the western boundaries of Lot 9 on ML1335 Lot 422 on Plan D361435, Lots 1 and 7 on RP36426, Lot 565 on Plan ML2237, then along the western and southern boundaries of Lot 12 on RP36424 to the north-western corner of Lot 349 on Plan W308. Generally southward along the western boundaries of Lot 349 on Plan W308, Lot 37 on RP18339, Lot 1 and 2 on RP78811 and Lot 2 on ML1416 to the Condamine River. Then along the south bank of the Condamine River to the north-west corner of Lot 1 on RP36197 then generally south along the western and northern boundaries of Lots 1 and 2 on RP36197, Lot 3 on RP153388, Lots 56 and 57 on Plan ML118. Lots 68 and 67 on Plan ML127 and Lot 1984 on Plan M34893 to the Old Stanthorpe Road. Then westerly along the northern boundaries of Lot 1289 on M34531, Lot 2048 on Plan M34806 and Lot 1 on RP31040 to the Southern Railway Line. Then south along the southern railway line to the north-eastern corner of Lot 2 on RP185821, then westerly along the northern boundary of Lot 2 on RP185821, across Rosenthal Creek to the boundary proposed by EARC.

**9.12** The Rosenthal Shire Chairman, Councillor J Mitchell, told the Committee the Shire and its people had not been considered:

*Rosenthal is a different kettle of fish to everyone else. We are being eliminated. Let me qualify that. We are being proposed to be eliminated. Rosenthal will lose its identity. We are a historic shire.*

**9.13** Dr Michael Jones, a consultant to the Rosenthal Shire Council, disputed the Warwick City Council's interpretation of a report on Economic Development Strategy, commissioned by the City Council and commonly referred to as the "Elliott Report".

**9.14** Dr Jones told the Committee that he did not believe Warwick's boundaries had restricted its industrial growth:

*There is virtually no mention whatsoever of the boundary issue in this region being the cause of stagnation in Warwick. They recommend the establishment, on page 33, of a regional development board made up of the councils in the region, and as far as I know, no action has been taken by Warwick on that. It is a detailed report I will not go into it, but what it stresses is that - it quotes here on page 18 and it says that the likelihood of Warwick becoming a manufacturing centre within the next twenty or thirty years is remote given its current commercial and trading infrastructure culture.*

**9.15** Dr Jones when questioned by Mr Welford on whether it was correct that the Elliott Report identified one of Warwick's weaknesses as boundaries which limited growth and development replied:

*Dr Jones: But it is not - I mean that is a very brief part of the report and from that they recommend this creation of regional development.*

*Mr Welford: I will come to that in a minute, but you acknowledge that the question of boundaries is addressed in the report as a problem in terms of growth.*

*Dr Jones: Only in a very, very minor way.*

**9.16** The Committee notes however that the Elliott Report at page 23 identifies as one of Warwick City's "weaknesses" its "growth and development limited by city's boundaries".

**9.17** Cr Mitchell denied there had been a loss of industry to the district because of a lack of co-operation on Warwick's boundaries:

*I have been in the Shire for a long time. Not once have I been given the confidence of Warwick City or anyone else. Not once have they come to me, even if it was private, and said, "Jim, this is private, Keep it to yourself". I would have respected it. I am an honourable man. They have never done it. They go away every year - just about every year - looking for industry, and full credit to them. However, when they come back, do they tell us? No way. They have never told us. If they came to me and said, "We have a problem", does it matter if the business is in Rosenthal? I will come back to Warwick".*

**9.18** The Committee found varying responses to EARC's proposals that the Connolly and Leslie Dams and access to them be contained within the boundaries of the new Warwick LA.

**9.19** Ald Walsh told the Committee that Warwick desired land adjoining the water pipelines and dams in order to better serve industrial customers. He also told the Committee his council envisaged the area around the Leslie Dam becoming a "nucleus for residential satellite areas". Ald Walsh agreed that there had been a history of disputes over water supply between Warwick and Rosenthal. He also agreed Warwick no longer supplied water from its supply pipeline to nearby residents in other shires because they did not have the power to levy rates on them:

*In the past, connections have been made from those major mains to individual properties in other shires. Due to problems experienced in that area, the council adopted a policy some years ago of providing no further connections.*

**9.20** Dr Jones, the Rosenthal Shire Council's consultant, disputed the argument that a new local authority of Warwick was necessary to guarantee the acknowledged regional centre's control over the water supply.

**9.21** John and Dawn Scrymgeour of "Arran", ratepayers of Rosenthal, submitted a specific complaint to the Committee that the Warwick City Council refused them access to water from the nearby Connolly Dam.

**9.22** The Water Resources Commission reported to EARC that there had been past problems in water supply for the district and could be in the future.

**9.23** In a submission to the Committee (no. 958), Mr J Amprimo, the District Engineer for the Water Resources Commission, endorsed EARC's recommendations. He suggests the changes "should alleviate many of the existing water supply, sewerage and river management problems".

**9.24** Mr Amprimo, however, suggests specific changes to EARC's proposed boundaries in the vicinity of Willowvale and Silverwood. Mr Amprimo contends that the most appropriate place for boundaries are watersheds or the extremities of water catchments.

**9.25** Ald Walsh told the Committee his council had no rural rate at present. However, he suggested that a new council would have discretion to see that rural landholders not suffer massive rate increases.

**9.26** Mr D J Booth MLA for Warwick submitted (no. 1553) his concern that amalgamation would lead to a further decline in rural representation and there was a widespread concern among rural dwellers that rates would rise.

**9.27** Cr Jamieson challenged assertions that there was a lack of co-ordinated planning and development in the "so-called urban overspill" in Glengallan.

**9.28** He also told the Committee the proposed transfer of land adjoining the pipeline from the Connolly or Silverwood Dam from Glengallan to the new Warwick local authority was "ridiculous". Cr Jamieson said the "panhandle" shaped excision to the new Warwick local authority would result in a considerable rate-loss.

**9.29** On behalf of his council, he made specific recommendations to the Committee for changes from EARC's proposed Warwick/Glengallan boundary.

**9.30** Cr Jamieson also tendered a map (see detail of map in Appendix) with a suggested alternate north-eastern boundary between Warwick and Glengallan. He told the Committee, the alternative would see EARC's criteria and Warwick's desire to encompass urban overspill and enjoy a rural buffer equally well accommodated.

*I submit for consideration by the Parliamentary Committee for Electoral and Administrative Review a sectional map of the area under examination showing the suggested changes to the EARC recommendations, which will go some way towards restoring the revenue-raising capacity of the shire and thus improving its capability to meet the costs of carrying out its additional responsibilities as recommended, while still meeting the principles established by EARC. The Glengallan Shire Council proposal would result in the new Glengallan serving an area larger than the existing shire, which would result in an increase in the total road network of 160 kilometres with a corresponding increase in total rateable valuation of \$1.8m. The EARC proposals, on the other hand, would require the*

*new Glengallan to service an area with 140 kilometres more roads than the existing shire, yet having a total rateable valuation decreased by approximately \$200,000.*

**9.31** Cr Jamieson claimed EARC had made a further error in recommending the new local authority be called Warwick City. He said:

*Warwick would no longer qualify for city status as its population was less than the current requirement of 25,000.*

**9.32** Cr Jamieson told the Committee the practical effect of EARC's recommendations on his shire was to give them more roads to service but less rates to collect.

**9.33** He said EARC had increased his shire's area by 575 square kilometres and reduced its rateable valuation by \$200,000:

*I have no doubt that we will continue to operate in a viable sense, but it still seems very unfair to take away very highly productive rural land from the shire.*

**9.34** Cr Mitchell told the Committee that EARC's proposals meant Rosenthal residents would not get proper representation.

**9.35** In the Rosenthal Council's formal submission to the Committee, it is noted that the current representation is one councillor for every 224 people.

**9.36** Dr Jones disputed EARC's findings on urban overspill in Rosenthal. He said that what was characterised by EARC as urban overspill was in fact consumers deliberately choosing a rural residential lifestyle:

*The community is not primarily a matter of where you work and where you shop, it is how you feel about a place, it is where your emotional attachments are. I believe that EARC has totally misunderstood that.*

**9.37** Dr Jones said he saw no benefit in a greater Warwick but some benefit in healthy competition between neighbouring local authorities.

**9.38** Councillor J Deacon, Allora Shire Chairman, told the Committee his council accepted the EARC recommendations:

*It is the only way, as we see it, that the rural residents of Rosenthal Shire could maintain their representation and local identities. Change is not always welcomed by the people concerned, but Allora Shire feels that this way their interests will be protected and given the same consideration as they now receive, and they will still have their own councillors representing them ...*

and ...

*Allora Shire gives them the assurance that they will be welcomed and treated as equals and promises to work with them and to maintain the standard of roadworks, social assistance and cooperation that has been given by Rosenthal*

Shire.

**9.39** The Allora Shire Clerk, Mr G Kennett, emphasised to the Committee the need for a contribution to amalgamation costs from the state government. The Committee discusses this matter in Chapter 19.

**9.40** Mr Kennett took issue with EARC's boundary in the area of Warwick airport, noting it bisects four properties.

He suggested an alternative:

*In relation to the determination of excised area - it does appear to council that the area to be excised from the Allora Shire and added to the Warwick City Council has been determined by a series of straight lines which appeared symmetrically correct. As symmetry was not one of the indicators proposed by EARC in issues paper No. 8, council waited for this erroneous assumption to be addressed in the report. As it was not, we would now request the parliamentary committee to investigate the proposed boundary adjustment. The proposed area to be excised includes the air strip, which was the intention. However, on the western section, it bisects four lots. On the eastern side, the proposed boundary crosses the Warwick-Allora Road by a straight line, so it can, supposedly, at the north-eastern corner of Subdivision B of Portion PP5 Parish of Leslie turn due south to join the Parish of Warwick by yet another straight line. It is this council's contention that if the air strip has to be included in Warwick City Council - and of this we are by no means certain - it should be accomplished thus: by the exclusion from the Allora Shire and inclusion in Warwick City of Lot 1 on Registered Plan No. 130113 with an unimproved capital value of \$4,000 and an area of 0.43 hectares; Lot 2 on Registered Plan No. 130113, with an unimproved capital value estimated at \$315,000 and an area of 598 hectares; and Lots 2 and 3 on Registered Plan No. 88864, with an unimproved capital value of \$30,000 and an area of 46 hectares. This scenario would negate the division of lots on the western edge and the boundary would follow the Warwick-Allora Road on the eastern section. The effect of such an excision would be the loss of 1 per cent of the present Allora Shire area and 1.2 per cent of the current valuation.*

**9.41** Mr G Kennaugh, the Rosenthal Shire Clerk, in his capacity as Clerk of the Warwick and District Saleyards Board submitted (no. 977) that if amalgamation is to occur, the board would have to be re-constituted and Warwick and Glengallan may have to purchase further equity in the operation. Mr Kennaugh notes Allora Shire has no role in the board's current operations.

**9.42** The Glengallan Shire Council, in a formal submission to the Committee, notes that Allora Shire's absence from the saleyards board is indicative of some economic variances from EARC's community of interest reasoning.

**9.43** Miss G Newton submitted (no. 746) "fine tuning" for the EARC proposals to the Committee. Specifically, she suggested the retention of the name "Rosenthal" in any Rosenthal/Glengallan amalgamation for its historic significance.

**9.44** The Committee records the view of Mr J Rimo who submitted (no. 1051) that in his experience the Rosenthal Council is "generally uninformed, uncooperative, and unreasonable", with a preference to "argue rather than talk and fight rather than negotiate".

**9.45** Dr Jones said that formalising co-operative arrangements between councils was a preferable option to amalgamation.

**9.46** Dr Jones indicated Rosenthal was now prepared to enter joint arrangements. The Committee discusses joint arrangements generally in Chapter 5.

**9.47** The Committee notes Cr Mitchell, Cr Jamieson and Cr Deacon all favoured a referendum before boundary change. The Committee deals with this issue in Chapter 20. Mr T G Quinn submitted that voters in the Warwick district had not been fully informed of the potential medium to long term benefits EARC's proposed boundary changes would bring.

**9.48** The Stanthorpe Shire Council submitted (no. 1739) to the Committee that the residents of the southern area of Rosenthal, in the Dalveen area, may prefer to join the Stanthorpe Shire rather than be part of the proposed new local authority of Warwick.

### **Findings**

**9.49** The Committee adopts Mr J Amprimo's suggestion that water catchment areas are suitable for boundaries and refers to this in its review of principles and indicators in Chapter 4.

**9.50** The Committee notes that EARC found there was only "moderate urban overspill" from Warwick into Rosenthal and Glengallan.

**9.51** However, the Committee is of the opinion that areas such as Rosenthal Heights cannot be characterised as anything other than "urban overspill" without straining credulity.

**9.52** The Committee notes that EARC's recommendations would resolve the significant cross-utilisation of services in the district.

**9.53** The Committee agrees with EARC that there has been a lack of co-operation in the district on water supply, planning and other provision of services. It notes the relative lack of joint agreements amongst the councils and the failure of some councils to adequately plan for future needs.

**9.54** It notes a strong interdependence between rural and urban dwellers in the Warwick district that has not been matched by goodwill and complementary provision of services by their councils.

**9.55** The Committee thus endorses EARC's recommendations subject to the following changes:

- (i) *the north-eastern boundary of the proposed new Warwick LA be changed in accordance with the submission to the Committee from the Glengallan Shire as detailed in paragraph 9.11 of this report.*
- (ii) *the western boundary of the new Warwick LA, in the airport area, be changed in accordance with the submission of the Allora Shire. Similarly the Committee accepts the Glengallan Shire's submission relating to the Silverwood Dam*

*referred to in 9.10;*

- (iii) *the status of the Dalveen area in the south of the Rosenthal Shire be similarly referred to an on-going boundaries review mechanism in accordance with the submission of the Stanthorpe Shire Council.*

**9.56** The Committee notes the assertion by Cr Jamieson that the proposed new local authority of Warwick would not qualify for city status. The Committee recommends that EARC's designation of it as "Warwick City" stand but urges a review of local government nomenclature in 19.61.

**9.57** The Committee recommends that the changed local authorities in this district would be subject to a differential rate as discussed in Chapter 19 of this report.

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## **10. CLIFTON/CAMBOOYA**

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**10.1** Clifton township was founded in 1869. In 1879 the Clifton Divisional Board was established and later became the Clifton Shire in 1903. The Cambooya Shire was excised from Clifton in 1914. The Royal Commission recommended Clifton and a portion of Cambooya be amalgamated.

**10.2** EARC recommended in its report that:

- (a) *Clifton and Cambooya Shires be abolished;*
- (b) *a new LA be created comprising -*
  - (i) *the former Clifton LGA;*
  - (ii) *the former Cambooya LGA;*
  - (iii) *lot 137 on CC934 and lot 140 on CC582, Parish of East Haldon, Gatton LGA;*
  - (iv) *the Preston area of Gatton LGA as outlined in S2573; as shown on Map W.9 of Appendix W; and*
- (c) *the new LA be known as Clifton Shire, with its Administrative Centre in Clifton township.*

**10.3** EARC further recommended that matters raised by Jondaryan and Pittsworth Shires be referred to an on-going boundaries review mechanism for review.

**10.4** The Committee received 382 public submissions on the EARC recommendations and conducted its first public hearing on a specific EARC report at Clifton on 9 December 1991 to canvass the views of the Clifton and Cambooya Shire Councils. Committee members had previously visited both Councils, on 16 October 1991, to discuss matters of electoral and administrative review.

**10.5** Five members of the Committee, the Chairman Mr Foley, Dr Clark, Mr Quinn, Ms Robson and Mr Welford, initially inspected the two shires by vehicle in the company of Clifton Shire Chairman, Councillor I Jones, and Cambooya Shire Chairman, Councillor T Newman, before attending at the Clifton Shire Chambers where they were welcomed by a crowd estimated at 200 people. An account of the hearing published in the Clifton Courier on 12 December 1991, is reproduced in Appendix E.

**10.6** Many of the crowd outlined their opposition to EARC's proposed boundary changes, chanting "no amalgamation" and "leave Cambooya alone".

**10.7** During the hearings, Cr Newman stated his council's position:

*We are not opposed to amalgamation provided that the affected ratepayers are given the right to have their say by referendum. We are opposed to forced amalgamation when our ratepayers and democratic electors are denied their democratic right to determine their own future ...*

and:

*If the Government could put up a proposal which would ensure that the people of Cambooya were not disadvantaged and that the people of Clifton were being helped and if adequate compensation was offered, the co-operation of the shire could be assured and a referendum would have a good chance of being carried. We think that a neutral name would have to be adopted and the elected members would have to decide on the best location for future offices. We do work well with Clifton. However, we reject the recommendation of the EARC report.*

**10.8** Cr Jones spoke on behalf of the Clifton Shire:

*We have consistently held the view that we do not favour amalgamation. That is the view of the our citizens, and we have consistently stuck by that view. We have also tried, on the basis that we believe that decisions would be made by people other than ourselves, to keep Humpty Dumpty intact as much as we could and not make too many inflammatory statements ...*

and:

*I also believe that continuation emotive arguments promotes nothing but the potential for conflict, given that both councils have had the opportunity to address these issues with EARC prior to its report. The job now is to address matters in the report in line with the requests of the Parliamentary Committee, and that is what we are going to do.*

**10.9** Cr Newman also told the Committee:

*It is possible that EARC may have been unduly influenced by its local government specialist, Commissioner Brian Hunter, who spent seven years here as Clifton's Shire Clerk.*

**10.10** The Committee also received submissions regarding Commissioner Hunter from V H Palmer and Mrs Beverley Palmer of Greenmount (no. 367) and again from Mrs Palmer (no. 368) in her capacity as Honorary Secretary of the Greenmount Returned Soldiers Memorial Hall Association Inc.

**10.11** Cr Newman also said:

*The council considers that EARC's report is biased as it has many unsubstantiated statements to support its view while completely ignoring evidence presented in response to such statements.*

**10.12** The Committee has dealt with submissions regarding Commissioner Hunter in Chapter 3 of this report, particularly at 3.41. The Committee notes EARC's advice that it replied it has been more than twenty years since Commissioner Hunter served as a Clerk at Clifton.

**10.13** Cr Newman also gave as an example of a logical inconsistency in EARC's report, the township of Wyreema, divided by a railway line and the Cambooya/Jondaryan Shires shire boundary.

**10.14** The Committee accepts that Wyreema should be contained within one local authority but notes that EARC have suggested certain matters be referred to an on-going boundaries review mechanism. The Committee endorses this recommendation in Chapter 6 and below.

**10.15** Cr Newman gave evidence that he agreed with EARC's interpretation that Clifton was "highly financially stressed" - a matter Cr Jones similarly conceded.

**10.16** In the hearing, Cr Newman of Cambooya Shire Council contended that EARC had shown a preconceived opinion and sought evidence in hearings to support this opinion. Cr Jones of Clifton Shire Council said his council was not in favour of amalgamation but he agreed a merger would lead to a more secure financial future.

**10.17** The Committee is concerned that Clifton Shire is regarded as very highly financially stressed, although it is impressed with the Council's corporate strategy and overall approach to remedying this problem.

**10.18** Cr Newman's view was that Clifton Shire thus would be a liability in any amalgamation; that not only would a high debt be inherited but also a road system requiring a million dollar commitment may have to be met by Cambooya ratepayers.

**10.19** In evidence, Cr Newman disputed EARC's criticism of the standard of some development in the Cambooya Shire.

**10.20** Cr Newman also argued that Cambooya's major community of interest was north to Toowoomba, rather than south to Clifton.

**10.21** The Committee agrees with Cr Newman and the Cambooya Shire Deputy Chairman Councillor R Free who said in evidence that it would be unfair to Cambooya ratepayers to have, in effect, to subsidise Clifton's debt.

**10.22** However, it notes what Cr Jones said in evidence to allay the fears of subsidisation:

*The only thing that would need to be addressed is the differential rating system so that Cambooya residents would be more protected by that. It is beyond me that somebody has not explained that situation to them.*

**10.23** It notes further the comments of the Clifton Shire Clerk, Mr P Logan, that a new council could demonstrate in its budget different income and expenditure items for concerned former Cambooya ratepayers.

**10.24** The Committee notes that the policy of the Cambooya Shire Council is for a referendum to be held before any boundary alteration. It deals with this matter in Chapter 20.

**10.25** The Committee notes the expressed opinion of the Cambooya Shire Council in hearings and in its formal submissions to the Committee (nos. 1172 and 1543) that if amalgamation is to take place:

- (i) *Clifton should not necessarily be the administrative centre of a new shire, instead the new council should decide*
- (ii) *a new "neutral" name should be chosen.*

**10.26** The council and many members of the public submitted that the new council be called "Eastern Downs".

**10.27** The Committee notes that W A Woods of "Silver Spur", Cambooya, while opposing boundary change, suggests "Leslie Shire" as a possible alternative to "Eastern Downs".

**10.28** Cr Jones suggested during hearings that:

*I would not like to encourage you into a situation where Cambooya runs the risk of losing its name and Clifton runs the risk of losing its name. I think it is one of those things Solomon might not be able to solve easily, but on the other hand I would say to you that I imagine that whatever name is printed on the front page of the Clifton Courier as being a new name, it will still wrap fish and chips by Friday.*

*Cr Jones told the Committee Cambooya was part of Clifton until 1914 and amalgamation was a matter of "zipper it up again". A question of name would be "a three day wonder".*

**10.29** Cr Jones also gave his view in hearings and in his shire's submission (no. 1) that Greenmount, Cambooya's administrative headquarters, could be retained by a new council for the benefit of ratepayers:

*... for the record, I say that it is our belief that accepting the recommendation of EARC as the sensible thing to do, we would be very conscious - and so would the residents of both shires - of how services would be supplied. Surely, that is what we are talking about. There is no reason whatsoever with the use of modern electronics that a person could not pay his rates in Toowoomba, Greenmount, Cambooya, Clifton and Nobby. That is just a simple agency situation that can no doubt be arranged. As far as building and development work are concerned, we have already said that should properly remain at the northern end of the shire where it is obvious that the development is going on now and would be perceived to be going on in the future. You would hook it together by telephones and computers, and I do not believe that people would notice a change in the services that are currently provided. I certainly would not expect that the service to the community would be diminished in any way, shape or form.*

**10.30** In its submission (no. 1423) Cambooya estimates the total cost of amalgamation at \$220,000 and foresees a possible loss of \$963,000 in federal grants over five years.

**10.31** Clifton (no. 911) predicted that "computer equipment integration and radio networking integration" could cost up to \$100,000.

**10.32** Both councils submitted that state government financial assistance would be necessary. The Committee reports its findings on this question in Chapter 19.

**10.33** The Cambooya Shire Clerk, Mr Bruce Ede, told the Committee's hearing, that he foresaw there would be some administrative savings for a new council in the future, a view echoed by Cr Jones who said there was a reasonable prospect of savings, particularly in relation to the extra services that will be expected of local government.

**10.34** Both councils believed amalgamation would not cause staff losses.

**10.35** In submission number 1509, Mr L J Schumacher, the Gatton Shire Clerk, opposes the EARC recommendation for the transfer of the Preston area from Gatton Shire to the new Clifton/Cambooya Shire, echoing that shire's submission to EARC. Mr Schumacher writes that "the proposed boundary does not follow any natural geographic pattern" and the loss of the position will effect Gatton's rateable value. This is further discussed at 18.25.

**10.36** EARC also recommend the transfer of two properties at East Haldon, from Gatton Shire to Cambooya Shire and this issue is dealt with in Chapter 18 of this report.

### **Findings**

**10.37** The Committee notes EARC's findings that a new shire, with headquarters at Clifton will mean:

1. *The new LA will a be larger and stronger shire with a broader rate base.*
2. *As a stronger shire it will ensure Toowoomba dormitory development in northern Cambooya will be of a high standard.*
3. *There will be a rationalisation of facilities and services.*
4. *There is likelihood of a more secure financial future.*
5. *There will be better prospects for the protection of agricultural land from undue development (EARC report paragraph 8.134).*

**10.38** Specifically, it agrees that the shires of Clifton and Cambooya be abolished and a new local authority be formed to adequately meet EARC's principles relating to a sound resource base; community of interest and co-ordinated planning.

**10.39** The Committee accepts EARC's observation that one shire had town planning capabilities but the other had not, and obversely that one had a recognised centre and community facilities and the other had not.

**10.40** The Committee notes that Cambooya has specific provision in its town plan to preserve prime agricultural land.

**10.41** It sees the shires of Clifton and Cambooya as complementary and a merger as providing a long-term benefit for the district.

**10.42** Its decision is made not only because Clifton is financially stressed, particularly in view of EARC's ancillary principle that "no single principle should be regarded as absolute" (see Chapter

4 of this report).

**10.43** The Committee accepts Cr Newman's arguments that Cambooya residents may look north to Toowoomba in their community of interest, but the Committee regards the two shires as one Darling Downs rural community.

**10.44** Cambooya was excised from Clifton in 1914. The Committee notes that partition was a strong political issue at that time, one opposed by the Nobby Farmer's Union. The Secretary of the union, and author, Arthur Hoey Davis, later became the first Chairman of Cambooya. EARC's proposal is, in one sense, a return to this situation and in another sense, an endorsement of the 1928 Royal Commission which recommended a part amalgamation of Cambooya and other shires with Clifton.

**10.45** The Committee endorses EARC's recommendation of Clifton as the administrative centre for the new local authority. The shire headquarters is a fine public building; however, it notes Cr Jones' suggestion that a new council could choose to maintain the Greenmount offices as extra accommodation and the right of a future council to change the location of its administrative centre.

**10.46** The Committee endorses the name "Clifton" as fitting for a new local authority based on the shires of "Clifton" and "Cambooya". It notes, however, that a new local authority may prefer another name in view of the strong objections to the name Clifton Shire expressed in hearings and submissions from the Cambooya Council and residents.

**10.47** The Committee endorses EARC's recommendations for boundary change following its major implementation recommendation in Chapter 19 and recommends that new councils should be subject to a system of differential rating.

**10.48** The Committee does not regard its recommendation for Clifton/Cambooya to be a precedent for other relatively small rural shires. It emphasises that all cases should be considered on their merits with regard to EARC's principles.

**10.49** The Committee endorses the EARC finding that the Preston area be transferred to the amalgamated shire and agrees it will "lead to more efficient service delivery to that area, as well as adding to the rate base of the amalgamated shire".

**10.50** In Chapter 18 of this report the Committee also endorses EARC's recommendation that the matters relating to Jondaryan and Pittsworth Shires be referred to an on-going boundaries review mechanism. In particular, it urges such a body to consider the case of Wyreema.

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## 11. GYMPIE/WIDGEE

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**11.1** The Gympie, Widgee and Glastonbury Divisional Boards were established in 1879. Gympie later became a municipality and Widgee and Glastonbury were amalgamated. Widgee later became a Shire. In 1910, the southern part of Widgee became the Noosa Shire. The common boundary of Gympie and Widgee has been changed many times to accommodate the growth of Gympie. In 1928, the Royal Commission recommended the two local authorities be amalgamated.

**11.2** EARC recommended in its report that:

- (a) *Gympie City and Widgee Shire be abolished;*
- (b) *a new LA comprising the areas of the previous LGAs of Gympie and Widgee, as defined in Map W.11 in Appendix W, be created; and*
- (c) *the new LA be known as Gympie City (paragraph 10.109).*

**11.3** EARC stated its reasoning thus:

*The Commission believes that Gympie/Widgee provides a compelling case for amalgamation. In reaching this conclusion, the Commission makes no reflection on the current administrations of both LAs. Indeed, both LAs seemed quite efficient and were coping despite the limitations in the current situation.*

*The Commissions' reasons for concluding that amalgamation of the two LAs is the appropriate course are as follows. Firstly, the current divided situation where Gympie City has a static ageing population and Widgee Shire has the younger developing population, is not good for the overall development of the area. The anomalies of cross-use of services and facilities, and lack of overall planning and co-ordination of basic services produces inefficiencies, notwithstanding the best efforts of the two LAs.*

*Secondly, like Noosa and Maroochy Shires, the Gympie/Widgee area will face in the future increased coastal tourist development and closer residential settlement of its hinterland. The area needs a strong LA to properly plan for the overall development of the area. If the present situation is maintained, there is a real risk that:*

- (a) *Gympie will decline as its population ages;*
- (b) *wasteful cross-use of resources will continue;*
- (c) *the community will continue to be divided; and*
- (d) *the inevitable development of the area will not be properly planned.*

*An amalgamated LA would only be of moderate size (in terms of both population and area) by Queensland standards, and the Commission sees no difficulty with accessibility by electors to their elected members. Councillors and Aldermen who are not accessible to their electors pay the price at the ballot box (paragraphs 10.105 to 10.108).*

**11.4** The Committee received 181 submissions on this recommendation. One was withheld from publication following the Committee's decision not to publish defamatory material. The Committee discusses this matter in Chapter 3.

**11.5** The Committee notes that EARC received 169 submissions and held a public hearing in Gympie on June 27 and 28, 1991.

**11.6** The Committee, comprising the Chairman Mr Foley, Dr Clark, Mr FitzGerald, Mr Quinn and Mr Welford, inspected the common boundary of Gympie and Widgee on 10 December 1991. Committee members had previously visited each Council on 14 October 1991 to discuss issues of electoral and administrative review.

**11.7** The Committee then conducted a public hearing with the two councils in question in Gympie. A report of the Committee's hearing published in the Gympie Times of 11 December 1991, is reproduced in Appendix E.

**11.8** The Mayor of Gympie, Alderman J Dodt, supported EARC's findings but qualified this with her belief there should be a referendum with arguments for and against submitted to affected electors before amalgamation.

**11.9** Notwithstanding her support for merger, Ald Dodt expressed the opinion that EARC's reasoning for amalgamation is "largely rhetorical, giving no basic reasons to support its views ... in fact, the commission itself comments that the reforms recommended by it have been largely based on community considerations with no prediction as to cost savings and adding only that it believed that cost savings were a reasonable prospect". The Committee considers these comments in Chapters 3 and 20 of this report.

**11.10** Ald Dodt, however, agreed with EARC's specific findings that regarding cross-servicing, lack of planning and co-ordination and the likelihood of future coastal/tourist and hinterland residential development in Widgee Shire.

**11.11** Ald Dodt also raised the possibility that another council might be necessary in the coastal area surrounding Rainbow Beach and Tin Can Bay.

**11.12** In the Committee's hearing, the Gympie Town Clerk, Mr R Irvine agreed with EARC that Gympie has an ageing population. He estimated that about a quarter of the city's ratepayers received a pensioner rebate.

**11.13** The Widgee Shire Chairman, Councillor A McClintock, said that the EARC report was "full of generalisations, sweeping statements and buzzwords and devoid of factual data supporting the recommendations". Cr McClintock claimed EARC was "basically acting on a gut feeling" when it made its recommendations. The Committee's considers EARC processes in Chapter 5 of this report.

**11.14** Specifically, Cr McClintock rejected a claim that Widgee had "unduly low development standards" in its growth areas.

**11.15** Cr McClintock conceded, however, that there was an inequity in the cross-use of facilities but suggested it could be overcome by an independent survey of cross-use being undertaken and appropriate arrangements for cost-sharing or financial recompense being entered into.

**11.16** Both councils expressed different views on EARC's view that the area known as "South Side" was part of Gympie and that the boundary with Widgee artificially divided the community.

**11.17** Ald Dodt supported this view, commenting:

I'd wonder how anyone could feel it was anything else.

**11.18** Cr McClintock expressed the view there was no division of community as people regarded themselves as belonging to a district or region rather than a specific local authority.

**11.19** His view was that EARC's principles, like "community of interest" and "spatial links", were not clearly defined and that community of interest "should be a minor consideration compared to efficiency, viability and service".

**11.20** He further rejected the suggestion that Gympie South could be categorised as "urban overspill".

**11.21** Cr McClintock favoured a referendum before a merger of the two local authorities was affected but on a different basis than Ald Dodt.

**11.22** Ald Dodt gave the view that an overall "yes" majority would be sufficient rather than a majority of residents in both local authorities.

**11.23** Mr Len Stephan, MLA for Gympie, submitted (no. 1712) that a Gympie/Widgee merger had been debated in the area for a century. Mr Stephan suggested a referendum be held and special attention be given to the question of rates before any amalgamation take place.

**11.24** The Gympie Chamber of Commerce submitted that the holding of a referendum would not be a conclusive test of residents' feelings.

**11.25** Mr A G Clarke (no. 3) submitted to the Committee that a referendum was not required before previous Gympie/Widgee boundary changes, so one should not be required before amalgamation.

**11.26** The issue of a referendum is discussed in Chapter 20, and the issue of rates in this chapter and in Chapter 19.

**11.27** Mr Alan T Ward in a submission to the Committee (no. 422) criticised the Widgee Shire Council for purchasing a site for a possible new administrative headquarters during EARC's investigation.

**11.28** Mr G M Harvey (no. 470), a ratepayer in both the Gympie and Widgee areas, suggests

there is a considerable overlap in council staff and an amalgamation would bring overall savings when operations were rationalised.

**11.29** Mr B J Patterson (no. 1711), supported the concept of amalgamation but expressed concern as a Gympie employee that there could be discrimination in staff appointments by a new council.

**11.30** Ald Dodt rejected EARC's recommendation for an interim council during the transition period leading up to amalgamation. She told the Committee in its hearing that the appointment of an independent administrator by the state government would be preferable. Her comments are referred to in Chapter 19.

**11.31** Ald Dodt suggested that a new administration centre would be necessary for a merged council but noted that much of the cost could be offset by the sale of the Widgee Shire Council Chambers.

**11.32** Ald Dodt said that state government assistance was essential and that it would be preferable if it was given by way of direct grants rather than low or no interest loans.

**11.33** Cr McClintock said that if amalgamation were to proceed Widgee regarded the name "Gympie City" as inappropriate. He suggested "Gympie Shire" or "Cooloola Shire" would be more acceptable.

**11.34** Cr McClintock objected to EARC's proposal that trade union representatives be included on local consultative committees, preferring the inclusion of staff representatives.

**11.35** He opposed the appointment of persons to an interim council, preferring as an alternative that each council elect nominees and that the interim council elect its own chair. He unequivocally rejected Ald Dodt's proposal that an administrator be appointed.

**11.36** Further, Cr McClintock proposed that the next council election be brought forward 12 months and the new council be elected for a four year term.

**11.37** While Cr McClintock opposed amalgamation, he suggested that if amalgamation was to occur, it occur as soon as possible.

**11.38** Cr McClintock estimated that new office facilities for a combined local authority would cost between \$3 and \$4 million, and that \$2 million might be required for new depots and \$500,000 for new computer systems.

**11.39** He asked the state government to bear the cost of amalgamation.

**11.40** Mr Welford asked Cr McClintock whether the state government should bear the cost of conducting referenda requested by his and other councils:

*Mr Welford: The referendum is your suggestion. Are you happy to pay those costs?*

*Cr McClintock: As far as I see it, our council, at least is quite happy to stay where it is.*

*Why does it need to change at all? But I would expect that the local authorities would pick up that costs.*

**11.41** Cr McClintock compared the cost of a referendum to that of the triennial local government elections which are borne by the councils themselves.

**11.42** Mr Gary Davidson suggested a hybrid of the Gympie City Council's and EARC's implementation proposals. He advocated an interim council, as suggested by EARC, to be headed by an appointed independent administrator.

**11.43** Ald Dodt, in evidence, expressed a concern regarding the lack of sewerage in the "South Side" area and warned of a potential health problem.

**11.44** Acknowledging EARC's findings on past problems in the administration of the area's water, Ald Dodt claimed her council will plan an upgrade of Gympie's water supply and treatment plant, which is sited in Widgee Shire, "possibly even 20 years" ahead of time because of the growth in the Widgee Shire.

**11.45** Cr McClintock, however, expressed the contrary view that Gympie ratepayers would not be disadvantaged because, if not for the shared usage with Widgee, they would be paying a much higher rate to run a water treatment plant.

**11.46** Cr McClintock said his council had contributed to Gympie for specific services in the city, notably a footpath in Gympie that leads to the "South Side" area and a road leading to the local TAFE college.

**11.47** Both councils agreed that joint committees and bodies were working well but there had been problems in the past.

**11.48** Cr McClintock commented that a facilitator might be of assistance:

*Maybe it needs somebody like the Director of Local Government ... or somebody like that to perhaps preside ... perhaps adjudicate.*

### **Findings**

**11.49** The Committee endorses EARC's recommendation that the councils of Gympie and Widgee be abolished and a new local authority called "Gympie City" be formed in the interest of the district's residents.

**11.50** The Committee shares EARC's concern about the provision of sewerage in the area known as "South Side" or "Gympie South".

**11.51** It endorses EARC's finding that this area is clearly a suburb of the community of Gympie and that it is correctly categorised as that city's "urban overspill". It views the citizens of Gympie and residents of the mixed urban and rural shire of Widgee as having a strong community of interest and their local authorities as complementary.

**11.52** The Committee notes the expressed concerns of both the Gympie City Council and the Widgee Shire Council regarding EARC's recommendations as to implementation. It makes specific recommendations regarding implementation in Chapter 19.

**11.53** In particular, the Committee recommends that the new local authority introduce a differential rate in respect of the existing difference between local authorities in accordance with the recommendation in Chapter 19.

**11.54** The Committee notes the suggestion that a new council be described as a shire council. The Committee has recommended in Chapter 19, that the Minister for Local Government consider the creation of a new category of council, a "district council", for local authorities with a mixed population of urban and rural dwellers.

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## **12. MARYBOROUGH/WOOCOO**

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**12.1** Maryborough was proclaimed as a municipality in 1861 and as a city in 1905. The Woocoo Shire, formerly division one of the Tiaro Shire, was proclaimed in 1915. There have been numerous boundary changes in the region, with Maryborough enlarged in 1917 and in 1975. The Burrum Shire was dissolved then and its components transferred to Woocoo, Maryborough and the new local authority of Hervey Bay.

**12.2** EARC recommended in its report that:

- (a) *the LAs of Maryborough City and Woocoo Shire be abolished;*
- (b) *an LA be created from the areas of the previous LGAs of Maryborough and Woocoo, as defined in Map W.12 of Appendix W; and*
- (c) *the new LA be known as Maryborough City.*

*The Commission recommends that Tiaro Shire retain its existing boundaries.*

*The Commission further recommends that the question of the possible future excision of the western part of the new Maryborough City, and its amalgamation with the adjoining Biggenden Shire, be referred to an on-going boundaries review mechanism for examination.*

*The Commission also recommends that Recommendation 29 of the Report of the Commission of Inquiry into the Conservation, Management and use of Fraser Island and the Great Sandy Region, be referred to an on-going boundaries review mechanism for examination (paragraphs 11.124 to 11.127).*

**12.3** EARC reasoned that:

*The proposed amalgamation of Maryborough City and Woocoo Shire is recommended on the grounds of sufficient resource base, suitable service area and community of interest. In particular the benefits of forming a new LA are: a sufficient resource base to provide the services required by its residents; an increased service area to enable more efficient and effective provision of services, and in particular, water supply; and a service area which reflects the area's growth and the spatial linkages of its community (paragraph 11.123).*

**12.4** Recommendation 29 of the report of the Commission of Inquiry into the Conservation, Management and Use of Fraser Island and the Great Sandy Region states:

*Consideration be given in a review of local authority boundaries by the Electoral and Administrative Review Commission (EARC) to the alteration of the boundaries of the cities of Maryborough and Hervey Bay and the shires of Noosa and Widgee and the inclusion of the entire region within one local authority area or to the inclusion of the whole of Fraser Island into one local authority area and the inclusion of the entire mainland part of the region into one other local*

*authority area.*

**12.5** The Committee notes that EARC received 101 submissions on this matter and held a public hearing at Tinana on 1 and 2 July 1991.

**12.6** The Committee, in its review of the EARC report, received 48 submissions.

**12.7** The Committee, comprising the Chairman Mr Foley, Dr Clark, Mr FitzGerald and Mr Welford accompanied by the Mayor of Maryborough, Alderman A Brown, and the Woocoo Shire Council Chairman, Councillor D Braddock, inspected the common boundary of the two local authorities before holding a public hearing at Tinana Hall on 10 December 1991. Committee members had previously visited each council on 14 October 1991 to discuss issues of electoral and administrative review. A report by the Maryborough Chronicle of the Committee's hearing is republished in Appendix E.

**12.8** Ald Brown gave evidence that the Maryborough City Council accepted EARC's findings, recognising the Commission as an independent arbiter.

**12.9** He stated that the council was concerned, however, with EARC's recommendation that the on-going boundaries review mechanism consider whether the western part of Woocoo be transferred to Biggenden Shire:

*Maryborough does not feel this is fair to those residents affected. The matter should be finalised now and not left to hang in the balance. If the amalgamation of Maryborough and Woocoo is to proceed as recommended by EARC, the western area of Woocoo Shire should become part of the new Maryborough City and remain so for the foreseeable future. If however, it is decided that the Western area of Woocoo Shire would be better off joined with Biggenden Shire, then this decision should be made now, and not allow it to be part of Maryborough for a short period and then part of Biggenden at a later date.*

**12.10** Ald Brown said the Maryborough Council acknowledged the area had a "greater community of interest" with Biggenden.

**12.11** While endorsing EARC's recommendations generally, Ald Brown expressed some other reservations.

**12.12** Specifically, he suggested the Tinnanbar area was compatible with nearby coastal communities and should be transferred from Tiaro to Maryborough and the Aldershot and Riverview communities be transferred from Hervey Bay to Maryborough.

**12.13** The Woocoo Shire Chairman, Cr Braddock, rejected the EARC report as unsound. He told the Committee that Woocoo had a separate community of interest:

*I believe that EARC has made a fundamental error in that it has not recognised Woocoo Shire as a rural local authority. EARC has recognised that the western part of the shire is rural and so has made a recommendation that this section of the new local authority be considered for amalgamation with Biggenden Shire in the future. However, it has not recognised the fact that the shire in total is rural.*

**12.14** Cr Braddock told the Committee the Australian Bureau of Statistics classified the shire as 100 percent rural and that \$9 million of the \$11.5 million of the agricultural value of the shire came from the eastern part of the shire, recommended for amalgamation.

**12.15** Specifically, the Woocoo Shire Council claimed it fulfils all criteria in EARC's position paper, in particular:

*Local Government means local representation and provision of service at the local level.*

**12.16** The Woocoo Shire Council, in its formal submission (no. 2076) to the Committee, in its summary of grounds for rejection of EARC's recommendations, dissents with EARC's findings on residential areas, provision of services, water supply headworks, provision of water supply and demography. Specifically it states:

*Evidence provided by Maryborough City, the supporting information to EARC's recommendations and the EARC Analysis of Evidence and Arguments, all contain major untruths, misrepresentations and mis-statements of fact.*

*The covering of the truth or ignorance of fact by these parties has critically damaged this council's case and jeopardised its position in existing as a shire in the future.*

The Shire further claims:

*The EARC Report has fabricated evidence which is untrue - evidence which the Commissions have been obviously influenced by and relied upon, and which has severely prejudiced this Council's position.*

**12.17** The Committee reviews EARC's processes in Chapter 3 of this report.

**12.18** Cr Braddock also suggested that a merger of Maryborough and Hervey Bay would be more appropriate and consistent with EARC's principles than the recommendation to merge Maryborough and Woocoo.

**12.19** Cr Braddock took issue with EARC's findings that "an increased service area to enable more efficient and effective provision of service and, in particular, water supply" was a premise for amalgamation, along with a sufficient resource base and community of interest. He criticised as unfair EARC's statement that the shire could not impose headworks charges on developers.

**12.20** Cr Braddock said residents generally did not want water reticulation and sewerage. While there were specific instances, he asked:

*Does eight requests for water justify a water service?*

**12.21** Cr Braddock said many residents with bores and septic tanks were, in effect, "self-sufficient" as that was their chosen lifestyle. They did not want or need such services.

**12.22** He suggested the provision of water to some properties could be "prohibitively expensive". The Shire Clerk, Mr Joseph Hill, said that the gross cost of a water charge could be

\$1,200-\$1,300 for supply. He told the Committee supply of water was simply not viable for much of the Shire.

**12.23** Ald Brown told the Committee, the new local authority could make decisions on the provision of extra services after assessing the demand for them:

*Public comment has been made that Maryborough will force unwanted services on the residents of the existing Woocoo Shire. I can say that Maryborough has never had that intention. As Maryborough has already told the EARC public hearings, Woocoo residents have been asking for Maryborough to provide some services. At present, Maryborough council's attitude is that it will listen to the people. If a majority of people in an area ask for provision of a service and it could be equitably supplied, council would supply the service. However if people made it clear to the council that they did not want the provision of a particular service, then council would not force it upon them.*

**12.24** Ald Brown similarly disputed EARC's summation that the two councils had been deadlocked for 12 years over providing a joint water supply, and but instead suggested:

*I think that in 1979 - and obviously some of the Woocoo people may have their comments on this - but in 1979 they were in the early stages of trying to develop - Woocoo at that time - the shire plans determines precisely which areas they needed to service in the future. There was a lot of investigation that had to be done at that time, I think - certainly on their part - to determine how widespread their water needs would be. Maryborough at the time was trying to address some of the problems you have mentioned in terms of supply to its city residents and we had to move along. Without having some of those matters resolved, it was necessary to proceed. I think since that time Woocoo, as I understand it, have investigated a number of other alternatives. I do not think there has been any dialogue between the two councils since that time. They obviously came to their own decision and we were already committed down a path.*

**12.25** Mr V Lever-Shaw, the Maryborough City Engineer, told the Committee the city could, in time, plan for Woocoo's future water and sewerage needs as identified by EARC.

**12.26** The Woocoo Shire claimed that amalgamation would inevitably lead to higher rates for Woocoo residents.

**12.27** However, Ald Brown told the Committee:

*At present, except for rural residential land under 4 hectares, all other Maryborough rural rates are lower than Woocoo rural rates.*

**12.28** Ald Brown raised the possibility of a reduction in Commonwealth grants for councils:

*Maryborough views with considerable concern any suggestion of a reduction in Commonwealth Grants funding to an amalgamated council. Maryborough now seeks a firm assurance from the State Government that total Commonwealth Grants Commission funding to amalgamated councils will not be reduced below what would apply to individual councils if no amalgamations had occurred. This assurance should be for a period of at least six years after amalgamation. Perhaps the parliamentary commission could make this recommendation.*

**12.29** The Woocoo Shire Council and the Maryborough Sugar Factory Ltd also asked that the possibility of a grants reduction be taken into account by the Committee. The Committee discusses the role of the Grants Commission in Chapter 5.

**12.30** Ald Brown similarly asked the Committee to recommend that Department of Transport funding for road construction be maintained.

**12.31** In respect of other financial implications, Ald Brown said that the Maryborough Council recognised there would be a monetary cost associated with amalgamation:

*I believe the State Government should make sufficient funds available so that the amalgamation can proceed without being a draw on the funds of the new local authority.*

**12.32** Cr Braddock suggested the EARC report failed to address the question of adequate representation for the rural community:

*In contrast, Ald Brown suggested Woocoo's representation on a combined council could be provided for by two extra alderman.*

The Committee reviews this matter in Chapter 20.

**12.33** The two councils had different views on the need for a referendum as a condition precedent to amalgamation.

**12.34** The Maryborough City Council saw a referendum as unnecessary while the Woocoo Shire Council advocated it because, as the Shire Clerk, Mr Hill, said:

*... in the last 16 years people have generally taken much more of an interest in their own self-determination and destination, and that goes worldwide.*

The Committee reviews this and other requests for referenda as a condition precedent to boundary change in Chapter 20 of this report.

**12.35** Ald Brown told the Committee he believed Fraser Island should continue to be divided between the Maryborough and Hervey Bay local authorities so that Maryborough could benefit from expected tourism growth:

*Fraser Island in its initial development was closely associated with Maryborough and the timber industry. I guess you could well say that the City of Maryborough pioneered Fraser Island. With the handing down of the Fitzgerald inquiry we have a situation whereby the city of Maryborough is the local authority which has*

*been disadvantaged most by the cessation of logging. If we go back to 1976, it was very adversely affected by the cessation of sandmining. So Maryborough has taken two fairly good kicks in the ribs with certain things that happened on Fraser Island.*

**12.36** The Committee received a submission from the Member for Isis, Mr W Nunn MLA (no. 2865) suggesting, that Fraser Island should be administered solely by the City of Hervey Bay. The Committee also received a number of submissions from residents of the southern half of the island requesting that Maryborough continue to administer them.

### **Findings**

**12.37** The Committee does not accept the contention that Woocoo Shire is totally rural. It notes the councils' own figures that 54 percent of its rates are derived from rural residential lots and that the shire's town plan provides for an expansion of this type of development.

**12.38** The Committee agrees with EARC that Woocoo is primarily viable because it is the economic beneficiary of its proximity to the City of Maryborough.

**12.39** The Committee agrees that in the future, residents of Woocoo may require water and sewerage connections and that the Shire is under-resourced to provide them.

**12.40** The Committee is disappointed at the long-term failure of the two councils to negotiate joint arrangements over water supply.

**12.41** The Committee endorses EARC's recommendations as outlined in paragraph 12.2 at the beginning of this chapter.

**12.42** The Committee also considers that Fraser Island should be placed under the jurisdiction of one LA. It recommends the on-going boundaries review mechanism discussed in Chapter 6 review the matter urgently, as discussed in Chapter 6.

**12.43** The Committee considers that Fraser Island as a unique environment requiring very careful protection. In particular, the Committee endorses the recommendation 29 of the report of the Commission of Inquiry into the Conservation, Management and Use of Fraser Island and the Great Sandy Region be referred to an on-going boundaries review mechanism as described in Chapter 6.

**12.44** The Committee discusses the communities of Aldershot and Riverview in its review of EARC's recommendations on minor boundary changes in Chapter 18.

**12.45** The Committee rejects Woocoo Shire Council's submission regarding the fairness of EARC's report as the evidence does not support the council's serious and unfounded allegations regarding fabrication and bias. This reflects no credit on that Council. EARC's processes are discussed in Chapter 3.

**12.46** The Committee recommends that the new local authority institute a differential rating system as discussed in Chapter 19.



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## **13. BUNDABERG/WOONGARRA/GOOBURRUM**

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**13.1** Bundaberg became a municipality in 1881 and a city in 1913. The Woongarra Divisional Board was established in 1885 and became a shire in 1903. The Gooburrum Divisional Board was founded in 1886 and similarly became a shire in 1903.

**13.2** EARC recommended:

- (a) *the LAs of Bundaberg City and Woongarra Shire be abolished;*
- (b) *a new LA be created from the former LGAs of Bundaberg City and Woongarra Shire, together with the area excised from Gooburrum Shire, north of the Burnett River as described in paragraph 12.151 and outlined in Maps W.13 and W.14 of Appendix W; and;*
- (c) *the new LA be known as Bundaberg City.*

*The Commission also recommends that the boundary of Gooburrum Shire be altered:*

*commencing at a point east of the intersection of the Burnett River and Splitters Creek, the boundary be moved northwards between Lots 3 and 4 on RP46039 to the southern boundary of Lot 1 on RL7620 generally east and north to the Tirroan Branch Railway, across the railway line and by the eastern boundary of RL529 to its intersection with Bundaberg Gin Gin Road, then following Bundaberg Gin Gin Road to its intersection with Moore Park Road, then following Moore Park Road to its intersection with Martins Road, then following Martins Road north-easterly to the south-east corner of Lot 3 on RP109211, northerly to Tanthitha Road, then following Tanthitha Road north-westerly to the south-west corner of Lot 59 on RP200211 northerly to the north-west corner of Lot 166 on RP807787, easterly to the northern boundary of Lot 26 of RP805461 to its intersection with the Burnett River*

*(as outlined in Bundaberg City's proposal (S681 p.21), with minor amendments and as detailed in Map W.13 and W.14 of Appendix W).*

*The Commission further recommends that an on-going boundaries review mechanism consider whether the southern part of the proposed Bundaberg City, particularly that area south of the Elliott River, would be better serviced by Isis Shire (paragraphs 12.150 to 12.152).*

**13.3** Specifically, EARC reasoned:

*In all the circumstances, the Commission concludes that the community in the Bundaberg urban area is badly fragmented between the three LAs resulting in:*

- (a) *division of a natural community;*
- (b) *wasteful duplication of facilities and services;*

- (c) *lack of overall planning and efficient co-ordination of services;*
- (d) *lack of effective representation of that area with investors and other levels of government.*

*It follows that all the Bundaberg urban area should be governed by one LA. As Woongarra Shire lacks viability if its urban area is ceded to Bundaberg City, the two LAs should be amalgamated. An on-going boundaries review mechanism should examine, however, whether Southern Woongarra Shire (particularly south of the Elliott River) might have more community of interest with Isis Shire. Further, the rural areas of Woongarra Shire might have more effective representation in Isis Shire. On the other hand, the present situation effectively prevents urban residents in the overspill areas from having any say in the Local Government of Bundaberg (see paragraph 12.98).*

*Further, the commission believes that all of the urban area north of the Burnett River should be transferred to the new LGA. The balance of Gooburrum, however, should remain because it continues to be viable and will become more so as coastal development north of Bundaberg occurs.*

*The proposed boundary change is recommended on the basis of the Commission's principles that an LA should have boundaries which facilitate co-ordinated planning and development of the area for the long term good of present and future residents, and efficient and effective provision of physical and human services. Consideration was also given to the future projected growth of the region and the Commission's community of interest principles. Particular benefits of the proposed boundary changes include:*

- (a) *the entire urban area of Bundaberg will be contained within a single LGA;*
- (b) *more efficient, effective and equitable water supply and sewerage services to urban residents;*
- (c) *improved co-ordination of planning for future services;*
- (d) *recognition of the extensive urban community of interest in the region;*
- (e) *effective representation of the urban community;*
- (f) *removal of instances where the current boundary divides neighbourhoods;*
- (g) *recognition of the significant rural community of interest in the region;*
- (h) *effective representation of the rural community; and*
- (i) *the capacity for the Gooburrum Shire to diversify its rate base without any encroachment of the Bundaberg urban area (paragraphs 12.46 to 12.149).*

**13.4** The Committee notes that EARC received 311 submissions on this case and held public hearings on 4 and 5 July 1991 at Bundaberg.

**13.5** The Committee received 73 submissions and invited the councils involved to a public hearing in Bundaberg on 11 December 1991. One submission was withheld from publication following the Committee's decision not to release potentially defamatory material. A reproduction of the Bundaberg News Mail report of the Committee's hearing is contained in Appendix E.

**13.6** The Committee consisting of the Chairman Mr Foley, Dr Clark, Mr FitzGerald, Mr Quinn and Mr Welford, accompanied by the Mayor of Bundaberg Alderman J Cunningham, the Woongarra Shire Council Chairman, Councillor P Petrie, and the Gooburrum Shire Chairman, Councillor W Neubacker, inspected the common boundaries of the three local authorities before the hearing. Committee members had previously visited each of the councils, on 27 September 1991, to discuss issues of electoral and administrative review. On that occasion the Gooburrum Shire Council took Committee members on an inspection of relevant areas in Gooburrum Shire.

**13.7** The Mayor of Bundaberg, Ald Cunningham, welcomed EARC's recommendations, observing they were very similar to Bundaberg's formal proposals to EARC. She agreed with EARC that the present boundaries artificially split one community into three.

**13.8** She also agreed with EARC's dismissal of the "developing rural city of Woongarra as fanciful".

**13.9** Ald Cunningham emphasised the provision of services like the Moncrieff Theatre, the art gallery, child care centres and the aerodrome as indicative of the fact that Woongarra residents were part of the one Bundaberg community.

**13.10** In hearings, Ald Cunningham told the Committee:

*The EARC report and recommendation will allow Bundaberg greater recognition as a centre, with the whole of the urban area in one authority.*

**13.11** In Bundaberg City Council's formal submission to the Committee (no. 1451), it was noted in contrast that Woongarra had no recognisable centre or even a postcode.

**13.12** Ald Cunningham also gave evidence that:

*I see amalgamation as the only positive way to go, simply because after listening to all of the evidence and reading it all, it appears that the alternative is to retain the three councils in this area; retain the 30 members, the three administrative centres and the three officers of all levels and the three departments and then have these services - like water, sewerage, garbage - all these things administered by joint committees. Well, if that is the alternative, that is the most fragmented way of taking this area into the next century, and for that reason, I think that anybody who is thinking of the future of the area could only support amalgamation ...*

and:

*I do not say there has been a lack of planning, but you certainly could do the planning and co-ordination of services more efficiently from one administration than three.*

**13.13** Ald Cunningham told the Committee there could be practical problems caused by the current boundaries:

*I think that it would be very difficult for an investor coming into Bundaberg because - depending on what part of Bundaberg he wanted to establish - you have got three different councils to go to and you have got three different town planning schemes, three different lots of building regulations, and it would be very difficult for an investor. It certainly would be better to have it all in the one area and all under the one lot of rules and regulations.*

**13.14** Cr Petrie, the Woongarra Shire Chairman, objected to the EARC review process. He claimed EARC's report was nothing more than "motherhood statements" and that their findings had not been proven beyond reasonable doubt.

**13.15** According to Cr Petrie:

*The report has a complete lack of financial analysis of any assumed cost and alleged benefits simply because it is too difficult, too time-consuming and too much of an imposition on the councils concerned.*

**13.16** Cr Petrie also expressed his view that EARC had an inability to grasp technical evidence.

**13.17** In the Woongarra Shire Council's formal submission to this Committee, the council warns that the Committee will be held accountable if it recommends implementation of the EARC report.

**13.18** The Committee also received personal submissions from the Woongarra Shire Clerk, Mr R Kernke and from the Woongarra Shire Engineer, Mr S Doak. Mr Doak in his submission described the report as "baseless drivel" and "incorrigible drivel". He went on to say:

*Mr Foley, I referred earlier to my desire to retain my career which I have worked so hard to forge and establish. I promise that if your Government disrupts my career, and those of my colleagues and my colleagues' colleagues throughout this State by implementing forced amalgamations based on this baseless drivel disguised as a professionally researched report, then I will take every avenue available to me to ensure that I severely disrupt your career and the careers of your colleagues as servants of the Queensland people. I will undertake to influence as many people as possible to vote you and your colleagues out of office or onto the opposition benches where you would be infinitely more suited.*

**13.19** The Committee reports on its monitoring of the EARC process in Chapter 3.

**13.20** Cr Petrie denied that local authority boundaries artificially divided a community of interest:

*The proliferation of very successful councils in the Queensland south-east corner*

*and the south-east 2001 process are perfect examples of the fact that community of interest plays no identifiable part in the process of local authority positioning.*

**13.21** Cr Petrie said that development in Woongarra was not fuelled by its proximity to Bundaberg but was the result of different development policies.

**13.22** Cr Neubecker gave evidence that EARC had correctly identified Gooburrum as a rural shire but disagreed with EARC's analysis and evidence.

**13.23** Cr Neubecker did not disagree with EARC's finding that Bundaberg could be looked at as divided in three but offered the alternative interpretation that the river divided a community into two.

**13.24** He said he took issue with the way EARC employed its own principles and indicators in this case:

*It has ignored numerous other boundary changes that could fit the principles just as well.*

**13.25** Cr Neubecker explained his position:

*There is no denying that there is a community of interest with those urban areas contiguous with the existing Bundaberg City boundary, but even EARC admits that the community of interest with Bundaberg extends beyond Gooburrum Shire boundaries ... the community of interest of neighbouring farmers was apparently not considered, not was the community of interest of the rural residential people who made a choice to adopt this as their preferred lifestyle.*

**13.26** Cr Neubecker suggests a better alternative, with a greater community of interest, would be the creation of a new local authority north of the Burnett River.

**13.27** He also disagrees with EARC's finding that there has been wasteful duplication or poor planning, or ineffective representation with developers.

**13.28** Under questioning from Mr Welford during the hearing, Cr Neubecker gave his view on EARC's findings that the three local authorities had a history of water and sewerage problems, a lack of co-operation and a series of disagreements:

*Mr Welford: Do you deny that they (residents) would benefit from any increased co-operation - that would obviously occur if they were included in one council area - in respect of water supply and sewerage?*

*Cr Neubecker: On the face of it, it would be better under one area. But would it be?*

When pressed, Cr Neubecker replied:

*I do not know.*

**13.29** Ald Cunningham said water supply was an instance of duplication of facilities and services, where amalgamation would offer future economies of scale, claiming:

*Woongarra have just commissioned a new water treatment plant, and they will now be supplying water to those same areas that the city is supplying to them now.*

**13.30** The three councils conceded in the hearing that there had been a series of disagreements regarding water supply for the district. In some cases, there has been a duplication of facilities, in others there has been discord about the appropriate payment for supply of services by one council to another.

**13.31** Cr Petrie described his council's relationship with the Bundaberg City Council:

*... it takes two to tango and we're not getting very far.*

**13.32** Dr Michael Jones, a consultant to the Woongarra Shire, said resource-sharing and joint arrangements were preferable to amalgamation. He suggested the state government may appoint facilitators and mediators to assist a co-operative approach by councils.

**13.33** Cr Neubecker of Gooburrum similarly told the Committee:

*Despite our pointing out (to EARC) that water and sewerage services could be effectively managed through a joint arrangement, EARC did not think it would work without direct involvement by the State Government ... This involvement would pale into insignificance compared to EARC's intrusion into local government affairs. EARC says the shire's water supply and sewerage schemes are inefficient and uneconomical but presents no costings other than rate charges to substantiate this. Likewise no evidence of un-coordinated planning was presented ...*

**13.34** The Gooburrum Shire Council, by way of explanation, said the council was "basically buying water" from the City of Bundaberg and subsidising city ratepayers who pay less.

**13.35** Ald Cunningham said the city averaged the cost of its two water sources, surface and ground water.

**13.36** The Committee notes that the Gooburrum Shire Council concedes it will have to buy further treated water off Bundaberg to service any urban expansion in 500 available housing blocks at the localities of Tanitha Village and Fairymead.

**13.37** The Committee similarly notes that the Bundaberg City Council concedes it will not be able to sewer the Avoca growth area but will have to pay for services from Woongarra Shire Council.

**13.38** The Committee notes Ald Cunningham's submission that a number of problems have arisen where catchments have been under the control of two local authorities.

**13.39** Ald Cunningham suggested drainage problems in North Bundaberg would be remedied by her council if the area was within the boundaries of Bundaberg City rather than Gooburrum.

**13.40** The Woongarra Shire Council in its formal submission to the Committee claims that there would be no difference in water supply to the district if only one authority existed.

**13.41** The Woongarra Shire Engineer, Mr Doak, told the Committee that while there may be some complaint about district water arrangements, this was not a local complaint but one emanating from the Water Resources Commission head office in Brisbane. He said there had been some expressed concern from the Commission about parochialism.

**13.42** The Committee notes the evidence of Councillor C Young of Gooburrum that neighbouring councils have similarly developed their own sewerage treatment plants.

**13.43** Cr Young explained that Gooburrum had gone ahead with its own sewerage scheme for North Bundaberg with the assistance of a government subsidy. The Council denies there could have been cost-savings, given the expense of reticulating water across the river to southern sewerage plants. Costs were high but as the plant was operating at only half capacity, the council predicts costs would fall inversely with growth.

**13.44** In opposing the EARC recommendations, the Gooburrum Council estimated its residents' representation would drop from 1 to 700 to 1 to 3,500 under EARC's proposals.

**13.45** In contrast, the Mayor of Bundaberg stated:

*There are thousands of people in the overspill suburbs who consider themselves to be residents of the city. Because of the present boundaries, they are denied the right to be counted as Bundaberg citizens, the right to vote in the city council elections, or to have representation on this council. In fact, they have no say in the council issues that affect their lives. Similarly, the balance of the residents EARC's recommended area have a community of interest with Bundaberg and still have no say on issues that effect them.*

**13.46** Submissions by the Bundaberg, Woongarra and Gooburrum Councils on implementation of EARC's recommendations and the desirability of a referendum are discussed in Chapters 19 and 20 respectively.

**13.47** When asked what the Woongarra Shire Council estimated amalgamation would cost, the Woongarra Chairman Cr Petrie told the Committee:

*Our figure is \$7.5 million.*

When questioned on whether that was a realistic figure he replied:

*Well that is our best estimate. We can break that down, if you want, and send it down to you.*

**13.48** Unfortunately, the Committee did not receive any detailed or itemised estimate or explanation from the Woongarra Shire Council.

**13.49** Mr Neil Peters submitted to the Committee (no. 655) that the Woongarra Shire Council's expenditure on a campaign against EARC's recommendations was improper. Mr Peters' submission was one of two that suggested the matter be referred to the Criminal Justice Commission. The Committee has referred to this matter in paragraph 5.4 of this report.

**13.50** The Committee received a number of submissions supporting EARC's recommendation that the area south of Elliott Heads, in Woongarra, be considered by an on-going boundaries review mechanism for transfer to the Isis Shire.

**13.51** The Isis Shire Council, while opposing other recommendations including amalgamation, submitted (no. 2670) that EARC should have immediately decided the future of southern Woongarra, rather than referring the matter to an on-going boundaries review mechanism.

**13.52** The Bundaberg District Sugar Industry submitted to the Committee (no. 1170) its concern that amalgamation would result in a rise in rates for Woongarra canegrowers. The body, which represents canegrowers and the Bundaberg Sugar Company Ltd, opposes amalgamation but sees some merit in expanding Bundaberg City into areas of urban overspill.

**13.53** The Wide Bay Conservation Council submitted to the Committee its support for amalgamation citing Woongarra's allegedly poor development process in coastal areas and general environmental concerns:

*There is no doubt that whether the whole of Woongarra Shire, or only part of the shire, is amalgamated with Bundaberg City, there must be regional planning to ensure protection of agricultural land, and areas of high conservation and scenic value throughout the shire.*

## **Findings**

**13.54** The Committee notes that the Bundaberg, Woongarra and Gooburrum Councils all have their administrative centres in the same Bundaberg city block.

**13.55** The Committee is firmly of the view that much of the recent residential development in Gooburrum and Woongarra Shires is the "urban overspill" of neighbouring Bundaberg.

**13.56** It rejects the view of the Woongarra Shire Chairman, Cr Petrie, that Woongarra's development is not contingent on Bundaberg's growth.

**13.57** The Committee especially notes the extent of unnecessary duplication of water and sewerage treatment plants in the three adjoining local authorities and the councils' repeated failure to reach agreement on something as fundamental to their residents as water supply.

**13.58** The Committee is concerned at the lack of action by the three councils on the Water Resources Commission's recommendation for a regional authority to co-ordinate water supply.

**13.59** The Committee notes that parochialism amongst the three councils has resulted in a lack of co-operation and consequently in instances of separate water and sewerage schemes subsidised by Queensland taxpayers.

**13.60** The Committee is cognisant of the desirability that local authority boundaries encompass water catchments, a matter it discussed in Chapter 4.

**13.61** The Committee endorses EARC's recommendations as outlined in paragraph 13.2, in full. It believes that amalgamation will lead to better planning and provision of services for residents of the Bundaberg District both in the short and the long term.

**13.62** The Committee recommends that a new local authority introduce differential rating as discussed in Chapter 19.

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## **14. TOWNSVILLE/THURINGOWA**

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**14.1** Townsville was gazetted a town in 1865, became a municipality in 1866 and a city in 1903. The Thuringowa Divisional Board was established in 1879 and became a shire in 1902 and a city in 1986. Boundary changes between the two local authorities occurred when Townsville expanded in 1882, 1918, 1936, 1958, and 1964. The Giru area was transferred from Thuringowa to the Ayr Divisional Board in 1893 but was returned in another boundary change in 1916. The Royal Commission of 1928 recommended amalgamation of the two local authorities.

**14.2** EARC recommended in its report that:

- (a) *Townsville City and Thuringowa City be abolished;*
- (b) *a new LA comprising the previous LGAs of Townsville and Thuringowa be created, with the exception of the areas detailed in paragraphs 13.168 and 13.169 and indicated on Maps W.15 and W.16 in Appendix W; and*
- (c) *the new LA be known as Townsville City*

*The Commission recommends that the boundaries of Burdekin Shire be extended to include the following areas currently in the Thuringowa LGA; that part of the Parish of Abbotsford commencing at the mouth of Burrum Bush Creek, by that creek to the south-east corner of Lot 5 Ep. 148, by that block generally westerly to the north-west corner of Lot 495 E.124.96 on the eastern boundary of Mount Elliot National Park, thence by that National Park generally southerly to a point near the north-east corner of Lot 70 Ep. 1722 Parish of Rokeby, by that lot south-east and south to the south-west corner of Lot 61 Ep. 1833 Parish of Scott, thence by that lot easterly to the north-west corner of Lot 3 Ep. 1814 Parish of Woodstock, being the property known as Majors Creek, thence southerly by the eastern boundary of that lot to the Haughton River, as indicated on Maps W.15 and W.16 in Appendix W.*

*The Commission also recommends that:*

- (a) *the boundaries of Dalrymple Shire be extended to include the following areas currently in the Thuringowa LGA; the south-west corner of Granite-vale Holding southerly to the northern corner of Herveyside Holding; by that Holding south-easterly to the eastern boundary of the Parish of Glenrock; by that parish south to the boundary of the Parish of Crimea; by that parish easterly and southerly to the Reid River; by that river easterly to the existing boundary, as indicated on Maps W.15 and W.16 in Appendix W; and*
- (b) *the boundaries of Dalrymple Shire be extended to include the following area within Burdekin Shire: from the north-east corner of R.33 (Camp, water and Stock Route Reserve) Parish of Blackheath, southerly to the south-east corner of Lot 1 Gs. 129, by that lot westerly to the common boundary between Glenkirk and Millaroo Holding, by that boundary to the existing Shire boundary, as indicated on Maps W.15 and W.16 in*

**14.3** The Commission further recommended that the common boundary of the new local authority of Townsville City and Hinchinbrook Shire, including the relevant off-shore islands, be referred to an on-going boundaries review mechanism (paragraph 13.170).

**14.4** EARC cited the following reasons:

*Firstly, the present urban area of Townsville is one community and the division of that community into two Cities is artificial. The division has produced friction between the two LAs and led to a lack of overall planning and co-ordination in the area.*

*Secondly, there is a strong community of interest identification within Townsville. The Commission notes in this regard, that in the Townsville Telephone Directory over 200 business and community organisations use Townsville in their name; nine such organisations use Thuringowa in their name of which one is Townsville Thuringowa Development Board. Further, a number of Townsville named organisations appear to be located in Thuringowa City. The Commission acknowledged Thuringowa City Council's (S2649, p.8) statement that names may also be chosen because of an affinity to localized areas (suburbs), however, it believes that the primary sense of community identification is with the whole area of Townsville.*

*The Commission recognises that there were many persons who made submissions to the Commission who expressed strong identity and community with Thuringowa City and argued strongly for its continued existence. This identity and support is at least partly due to the fact that Thuringowa City has efficiently and effectively served its residents over the years. The Commission has to deal with wider community considerations, however, and endeavour to make recommendations which will enable Local Government in the Townsville area to more effectively meet future challenges well into the next century.*

*Thirdly, the amalgamated LA will be able to more effectively plan, and provide services over the whole area.*

*Fourthly, cross servicing will be eliminated and services to residents could be provided on a more consistent and efficient basis.*

*Fifthly, needless rivalry between Townsville City and Thuringowa City will be eliminated.*

*Sixthly, Townsville and its environs should be able to be represented more effectively to investors and other levels of Government by an amalgamated LA.*

*Seventhly, the amalgamated LA should be able to plan infrastructure more efficiently, particularly for water supply, sewerage and drainage.*

*The Commission believes that there is strong evidence to warrant the transfer of those areas covered by the Burdekin River Improvement Trust, the Haughton river Improvement Trust and canelands supplying the Invicta Mill, currently in the Thuringowa LGA, into Burdekin Shire on the basis of community of interest, namely spatial patterns of human activities, economic makeup of the area,*

*community self awareness, and the need to not divide areas with common interests or interdependencies. The evidence supports the proposition that the southern parts of Thuringowa City are sugar based areas with more community of interest links to the Burdekin Shire (paragraph's 13.155 to 13.163).*

**14.5** The Committee received 256 submissions including petitions on the EARC recommendations. Two submissions were withheld from publication following the Committee's decision that defamatory material would not be published.

**14.6** The Committee notes that EARC received 279 submissions and held public hearings in Thuringowa on 8 and 9 July 1991.

**14.7** The Committee conducted a public hearing in Thuringowa on Thursday, 12 December 1991. A copy of the Townsville Bulletin's reportage of the hearing is in Appendix E. Committee members had previously held discussions with the Thuringowa, Dalrymple and Burdekin Councils, on 25 September 1991, on issues of electoral and administrative review.

**14.8** The Committee's Deputy Chairman, Mr Stoneman, stood aside from the hearing, explaining:

*Firstly, I made representation to EARC by way of submission no. 2697 on 3 July 1991 in respect of general and specific considerations impacting on the Townsville, Thuringowa, Burdekin local authorities; secondly, I gave evidence to the commission on July 9 1991 in further respect of the deliberations; thirdly, it is my intention to make further representations in respect of the aspects of the commission's representations; and fourthly, given the above, I believe the committee's integrity would be best preserved if I do not take part in these or subsequent deliberations in respect of any changes to Thuringowa City.*

**14.9** The Committee records that Mr Stoneman absented himself from all discussion and debate regarding its recommendations in this chapter.

**14.10** Mr FitzGerald served as Acting Chairman at the public hearing in Thuringowa. He was accompanied by Dr Clark, Mr Quinn and Mr Welford.

**14.11** The Mayor of Townsville, Alderman A Mooney, endorsed EARC's recommendations with the caveat of minor boundary changes namely the inclusion of Palooma Dam and specific comments about transitional arrangements for any amalgamated council.

**14.12** Ald Mooney's suggestions regarding transitional arrangements and an on-going boundaries review mechanism are dealt with in Chapters 19 and 6 respectively.

**14.13** Ald Mooney further said he was unconcerned about the area around Cromarty which Townsville recommended to EARC be transferred to Burdekin, and suggested that an agreement between his council and Hinchinbrook Shire Council over the transfer of several off-shore islands be referred to an on-going boundaries review mechanism.

**14.14** In contrast, Alderman L Tyrell, Mayor of Thuringowa included the following in his submission at the Committee's public hearing:

*Has the Government already made up its mind on amalgamations, and, really, have EARC and the Parliamentary Committee hearings been a tax-payer funded token gesture to suggest that some sort of democratic process is taking place?*

Committee member Mr Welford commented at the public hearing as follows:

*Alderman Tyrell, thank you for appearing before the committee. I want to ask you some questions which are designed to test your case and test your arguments. They are not intended to give an indication in any way or terms of what my view is or what the view of any member of this committee- to my knowledge none of us has formed a view- and for those who are indiscreet enough to interject, may I say to you and to councillors here, that all of us are here out of a genuine interest to try to get what is best for your community. No-one here has a predetermined position, and I would appreciate it if everyone approached it on that basis.*

**14.15** Ald Tyrell accused EARC of bias, suggested the case for amalgamation was "paper-thin", disputed EARC's reasoning, suggested joint arrangements as an alternative to amalgamation and characterised EARC's treatment of Thuringowa submissions as "I think we got the proverbial dirty rag treatment". Ald Tyrell contrasts this with EARC's own finding that his council is both efficient and effective. His criticism of EARC's processes is dealt with in Chapter 3 of this report. Similarly, Ald Tyrell's view in submission no. 2850 that EARC did not meet the terms of Parliament's reference to it is dealt with in Chapter 3. His suggestion that a referendum be required before implementation of boundary change is discussed in Chapter 20.

**14.16** Ald Tyrell (no. 2864) suggests the Committee "shelve the EARC Commission proposals". He notes that new accounting and management procedures are being introduced for councils and suggests that boundary change could be considered in the future for councils, "not up to scratch".

**14.17** Ald Mooney told the Committee he agreed with EARC that there was a community of interest in the area. He said:

*We are one city currently governed by two city councils, and no matter whether you have one city council or a dozen city councils, people still identify with the one greater Townsville area.*

**14.18** Ald Tyrell condemned EARC's community of interest reasoning:

*I ask, what does this mean, and what does it have to do with local government?*

and asked whether cross-servicing was indicative of community of interest:

*Well, it may concern some community of interest - and can I refer to the community of interest that is built up right throughout Queensland at State of Origin time - but I still fail to see what community of interest has to do with the efficient and effective running of councils.*

**14.19** The Committee received many submissions on the matter of community of interest. Among them Ruth Dickson (no. 845) of Kirwan submitted to the Committee that amalgamation should take place because Thuringowa does not have a central business district "usually indicative

of a town/city". In contrast I and J Ogilvie of Kirwan fear that local events like the Thuringowa Anzac celebrations and Christmas carols would cease if Townsville and Thuringowa were to amalgamate (no. 592). T Thompson of Deeragun (no. 475) in Thuringowa opposed amalgamations on the ground that personal acquaintance and access to one's councillor was central to any voter-government relationship.

**14.20** Mr Ken McElligott MLA for Thuringowa wrote (no. 1164) that there was substantial opposition to amalgamation from Thuringowa residents because of a fear of rates increases. Mr McElligott says "from my own narrow political perspective it may well be preferable to forget about amalgamation ... but if the Committee thinks there are compelling reasons ... the decision should be made as quickly as possible." Mr McElligott's suggestions on implementation are dealt with in Chapter 19.

**14.21** The possibility of rates increases and the size of Townsville's public debt featured in the majority of submissions opposing amalgamation, as did a request for a referendum. The referendum issue is considered in Chapter 19 of this report.

**14.22** The Committee records the following information supplied to it in hearings.

***INFORMATION SUPPLIED BY TOWNSVILLE CITY COUNCIL TO THE COMMITTEE  
AND DISPUTED BY THURINGOWA CITY COUNCIL***

**TABLE A**

<b><i>Comparison of Rates - Townsville and Thuringowa Cities</i></b>		
<b><i>Basis of Comparison</i></b>		
<b><i>(i) Single residential, water, sewerage, garbage collection, minimum rates, discounts.</i></b>		
	<b><i>Townsville</i></b> \$	<b><i>Thuringowa</i></b> \$
<i>Rates Formulae (after discount)</i>	556.32  + 1.8544V	628.90  + 1.666V
<i>Minimum General Rate - after discount</i>	400.00 380.00	250.00 212.50
<i>Minimum Rate (net)</i>	936.32	841.40
<i>Lower threshold valuation</i>	20,491.80	12,755.00
<b><i>Implications Valuations (approx) \$</i></b>		
0 - 12,755	· <i>Irrelevant, minimum rate applies for both Townsville and Thuringowa.</i>	
12,755 - 18,450	· <i>Thuringowa is cheaper than Townsville.</i> · <i>Maximum difference at valuation of \$12,755</i>	

	<i>(unlikely to affect many properties) is \$94.92 declining to zero as \$18,452 is approached. Reason is Townsville's \$400 minimum rate.</i>	
<i>18,450 - 38,524</i>	<ul style="list-style-type: none"> <li><i>Townsville is cheaper than Thuringowa.</i></li> <li><i>Maximum difference is at the valuation of \$20,492 where Townsville is \$33.49 cheaper than Thuringowa in a declining basis to \$38,524.</i></li> <li><i>from \$18,450 - \$20,492 Townsville's minimum general rate applies.</i></li> </ul>	
<i>over 38,524</i>	<ul style="list-style-type: none"> <li><i>Thuringowa is cheaper.</i></li> <li><i>Reason is that Townsville's lower services charges are offset by lower net cents in \$ general rate of Thuringowa.</i></li> </ul>	
<b>(ii) Rural Property</b>		
<b><i>Basis of comparison: no services, general rate only, discount, minimum rate.</i></b>		
	<i>Townsville</i> \$	<i>Thuringowa</i> \$
<i>Rate Formulae - after discount</i>	<i>1,3386V</i>	<i>1.666V</i>
<i>Minimum rate - after discount</i>	<i>400.00 380.00</i>	<i>250.00 212.50</i>
<i>Lower threshold valuation</i>	<i>28,387.87</i>	<i>12,755.10</i>
<b><i>Implications Valuations</i></b>		
\$		
<i>0 - 12,755</i>	<ul style="list-style-type: none"> <li><i>Irrelevant minimum rate applies for both Townsville and Thuringowa.</i></li> </ul>	
<i>12,755 - 28,388</i>	<ul style="list-style-type: none"> <li><i>Thuringowa is cheaper.</i></li> </ul>	
<i>over 28,388</i>	<ul style="list-style-type: none"> <li><i>Townsville is cheaper.</i></li> </ul>	
<b>(iii) Other</b>		
	<ul style="list-style-type: none"> <li><i>Where services such as sewerage and water are not provided Thuringowa is cheaper.</i></li> </ul>	
	<ul style="list-style-type: none"> <li><i>However high one off capital costs are necessary for the householder to establish such services in these areas. ie. cost of septic, bores, pumps etc.</i></li> </ul>	

**14.23** Ald Mooney disagreed that there would necessarily be a rate rise for Thuringowa ratepayers if amalgamation took place:

*No, I do not believe that would be the case. We have studied very carefully the current rate levels between the two councils, and, in fact, our figures show that need not be the case at all. In fact, there could very well be a reduction in rates for people currently living in the Thuringowa City Council area. The rural rate, for example, which Townsville City has as part of its revenue collection is not replicated in Thuringowa. So, for example, in Thuringowa, people living in rural*

areas following rural pursuits would, in fact, pay a lot less than they are currently paying.

**14.24** Ald Tyrell on the other hand gave evidence that:

*Can I just say, firstly, I think in answer to this, the Mayor of Townsville indicated that it would not cost any more money to spend this \$75m - we might save some rates because the State Government might dip in. If you are going to take over liabilities, if they are there - and that is a matter of dispute - for \$75m, and an amalgamated council is going to take them over, somebody has to pay. The thing is, when you get an amalgamated council that if, in fact, the situation and the infrastructure in Thuringowa is so low that when the cities are combined our people are going to be jealous about not being built up to that standard of infrastructure, they are going to ask for it. But it is going to be spent. There is an expectation. If they have been promised that they are going to get \$75m worth of infrastructure in roads, sewerage, drainage and electricity - if they have been promised that they are going to get \$75m spent on this - they are certainly going to expect it to be spent.*

**14.25** Ald Tyrell gave evidence that his council's accounting department estimated a possible increase in rates for Thuringowa residents by at least 20 percent and possibly 35 to 50 percent to meet the estimated \$75 million cost of equalising services in the two cities.

**14.26** Ald Mooney agreed that while his council's city engineer had estimated it would cost \$75 million to bring the infrastructure of Thuringowa up to the level of Townsville, this amount would not necessarily have to be spent:

*A capital improvements would have to be taken on board in terms of the normal works programs of the new council as budgetary constraints allowed ...*

and:

*But I might just say it is totally unrealistic to assume that a \$75 million upgrade would take place in any one year. That is real fairyland stuff. It just would not happen. We would have to fund that over an extensive period of time as resources permitted. We have identified that as an opening argument, and we would come back to the real world from there.*

**14.27** Ald Mooney said the Townsville City Council has identified "some \$4 million in savings" including \$1 million where there was a duplication of services. These figures are attached in Table B. In contrast, Ald Tyrell told the Committee a new computer system for a new council would cost \$5 million, there would be other unquantifiable costs and that savings may be illusory.

***INFORMATION SUPPLIED BY TOWNSVILLE CITY COUNCIL TO THE COMMITTEE  
AND DISPUTED BY THURINGOWA CITY COUNCIL***

**TABLE B**

***Estimated Administrative Savings***

	<i>High</i>	<i>Low</i>
<i>Staff reduction</i>	4,025,000	2,817,500
<i>Council Costs (Mayoral aldermanic allowances, civic receptions)</i>	200,000	200,000
<i>Motor vehicles (based on a reduction of 15)</i>	30,000	30,000
	\$ 4,255,000	\$ 3,047,500

**14.28** Another issue raised before EARC and the Committee by Ald Tyrell was the suggestion that EARC's proposals would lead to a reduction in rural representation and the rural origins and strong rural base of Thuringowa. Ald Mooney, in the hearing, addressed this matter by suggesting consultative mechanisms:

*One of the most effective ways of achieving that is to look at how you can make your council more open to community input. At Townsville City Council at the moment - I am not suggesting that would simply be transposed, but we have open council meetings, and we have Civic Cabinet going out to local communities to have input from local residents. That process is in place. We also have a process of widespread community consultation through advisory committees. That process would also be very effective for some of the outlying areas. But also, of course, most importantly, if you have a divisional arrangement, the locally-elected alderperson is the person who will be accountable back to that local community. But I might just say that there are many mechanisms to make for a democratic council by opening up your affairs - open committees and the like, as I have mentioned. I believe that could be very effective.*

**14.29** The two Mayors had different views on whether a single council would allow more effective planning and provision of services. Ald Mooney regarded the proposition as indisputable.

**14.30** Ald Mooney said he agreed with EARC's reasoning that Townsville was one community and that one council could more effectively administer it:

*The mere fact that we have now had an admission from Thuringowa that they are prepared to work in a co-operative way in a whole range of areas suggests that better planning is possible, and that better planning is needed - the formation of a joint water board is one example of that. That, quite frankly, could be extended to strategic planning, urban planning, community services most definitely - right across the board.*

**14.31** Ald Tyrell stated the planning argument was not credible:

*I do not know of any way that the two councils as one could provide more effective planning and the provision of services.*

**14.32** In considering EARC's reasoning that amalgamation would enable more effective planning and the provision of services, M and J McLean (no. 1047) of Thuringowa submitted to the Committee their support for amalgamation because they and many other citizens use many of the services offered by Townsville.

**14.33** Ald Tyrell told the Committee cross-servicing could be eliminated through the use of joint arrangements. He said:

*The elimination of cross-serving with one local authority will not save a cent. Those same services will be needed to be provided. Any disparity between the provision of services by one authority for use by residents of the other could easily be worked out with both councils sitting down and working out the exact shortfall one way or the other. We have never been asked to participate in such an exercise and I have no doubt, if called upon to do so, that this council will not shirk its responsibilities, as has been shown in the past with the water board, the construction of Dalrymple Road, the joint provision of cemetery services, the SES, and a host of other jointly funded projects.*

**14.34** In response to a question from Dr Clark about the effectiveness of joint arrangements, Ald Mooney, citing past dissatisfaction with the operation of and its representation on the Townsville Water Board, the Joint Library Board and individual drainage, traffic and other problems, said:

*I would just like to say that is the most valid point that has been made in a long time in terms of any ongoing arrangements in the event that Parliament decides that there will be no amalgamation. EARC has well and truly documented the fact that here has not been a proper sharing of infrastructure costs in this region. I sincerely hope that we could come to some arrangement, be it some form of contractual arrangement - and there are some case studies of where that has worked. We have a joint local authority now in terms of supply of bulk water to each of the councils. Quite frankly, that has now been acknowledged by Thuringowa City, that it is prepared to consider other joint arrangements. We would need to have those so-called joint arrangements properly formalised, so that there can be a proper sharing, not just based on goodwill.*

**INFORMATION SUPPLIED BY TOWNSVILLE CITY COUNCIL TO THE COMMITTEE  
AND DISPUTED BY THURINGOWA CITY COUNCIL**

**TABLE C**

<b><i>Community and Cultural Services Department</i></b>				
<b><i>Program Summary</i></b>			<b><i>Budget 1991/92</i></b>	
	<b><i>Specific Purpose Grant \$</i></b>	<b><i>Fees \$</i></b>	<b><i>Budget Council Grants \$</i></b>	<b><i>Total Expenditure \$</i></b>
<i>Community Services</i>	1,633,690	423,600	732,734	2,790,024
<i>Library</i>	352,636		917,584	1,270,220
<i>Art Gallery</i>	42,000		322,746	364,746
<i>Theatre/Sound Shell</i>		1,722,500	556,340	2,278,840
<i>Culture and Community Recreation</i>			282,460	6,986,290
	2,028,326	2,146,100	2,811,864	6,986,290

**14.35** In its formal submission (no. 2197) the Townsville City Council said that joint arrangements in the past had often been a failure but it was prepared in good faith to reconsider them. It requested, however, that an independent third party supervise them.

**14.36** Ald Tyrell denied that there had been major problems in the operation of joint arrangements between the two councils, usually every three years at election time, is because somebody wants to get some space in the media and the media are happy to print emotional and big headlines - and that is the only way.

Ald Tyrell singled out the recent joint arrangement for an entertainment centre as indicative of this.

**14.37** R H Williams, an employee of the Townsville City Council, submitted to the Committee his support for EARC's recommendations (no. 1572):

*Prompted by the emotive pamphlet distributed to ratepayers of Thuringowa recently, I am moved to express my views on the proposal for amalgamation of the Townsville and Thuringowa Councils.*

*First, I would state that I am a resident and ratepayer of Thuringowa and an employee of Townsville.*

*I consider that Thuringowa has yet to come to grips with its non rural responsibilities, and that changing its status from a shire to a city did not modify the rural attitudes and tendencies of many of the elected members.*

*The assertion that Thuringowa is the fastest growing local authority area in Queensland is nonsense when the source of income and economic growth is recognised as originating in Townsville.*

*I would never indicate to southerners that I came from Thuringowa; I live in Townsville. The local authority is really irrelevant as far as community of interest or association is concerned.*

*My experience of "working together" between the two councils has indicated that the Thuringowa politicians and certain senior staff approach the joint meetings with a closed mind, and the attitude that Townsville is always out to rip Thuringowa off.*

The Committee notes that Mr Williams also alleges inconsistent development and sewerage policy by the Thuringowa Council in relation to adjoining beachside subdivisions.

**14.38** The Committee records the submission from the Thuringowa Council Deputy Shire Clerk, M Mallyon, that EARC's chapter on Townsville/Thuringowa was comparable to a work of fiction. The Committee acknowledges the submission of J N H Beattie who criticises the EARC report because of its emphasis on water supply, drainage and sewerage - matters not as important to rural dwellers as roads. Both the Townsville and Thuringowa Mayors agreed there had been rivalry between them, as indicated by EARC, however, neither agreed such rivalry was a persuasive reason for amalgamation.

**14.39** The two Mayors were divided on EARC's belief that one council would be more effective in representing the region.

**14.40** Ald Mooney said consultants, Market Share Pty Ltd, indicated the existence of two councils complicated the promotion of the region while Ald Tyrell pointed to the success in promotion of the area of Townsville Enterprise, in which both councils are partners.

**14.41** The Committee heard evidence from Mr G Webb, Shire Clerk of the Burdekin Shire Council, who stated his council's position on boundary change had not altered since EARC handed down its report. He stated:

*In summary, the council does not wish to precipitate moves for the amalgamation of Townsville and Thuringowa Cities. Although the council considered that inclusion of the Giru area within the boundaries of the Burdekin Shire would comply with community of interest principles and ensure co-ordinated strategic planning in the development of rural, commercial and human interest, the council nevertheless acknowledged it had no idea on whether the inclusion of the Giru area would be financially advantageous to inherit the area and its environs.*

**14.42** Mr M D Medley of Ayr, the Secretary of the Burdekin River Improvement Trust and former secretary of the Haughton River Improvement Trust, submitted in his private capacity (no. 1509B) that EARC was correct in its proposal to dismember Thuringowa, a proposal mooted for 40 years. He describes the proposal to transfer the Giru area to Burdekin as common sense given the obvious community of interest. He proposes to combine the two river trusts, noting the Burdekin Trust as "a strong organisation" and in comparison the Haughton Trust as weak. Mr Medley offers criticism of the proposed EARC boundaries noting they split some properties. He

said:

*I am well aware from past personal experience that this causes serious problems for Local Authorities which are required to rate on unimproved valuation.*

**14.43** The Committee notes that Mr Stoneman MLA, submitted to EARC that:

*... the area between Mt Elliot/Cungulla to the North and Cape Upstart/Elliot River to the South East, forms a natural local community of interest in respect of most day to day sporting, educational, commercial and cultural activity with a few minor exceptions. It must be noted, however, that there can be no total disassociation with the large centres of Townsville/Thuringowa.*

Other submissions considered by EARC were from the Burdekin District Canegrowers' Executive, the Invicta Mill Suppliers' Committee and the Burdekin Shire Council.

### **Findings**

**14.44** The Committee notes that the boundary between Townsville and Thuringowa has been changed four times this century.

**14.45** The Committee recognises the presence of some successful joint arrangements between the two cities but also is aware of occasions in the past when relationships have been unsatisfactory and, indeed, have broken down to the point where state government intervention has been necessary.

**14.46** The Committee accepts EARC's reasoning that there has been needless rivalry between the two cities, particularly over water supply, and sees amalgamation as the only certain solution to ending the problems between the two neighbouring cities.

**14.47** The Committee is satisfied that this friction is real and that it is not, as has been suggested, a matter of publicity at "election time".

**14.48** In particular, the Committee notes Ald Mooney's comments in evidence regarding the desirability of joint arrangements, such as the current water board:

*If however, there was to be a disagreement over any issue, whether or not we extend Ross River Dam, Stage 2, for example, and there was a division which led to acrimony, all of the old wounds would be opened up again. If it is put in rock terms of legislation, it could be made to work, but it is very much a second best option.*

**14.49** The Committee is also cognisant of Thuringowa's rapid population growth in the recent past and the likelihood it will continue in the future. It sees its rural component being diminished through urban and industrial development.

**14.50** The Committee finds that the suburbs of Thuringowa are effectively suburbs of Townsville's urban overspill, and that Thuringowa owes its city status to Townsville's growth. The merit in applying EARC's principles of community of interest, which provide that boundaries should not divide neighbourhoods, and that regard should be had to shared spatial patterns of

human activities, is clear to see. The advantages to planning, elimination of cross-servicing, and greater efficiency are clear.

**14.51** The Committee rejects Ald Tyrell's opinion expressed in evidence that the case for amalgamation is "paper-thin". It notes further that as Thuringowa's Deputy Mayor, Ald Tyrell was, inter alia, quoted as saying in the Townsville Bulletin on Thursday, 25 October 1990 that amalgamation was "in the best interest of both cities". Ald Tyrell has not disputed this report to this Committee's knowledge.

**14.52** On the contrary, the Committee finds the case for amalgamation compelling, and thus endorses EARC's recommendations. The Committee rejects Ald Tyrell's suggestion that Thuringowa has in any sense received the "proverbial dirty rag treatment"; that is to effectively assert that EARC has done other than its statutory duty. The Committee regards it as a baseless allegation for which no evidence was advanced.

**14.53** Ald Tyrell's similarly gratuitous attack on the Parliamentary Committee set out in paragraph 3.15 above, strained the patience of the Committee and was contemptuous, entirely without foundation and irresponsible of a civic leader.

**14.54** The Committee endorses EARC's recommendations for amalgamation as imperative for good administration and in the overall interests of people of the region and of the state of Queensland generally.

**14.55** The Committee recommends that any amalgamated council extend the consultation process described by Ald Mooney in evidence to residents in the more remote areas of what is now Thuringowa to help redress the diminution of rural representation.

**14.56** In line with its general recommendation in Chapter 19 of this report the Committee recommends a policy of differential rating be adopted by the newly formed council.

**14.57** The Committee endorses EARC's other recommendations relating to boundary changes relating to the new local authority and the Burdekin Shire. In particular, it notes Mr Medley's comments and the supportive submissions to EARC, the Invicta Mill Suppliers' Committee and the Burdekin River Improvement Trust.

**14.58** The Committee views with concern Mr Medley's comments that the proposed EARC boundaries split properties and refers the matter to the on-going boundaries review mechanism mentioned in Chapter 4. It further recommends that Ald Mooney's suggestion in hearings that boundary changes be cross-referenced against the Valuer-General's records be adopted by the proposed LABC.

**14.59** The Committee recommends that the common boundary of the new local authority and Hinchinbrook Shire, including off-shore islands, be altered according to the agreement reached by Townsville and Hinchinbrook Councils. It notes EARC's recommendation that this should be referred to an on-going boundaries review mechanism, but instead believes it should be implemented by agreement as set out in the Committee's recommendation in Chapter 6 and Chapter 19.

**14.60** The Committee considers that Ald Mooney's request for further minor boundary changes to the Palooma Dam area should also be referred to an on-going boundaries review mechanism.

**14.61** The Committee endorses EARC's recommendations for changes to the boundary of Burdekin and Dalrymple Shires.

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## **15. GLADSTONE/CALLIOPE**

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**15.1** Gladstone was proclaimed a municipality in 1863, a town in 1903 and became a city in 1976. the Calliope Divisional Board was proclaimed in 1879. In 1902 Miriam Vale became a Divisional Board. In 1903 Calliope and Miriam Vale were declared shires. The common boundary between Gladstone and Calliope has been changed five times since 1966, coinciding with the area's industrial development and population growth.

**15.2** EARC recommended in its report that:

- (a) *the LAs of Gladstone City and Calliope Shire be abolished;*
- (b) *a new LA be created comprising the former LGAs of Gladstone and Calliope, as defined in Map W.17 of Appendix W; and*
- (c) *the new LA be known as Gladstone City (paragraph 14.120).*

**15.3** The Commission further recommended that in the event of amalgamation, the on-going boundaries review mechanism considers whether any areas of the former Calliope Shire should be transferred to neighbouring rural shires (paragraph 14.121).

**15.4** EARC stated that the advantages of amalgamation included:

- (a) *better overall planning for both industrial and residential development in the Gladstone district;*
- (b) *elimination of co-ordination problems between Gladstone and Calliope;*
- (c) *more effective representation with investors and other levels of government;*
- (d) *removal of the need for future incremental boundary changes in relation to the industrial area of this region; and*
- (e) *the service area of the LA corresponds with service provision (paragraph 14.119).*

**15.5** The Committee received 51 public submissions on the EARC recommendations. Three were with-held from publication, following the Committee's decision that defamatory material would not be published. A further submission was forwarded confidentially. The Committee also received several submissions alleging that commissioner Hunter demonstrated bias. The Committee discusses this matter in Chapter 3.

**15.6** The Committee notes that EARC received 108 submissions on boundary change relating to this case and that it held public hearings in Calliope on 16 July 1991.

**15.7** The Committee conducted a public hearing with the two affected councils at Calliope on

Wednesday, 11 December 1991. Committee members had previously visited both councils on 26 September 1991 to discuss issues of electoral and administrative review.

**15.8** Five members of the Committee - the Chairman Mr Foley, Dr Clark, Mr FitzGerald, Mr Quinn and Mr Welford, inspected the two local authorities in the company of the Mayor of Gladstone, Alderman C Brown and the Chairman of the Calliope Shire Council, Councillor E Cunningham, before convening a public hearing at the Calliope RSL Hall.

**15.9** During the hearings, Ald Brown testified that EARC's recommendation for amalgamation of Gladstone and Calliope was "essentially in agreement with this council's previous submission to the Commission ...", and that:

*I believe that, with five boundary changes since 1962, your Commissioners in their wisdom have said, "When will boundary change No. 6 come up, No. 7, No.8, No.9 and No. 10? In their wisdom they have recommended - looking down the track some 50 years - that total amalgamation is the way to go now.*

**15.10** In contrast, Cr Cunningham told the Committee:

*I would object strongly to the fact that, in spite of over 12 months of preparing data, supplying statistics and answering questions in response to the Electoral and Administrative Review Commission's investigations, we are still here defending the right of this shire to exist ...*

and:

*I would contend that the EARC report shows a basic lack of understanding of the purpose and ethos of local government.*

**15.11** Cr Cunningham disputed that the EARC Commissioners had met the terms of the Parliamentary reference to them. The Committee deals with this matter in Chapter 3 of its report.

**15.12** Cr Cunningham states that the five bases on which EARC recommends amalgamation in the Gladstone/Calliope area are "industry driven" rather than its initial criteria of "financial stress, urban overspill and community of interest" as expressed in its issues paper.

**15.13** Cr Cunningham submitted further that indecision on amalgamation would be premature in view of an impending industrial land use study:

*I submit that there have not been any problems of significance in the past to preclude industry from siting in this region. Quite the contrary - this area has a record of industrial development second to none ...*

and:

*Additionally, any proposal to move boundaries to include or exclude industrial lands from the shire or city would be premature, given that the Gladstone region industrial land use study has a further 12 to 18 months to run before a final decision is reached as to the suitability or otherwise of the two major sites in the shire - they being Carrara and Aldoga - identified for industrial development.*

**15.14** The Committee records that the LGAQ at its Special Conference on 7 February 1992, passed the following three motions:

*That local authorities listed for forced amalgamation should not be forced into contrived co-operative arrangements between councils just to flatter the EARC report. Whilst joint arrangements are an option, such arrangements should evolve as pragmatic solutions to local issues as they arise, rather than be introduced as a way station on the road to full amalgamation.*

*That member councils support a view that joint arrangements between councils should be voluntary, and that they should involve proportionate ownership and management of assets where contributions are made by participating local authorities.*

*That the Local Government industry acknowledges that different communities in a region may have justifiable differences in priorities and that this may make agreement on some issues difficult to achieve between several councils in a region.*

*Justifiable differences are to be viewed as a healthy sign of democracy and not a lack of co-ordination requiring amalgamation.*

**15.15** Cr Cunningham argued that Carrara and Aldoga, if chosen as industrial sites, would be removed from the control of the two councils and administered by a state government authority.

**15.16** Cr Cunningham stated that she did not agree that amalgamation would facilitate the development approval for industry given the land use study, saying:

*I have yet to see the literature that shows that there is any more difficulty liaising with the two authorities. It is also important to acknowledge that in the industrialisation side of things, when an LUS comes out, that there are 21 advisory bodies that the companies have to deal with, not just the two authorities. We are sort of the tail end of the dog.*

**15.17** However, Mr B P Czulowski, Town Clerk of Gladstone, argued in submission no. 1408 that:

*Future industry and development could only be enhanced by having a "one-stop shop".*

**15.18** Ald Brown, in evidence, used the same phraseology and gave his opinion that:

*Well at the present time, incoming investors, incoming industry, have to talk to two local authorities because Gladstone would always be a major dormitory for incoming industry, whereas at the moment, as we have seen today, all the major industries here in this region with the exception of QAL - are established just metres over the border in Calliope Shire, so naturally they have to talk to Calliope Shire. The councils at that time could have a different viewpoint.*

**15.19** The Committee received submissions from Mr L Zussino (no. 98) and Mr D Walker (no. 364) who suggested that it would be more appropriate to expand Gladstone by transferring industrial land to it than amalgamate the two local authorities.

**15.20** EARC also reported tension between the two local authorities over the siting of industry.

**15.21** Mr Czislowski stated:

*Tension between Gladstone City and Calliope Shire arises by virtue of the existence of two local authorities, each with competing interests and not necessarily with the same points of view. This can only be overcome through amalgamation. Co-ordination is seen as a problem because no matter how co-operative the parties may be, it is a time consuming exercise and it can be difficult to reach consensus. Usually a compromise position results and neither party achieves what was wanted.*

**15.22** Cr Cunningham, however, had the view:

*I think the issue of tension has been one that has only raised significantly since the EARC review. There have been issues in the past that have not had full agreement - minor issues, I hasten to add. They have been mainly in the area of perspective.*

**15.23** Both councils testified to the Committee that joint arrangements had worked satisfactorily and that their respective town plans were complementary.

**15.24** The Committee received submissions from the Calliope Shire Council (no. 2083), the Gladstone City Council (no. 1408), Councillor W Dinte (no. 2103) and Elizabeth Bergstrom (2203) regarding the role of Commissioner Brian Hunter. The Committee discusses this matter in Chapter 3 of this report.

**15.25** The Committee received submissions from the Calliope Shire Council (no. 1523), R Smith (no. 1538) and T Jones (no. 1736) suggesting that several offshore islands be transferred from the administration of the Calliope Shire Council to the Gladstone City Council.

**15.26** Ald Brown also suggested that the proposed Monte Christo development on Curtis Island would "have been earning money by now" if it would have been under Gladstone City Council administration instead of Calliope Shire.

**15.27** Cr Cunningham conceded in hearings that Gladstone could more efficiently service offshore islands.

**15.28** The Calliope Branch of the Cattleman's Union (no. 2667) suggest that mountain ranges separate the shire from Banana, Miriam Vale and Monto Shires so that a further review by an on-going boundaries commission, to consider the transfer of Calliope's rural areas to another shire, could be impractical. R J and J M Schuler submitted to the Committee that EARC had placed too great an emphasis on the community of interest principle in Gladstone/Calliope.

## **Findings**

**15.29** The Committee agrees with EARC that there is a well-defined community of interest between the two local authorities and that Calliope Shire ratepayers use many city services. It notes further that Gladstone functions as a dormitory for many workers in Calliope's industrial

sector.

**15.30** However, the Committee notes EARC's comments in its report that it found:

*... the Gladstone/Calliope/Miriam Vale inquiry an especially difficult case. Unlike a number of other cases reviewed by the Commission in which the neighbouring shire was very close to the urban centre with varying degrees of overspill, the centre of Calliope Shire is 20 kilometres from Gladstone City and is separated in part by distinct geographic features (paragraph 14.105) ...*

and:

*The Commission considers that the rural sector of Calliope Shire forms a distinct community which identifies with the township of Calliope and with Rockhampton City as its service centre rather than Gladstone City (paragraph 14.12).*

**15.31** The Committee further notes that EARC in paragraph 14.116 of its report concedes that the conflicting issues in examining this case have been difficult to address.

**15.32** EARC stated:

*In coming to its recommendation to amalgamate Gladstone City and Calliope Shire, the Commission was guided by its principle of future projected growth. Integral to the application of this principle is the importance and potential growth of industry in this region and the facts that the rural community identified is declining in real terms and a number of rural areas have been identified as possible industrial sites (paragraph 14.116).*

**15.33** The Committee notes Ald Brown's comments that the Gladstone City Council has spent \$4.2 million on an expansion of the sewerage treatment works in readiness for the population increase that might arrive with further industrial development.

**15.34** The Committee recognises that EARC based its recommendations primarily on predictions of future development. The Committee also notes that a major land-use study of the area is currently being conducted. The Committee recognises the traditional and enduring rural character of much of the Calliope Shire.

**15.35** The Committee therefore concurs with the comments of Cr Cunningham that any recommendation for amalgamation at this stage is premature and consideration of the issue should be delayed pending the results of the land-use study.

**15.36** The Committee thus recommends that an on-going boundaries review mechanism as described in Chapter 6 review Gladstone/Calliope if the Carrara/Aldoga land use study determines that the area is suitable for industrial development. That mechanism could also then consider whether the rural-sector of Calliope should be transferred to a neighbouring local authority.

**15.37** The Committee further recommends that the part of Curtis not administered by Gladstone City Council, together with Heron Island, and other off-shore islands be transferred from the control of Calliope Shire Council to Gladstone City Council. It notes both councils are agreeable to this transfer, that EARC cited the current situation as an anomaly that amalgamation

would cure, and that the transfer co-incides with this Committee's recommendation in Chapter 6 on local authorities agreed boundary change.

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## **16. MACKAY/PIONEER**

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**16.1** Mackay was founded in 1869, it became a town in 1903 and a city in 1918. The Pioneer Division was created in 1879 and became a shire in 1903.

**16.2** EARC recommended that:

- (a) *Mackay City and Pioneer Shire be abolished;*
- (b) *a new LA comprising the areas of the previous LGAs of Mackay and Pioneer be created, with the exception of the areas detailed in paragraph 15.135 and outlined on Map 2.19 in Appendix W; and*
- (c) *the new LA be known as Mackay City*

*The Commission further recommends that the boundaries of Whitsunday Shire be extended to include the following area: from the coastline at Dempster Creek south by that creek to the intersection with Julian Creek and Rebus Creek, by Julian Creek to its intersection with Lot 16Ci. 2594 Parish of Bloomsbury, by the north-east boundary of the lot south-easterly and southerly across the road to the northern boundary of Lot 5 Ci. 790, by that lot and Lot 4 Ci. 790 south-easterly to the parish boundary, by the parish boundary westerly to the north-east corner of Lot 72 Ci. 726 Parish of Lacey, by the eastern boundary of that lot to the North Coast Railway, by that railway northerly to the eastern corner of Lot 80 Ci. 787 Parish of Lacey, thence by that lot south westerly to the boundary of TR 393 on the O'Connell River, thence by the northern boundary of TR. 393 and SF. 658 to the existing boundary, as outlined on Map W.20 in Appendix W.*

*The Commission also recommends that the common boundaries of the new LA of Mackay with Mirani and Sarina Shires be referred to an on-going boundaries review mechanism for examination (paragraphs 15.134 to 15.136).*

**16.3** EARC noted the debate over Mackay/Pioneer amalgamation has continued for more than forty years. Its reasoning for a merger included:

- a large number of submissions supported change (paragraph 15.114);
- Pioneer has lost its character as a rural shire (paragraph 15.115);
- while Pioneer opposes amalgamation, it would, in effect "take-over" Mackay given its current population size and growth rate (paragraph 15.116);
- the presence of urban overspill and community of interest (paragraphs 15.117 and 15.120);
- an interdependence between rural Pioneer and Mackay City (paragraph 15.119);
- extensive cross-use of facilities (paragraph 15.118);
- savings of the costs of providing new administration facilities for Pioneer (paragraph 15.123);

- protection of valuable rural land, particularly canelands (paragraph 15.124);
- confusion among ratepayers and investors as to council jurisdiction (paragraph 15.130).

**16.4** The Committee notes that EARC received 636 submissions and conducted public hearings at Mackay on 18 and 19 July 1991.

**16.5** The Committee received 89 submissions and invited the councils involved to a public hearing in Calen on 12 December 1991. The Council heard oral evidence from the Mayor of Mackay and the Chairman of the Pioneer Shire Council and received a written submission from the Chairman of the Whitsunday Shire Council. The Mackay Mercury's report of the Calen hearings is republished in Appendix E.

**16.6** The Committee, the Chairman Mr Foley, Mr Stoneman, Mr FitzGerald, Dr Clark, Mr Quinn and Mr Welford, inspected the two local authorities before the Committee's hearing. Committee members had previously visited the area on 15 October 1991 and had discussions with the Mackay City Council (Pioneer Shire Council having declined an invitation to meet) on matters of electoral and administrative review.

**16.7** The Mayor of Mackay, Alderman G Williamson, welcomed the EARC recommendations:

*The majority of people in our community are saying "Great!, the decision has been made. Let's get on with it.*

**16.8** Ald Williamson also said:

*It is sad that the Pioneer Shire council has been unable to adopt the umpire's decision and then adopt their fallback position and join with us in welcoming this historic step.*

**16.9** Similarly, the Mackay Town Clerk, Mr S Fursman described the EARC report as "very thorough" and "well equipped to come to the conclusion it did".

**16.10** Ald Williamson described joint arrangements between councils, the alternative to amalgamation, as "cumbersome" and time-wasting, commenting "private enterprise would simply not put up with it".

**16.11** In support of EARC's reasoning that amalgamation would make for better planning, he gave the example that the two councils talked to each other on sensitive planning issues "through the pages of our local paper and that cannot be productive".

**16.12** At issue were plans for a shopping centre on the north bank of the Pioneer River, inside Pioneer Shire, which Ald Williamson characterised as a rival to the Mackay Central Business District and "bad town planning".

**16.13** In contrast, the Pioneer Shire Chairman, Councillor G White gave his view that the development - although not yet approved - could provide residents of Pioneer with a twin city to Mackay.

**16.14** Cr White and the Pioneer Shire Deputy Chairman, Cr J Bird, argued that EARC had not conducted a complete investigation and did not consult sufficiently with the community before coming to the conclusions reached. Cr Bird told the Committee:

*Thank you, Mr Chairman. Pioneer Shire has made a comprehensive review of all the questions raised by EARC in issues paper No. 8. Additionally, the council undertook paid geographic surveys in 1990 relating to EARC's specific queries. These need to be considered in conjunction with two previous social surveys in 1980 and 1975 carried out by Pioneer Shire. Our submission to EARC of December 1990 satisfactorily answers all queries. The EARC recommendation is substantially flawed. The EARC report lists 136 points in chapter 15. Pioneer Shire, as the chairman indicated, prepared an answer to each and every one of these points, and that will be in the written submission before 31 December. In 36 of the items, EARC is either factually wrong, biased or dishonest. The report is of poor quality and irresponsible. It gives no reasons for decisions and does not consider economic viability considerations at all. There has been a history of close cooperation between the two authorities of Mackay and Pioneer from the beginnings of settlement in the late nineteenth century covering the building of bridges, extension of water supply and sewerage - and most recently, the construction of a modern theatre. Despite the comments by the mayor, joint local authority cooperation will still be required even if an amalgamation did occur with water supply and refuse disposal for the whole region because other shires are going to be involved in those in the future. So joint local authority arrangements will still be required. Since the mid-1960s, North Mackay has been the hub from which Pioneer Shire has extended water supply and roads outwards to the other neighbourhoods north of the Pioneer River. The urban expansion leading to the creation of these suburbs was not a process of city overspill but occurred because of the boom of the regional economy, based on the growth of sugar, the mining of coal, and beef and grain production in the hinterland. EARC claims Pioneer Shire has lost its rural character. While it is true that Pioneer has a number of urban neighbourhoods, the EARC statement is patently false. Pioneer Shire is the second-largest producer of sugar of all local authorities in Queensland. The emphasis within the shire's strategic plan has been placed, and must continue to be, on protecting the shire's valuable rural land from unnecessary and undesirable intrusion by other land use activities.*

Cr White said:

*It is essential that the changes which are recommended by EARC must be clearly demonstrated to achieve benefits for each community that is affected. Why it is evident throughout the report, and certainly in the case of Pioneer Shire Council, is that there has been no proof offered of any savings or benefits to the ratepayer and certainly no quantification of these savings has ever been detailed. On the contrary, Pioneer Shire council has furnished strong evidence of the potential increased costs due to this amalgamation. Paragraph 15.131 states -*

*"The Commission has not been able to conduct a detailed investigation required to determine precisely what savings would result from amalgamation."*

*The Commission further comments that there is a potential for saving, and then further says -*

*"... and the savings will take time to be realised."*

*In clause 15.120, the Commission comments on council's efficient management and servicing of its area and states -*

*"... Pioneer Shire Council can justifiably take credit for the efficient management and servicing of that development."*

*That comment is particularly in reference to the urban areas of Pioneer Shire.*

*The Pioneer Shire Council has evidence of costs which will result from amalgamation. Consultants have identified a loss in the order of between \$900,000 and \$1m in relation to the general assistance grant to be received by the combined local authorities. This would result in excess of a 5.5 per cent rate increase to all residents.*

The Committee discusses Grants Commission funding in Chapter 3 of this report.

**16.15** In particular, the Council argued that EARC had failed to take into account the full magnitude of the "ripple effect" amalgamation would have on surrounding areas. The council drew attention to EARC's subsidiary recommendations that an ongoing boundaries review mechanism re-consider the proposed new local authorities' border with the Sarina and Mirani Shires.

**16.16** In its formal submission to the Committee, the Pioneer Council claim EARC has based its report on "nebulous motherhood" issues such as community of interest and urban overspill.

**16.17** Both the Mackay and Pioneer Shires objected to the EARC recommendation for the immediate transfer, upon amalgamation, of Pioneer's northern portion to the Whitsunday Shire.

**16.18** The Pioneer Shire further charges that even if amalgamation is to take place, extensive arrangements with those neighbouring shires will still be necessary for joint supply of water and sewerage services in the region.

**16.19** The Pioneer Council also took issue with EARC's finding that it had lost its rural character.

**16.20** The Pioneer Shire Council further questioned the "authentication" of evidence before EARC, asserting EARC may have accepted some evidence as true even though it was not.

**16.21** Pioneer alleged that of the 136 points EARC made in its report regarding Mackay/Pioneer, 36 are factually wrong, biased or dishonest. The Committee discusses EARC's processes in Chapter 3.

**16.22** While the Pioneer Shire Council opposes EARC's recommendations, it told the Committee it was amenable to a "complete" review and would support amalgamation if it was clearly demonstrated to be in the interests of the region.

**16.23** The Pioneer Shire Council accordingly suggests that this case, and all other cases recommended by EARC, for amalgamation be held in abeyance and reconsidered by the proposed

ongoing boundaries review mechanism.

**16.24** Cr White acknowledged the existence of a long debate in the region over amalgamation. He attributed this to "... people who have interests in the Mackay City and live outside wanting to have their say on who the Mayor is and what the city council is".

**16.25** However, Cr White emphasised that the decidedly rural sector of the shire would be effectively disenfranchised by amalgamation.

**16.26** Ald Williamson agreed that the people who live in the locale of North Mackay, within Pioneer Shire, desperately want a say in decision making.

**16.27** He argued that as 76 percent of the population of Pioneer was urbanised, the proportion of rural representation was naturally declining but that rural and urban interdependence was so pronounced that:

*It will not happen that the ... rural areas of the shire will lose out.*

**16.28** Ald Williamson and Cr White had different views on rating in a merged council.

**16.29** Ald Williamson said rates were the prerogative of the new council but to allay the fears of some residents that amalgamation would ensure rates rises, a common rate could be phased in over five years.

**16.30** Cr White, however, has the view that differential rating or a phase in period was "prolonging the agony".

**16.31** While the Mackay City Council foresaw savings from amalgamation induced by economies of scale in plant and equipment, building stock and the realisation of surplus assets includes the sale of the Pioneer Shire Council Chambers and Depot, Pioneer Shire Council forecast a loss of between \$900,000 and \$1 million because of a reduction in general assistance grants.

**16.32** Ald G Williamson of Mackay rejected the prospect of a referendum as a condition precedent to amalgamation. His view was that a poll favoured those seeking to retain the status quo and that ultimately the question was one for state parliament:

*One should not confuse referendums with democracy. If the world were run by referendums, the world would still be flat.*

**16.33** In contrast, the Pioneer Shire Council favours a poll of residents. The Committee considers this issue in Chapter 20.

**16.34** Ald Williamson suggested that as part of an implementation programme, the state government waive stamp duty on legal transfers from the two outgoing councils to the new combined council. The Committee considers this suggestion in Chapter 19.

**16.35** The Whitsunday Shire Council made five separate submissions to the Committee in general support of EARC's recommendations for the transfer of the northern portion of Pioneer Shire to Whitsunday Shire.

**16.36** In submission no. 396, Cr G Patullo, finds fault with EARC's findings in that the proposed new boundary follows the coastline instead of the horizon, thus leaving an offshore section of a proposed tourist resort and several nearby islands outside the shires control.

**16.37** In submission no. 396, Cr Patullo writes "the developers of Aqua Del Ray, known as the Laguna Quays Resort, have recently presented to me the concept plan for the resort showing the offshore components of the resort".

**16.38** Cr Patullo notes:

*I am concerned that should the boundary follow the coastline, the reclaimed areas and offshore components, all part of the resort, shall be excluded from the Whitsunday Shire.*

**16.39** Cr Patullo further submitted that all Whitsunday islands be administered by the Whitsunday Shire:

*By the proposed boundary adjustment, the Commission has indicated that with the concept that this area, far removed from the headquarters of Pioneer Shire and Mackay City is better served by being included in the Whitsunday Shire, particularly as the Whitsunday Shire is already established as a major tourist area ...*

and:

*Lindeman Island is part of the Whitsunday islands, serviced from Shute Harbour at present and, once reconstruction is complete, will be transferring the tourist visitors from either Shute Harbour, the proposed Proserpine - Whitsunday International Airport, Hamilton Island Airport and Aqua Del Ray.*

**16.40** Cr Patullo indicates that the Whitsunday Shire Council is prepared to extend its boundary south to Calen and Murray Creek if rural residents there wish to remain in a rural shire rather than the new Mackay City as proposed by EARC. The Committee notes that proposal was not raised before or considered by EARC.

**16.41** The Whitsunday Tourist Association submitted to the Committee that proposed new developments in the Midge Point area of northern Pioneer will be promoted as part of the Whitsunday tourism region, rather than the Mackay region.

**16.42** The Committee records the submission of Mrs L Bird MLA for Whitsunday who submits that the EARC report is of "poor quality". Mrs Bird submits that the EARC report should be rejected and "proper enquiries" and "consultation" take place before boundary change:

*I am finally concerned, that EARC's recommendations no matter how well-intentioned or badly researched will, if implemented, change the character of the place and the complex social network in which ordinary people exist. What troubles me, the benefits of such change have not been demonstrated and many persons are upset. I find it incomprehensible that we would, as a Government, be so ill-advised as to pursue the matter at all. Therefore, I believe the Parliamentary Committee should recommend to the Government that the Government take no further action concerning Mackay/Pioneer alterations before the whole matter is made the subject of proper inquiries and consultation with the public.*

### **Findings**

**16.43** The Committee notes that at the last local government elections, the present Mackay City Council was elected on a platform advocating amalgamation of Mackay City with the whole of Pioneer Shire.

**16.44** The Committee concurs with EARC that Mackay and North Mackay, which is situated across the river in Pioneer Shire, are one community divided by an artificial local government boundary and that amalgamation would bring practical planning and other benefits to the region.

**16.45** The Committee agrees with EARC that the areas known in Mackay as the "beach suburbs" of Bucasia, Eimio and Slade Point are instances of urban overspill.

**16.46** The Committee, however, is mindful that the existing Pioneer Shire has a strong rural component, part of which it inspected in the course of its visit to Calen to conduct hearings. The Committee observes that EARC has recommended that further boundary changes with the Mirani and Sarina Shires be considered by an on-going boundaries review mechanism and that the former Mayor of Mackay, Mr Peter Jardine, made a strong case to EARC for an extended Greater Mackay in preference to total amalgamation.

**16.47** The Committee notes the Whitsunday Shire Council's submission is that there are particular practical faults in EARC's recommendations regarding the effect of proposed new boundaries on off-shore development.

**16.48** While the Committee notes the important rural interests in Pioneer Shire it also notes that there is currently a majority of urban residents in Pioneer Shire and further that the rural dwellers are currently serviced by Pioneer's administrative centre in Mackay City.

**16.49** The Committee endorses EARC's recommendations outlined in paragraph 16.2 above save that the EARC recommended boundary should be adjusted as suggested in the submission of the Whitsunday Shire so as to allow the proposed Aqua Del Ray Resort and Lindeman Island to be contained totally within the Whitsunday Shire.

**16.50** The Committee recommends the issue of the alleged ripple effect on the new local authorities boundaries with Whitsunday, Mirani and Sarina Shires and the issue of other adjacent offshore islands be referred to the proposed boundaries review mechanism outlined in Chapter 6.

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## 17. CAPE YORK

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**17.1** EARC in Issues Paper No. 8 proposed not to look into the external boundaries of Aboriginal and Island Councils, indicating it be left to a specialist body for assessment. However, after submissions from the Legislation Review Committee established by the Department of Family and Welfare Services to inquire into local government in Aboriginal and Torres Strait Island communities, the Aboriginal and Torres Strait Islander Commission and the Tharpuntoo Legal Service; EARC decided to review Cape York's "mainstream" and ATSI Councils.

**17.2** The Legislation Review Committee's activities are discussed in detail at paragraph 2.13 of EARC's report. EARC reports the LRC submission was:

*Whilst we are happy that your Commission has left the electoral issues with respect to Aboriginal and Torres Strait Islander councils to us (subject to consultation with you on your final recommendations), we believe that the issue of external boundaries is not confined solely to a consideration of Aboriginal and Torres Strait Islander matters. In other words, any proposal to alter the boundaries of a Trust Community has a consequent effect on the neighbouring Shire. We therefore believe that your commission has a role in investigating this issue.*

...

*... since 1984 and the introduction of the Community Services (Torres Strait) Act and the Community Services (Aborigines) Act, Aboriginal and Torres Strait Islander residents of Trust communities have been excluded from voting in local shire elections. The effect, which has been most noticeable in the Cook Shire but also affects other Shires, has been to remove the rights of Aboriginal and Torres Strait Islander people resident in Trust Communities from having a role in the decision making process about land use matters over land outside their Trust areas but with which they have very strong traditional and cultural associations or about developments on land close to their Communities and which pose a threat to the social, environmental, cultural and economic fabric of their lifestyles.*

**17.3** EARC reports these submissions included:

*The Commission received a number of specific submissions relating to ATSI peoples. They were:*

- (a) A submission from Mornington Shire Council proposed that Sweers Island be incorporated into that Shire (S57). This matter is dealt with in Chapter Seventeen.*
- (b) A submission from Wujal Aboriginal Council (S2472) proposed that it provide Local Government services to residents in the Bloomfield Valley on behalf of Cook and Douglas Shires. The Commission decided not to deal with this matter because it was not a boundary issue. Nevertheless the Commission considers Wujal Wujal Aboriginal Council's proposal to be both creative and thoughtful. The Bloomfield Valley is divided*

*between Wujal Wujal Aboriginal Council, Cook and Douglas Shires, yet the Shire residents are very remote from Mossman (Douglas Shire) and Cooktown (Cook Shire). The provision of services by Wujal Wujal Aboriginal Council to the residents of the Bloomfield Valley seems to make sense both in community and efficiency terms. While making no recommendation on the issue, the Commission would encourage all three councils to further develop this proposal.*

- (c) *Aurukun Shire Council (S1307) made a detailed submission seeking extension of its existing boundary. The submission was subsequently modified to exclude the town of Coen and its environs (T2366). The commission considered that this proposal could not be examined because of time constraints. It should be examined, however, by an on-going boundaries review mechanism as a priority case.*
- (d) *A number of submissions (Mr Pearson S2142, pp. 10-11; Aboriginal and Torres Strait Islander Commission S2301, p.5; S2429, P.5) raised the issue of the lack of power of Aboriginal and Island Councils in Cape York in relation to land use and road maintenance decisions by Cook Shire in the Cape York area. The submissions said that the problem may be that ATSI people are effectively disenfranchised in the Cape York area. The Commission decided to examine this issue because it raised both electoral and boundary matters. The Commission was also conscious that any solutions which emerged might have implications for Aboriginal and Island Councils in other parts of Queensland.*

#### **17.4** EARC recommended that:

*The Commission recommends that future maps of Queensland showing boundaries of LAs should include the boundaries of Aboriginal and Island Councils (see paragraph 16.21).*

*The Commission recommends that future population figures prepared by ABS should produce separate population and other data for mainstream LAs and Aboriginal and Island Councils.*

*The Commission recommends that:*

- (a) *the Local Government Act 1936-1991, the Community Services (Aborigines) Act 1984-1990 and the Community Services (Torres Strait Island) Act 1984-1990 be amended, to empower Aboriginal and Island Councils and mainstream LAs to enter into agreements pursuant to Section 32 of the Local Government Act 1936-1991; and*
- (b) *the Cape York Councils identified in this chapter enter an agreement containing the elements identified in paragraph 16.135.*

*The Commission further recommends that the proposal by Aurukun Shire council (S1307), modified by excluding the town of Coen and its environs (T2366), should be examined by an on-going boundaries review mechanism as a priority case.*

#### **17.5** EARC clarified its recommendations relating to exempt areas:

*The Commission recommends that each of the Cape York Councils enter into an agreement which contains the following elements:*

- (a) for the purposes of this agreement, an "exempt area" could be defined as the area within a 10 km radius of the centre of administration of each Council and in the case of:
  - (i) Coen, the whole of the town reserve,*
  - (ii) Laura, the whole of the town reserve, and*
  - (iii) Wujal Wujal, the whole of the DOGIT area:**
- (b) a Council proposing to make a land use decision in one of the three areas identified, that is outside its exempt area, will notify each other Council in the area of the proposal;*
- (c) if two or more other Councils object to the proposal with reasons, the originating council is not to proceed with the decision;*
- (d) the agreement works both ways, that is, Cook Shire Council, Aurukun Shire Council and the Aboriginal Councils will notify one another of non-exempt land use decisions lying outside of the exempt areas;*
- (e) where in the opinion of a Council which receives a notification, there is a tribal group or clan which may have an interest (legal or otherwise) in the area to which the land use decision relates, that Council should advise the group or clan concerned and if the group or clan so advises the notifying Council, then the notifying Council shall consult with that group or clan; and*
- (f) Cook Shire Council to consult with each neighbouring Council prior to formulating its annual budget on funds to be spent by both Councils on access roads to the relevant Council area and to endeavour to agree on respective responsibilities for access roads;*

*Sub-paragraph 16.235(a) requires further explanation. The intention is to remove from the operation of the agreement, land use decisions of a domestic character. In most cases a definition of exempt area as being 10 miles radius from the Council centre will suffice. The villages of Coen and Laura, however, should also be excluded from the agreement. Wujal Wujal has a very small area (10 sq. kms) and the general definition would cover its whole DOGIT land. The Commission gave consideration to including Ayrton as an exempt area but has decided on balance not to do so, because it is only about six kilometres from Wujal Wujal DOGIT lands and the Councils has raised concerns about land use decisions in Ayrton.*

The Committee notes EARC's procedures included:

*The Commission considers that the Cape York area can be divided up into three particular areas of interest. First, the northern Cape York area which would be essentially the area north of the Wenlock River and to the east of the Great Dividing Range north of the boundary of the Lockhart River DOGIT lands. The second area would be western Cape York which would be essentially that part of*

*Cape York which is south of the Wenlock River and west of the Great Dividing Range excluding Coen. The third area would be the area east of Cape York and south of the northern boundary of the Lockhart River DOGIT lands, including Coen. The relevant Councils for each of these areas are as follows:*

- (a) Northern Cape York - Injinoo, Umagico, New Mapoon, Lockhart River Aboriginal Councils and Cook Shire Council;
- (b) Western Cape York - Napranum, Lockhart River, Kowanyama and Pormpuraaw Aboriginal Councils and Aurukun and Cook Shire Councils; and
- (c) Eastern Cape York - Lockhart River, Hope Vale, Wujal Aboriginal Councils and Cook Shire Council.

*Because of its geographical position, Lockhart River is a "relevant" Council for each area.*

**17.6** EARC held public hearings in Cairns on 14 May and 6 June 1991 and in:

- Lockhart River Aboriginal Council (15 August);
- Injinoo Aboriginal Council (16 August);
- New Mapoon Aboriginal Council (16 August);
- Umagico Aboriginal Council (16 August);
- Aurukun Shire Council (22 August);
- Napranum Aboriginal Council (22 August);
- Pormpuraaw Aboriginal Council (23 August);
- Kowanyama Aboriginal Council (23 August);
- Hope Vale Aboriginal Council (5 September);
- Cook Shire Council (5 September); and
- Wujal Wujal Aboriginal Council (6 September).

**17.7** The Committee - the Chairman Mr Foley, Mr FitzGerald, Dr Clark and Mr Welford - visited the ATSI councils of Wujal Wujal, Hope Vale, Lockhart River, Injinoo, New Mapoon, Umagico, Napranum, Pormpuraaw, Kowanyama, Seisia, Bamaga and the Cook and Aurukun Shire Councils and held a public meeting in Coen between 13 and 20 November 1991.

**17.8** During the Committee's visit to Cape York's ATSI Communities, a sense of exasperation with the structure of local government was evident. Councillors expressed a concern that although this peninsula had been their homeland since the dreamtime, they were unable to have a satisfactory input into regional land use decision-making especially regarding future development.

**17.9** Past projects like the failed Farndale development near the DOGIT of Lockhart River were mentioned as a case in point. An entrepreneurial company proposed to construct a tourist resort abutting the DOGIT or as one observer put it: "in our backyard". Despite the proposed resort being within walking distance of the small township of Lockhart River, despite the traffic that would travel through the township and the effect on the residents' amenity of the area, the Lockhart River Council and the residents were not informed of/or consulted on the development which came under the auspices of the surrounding Cook Shire.

**17.10** While the Farndale development project is now defunct, it is seen as an example by ATSI communities that major development proposals with consequent environmental and social impact

can be virtually imposed in the local area because while they neighbour the DOGIT they are the responsibility of other local authorities to approve.

**17.11** The possibility of a spacebase in Cape York was raised with the Committee as a similar concern. Also at issue were the expenditure on and maintenance of roads on which these remote communities were dependent on. These roads which led in and out of the communities were again a Cook Shire responsibility.

**17.12** The ATSI Councils however did not support being absorbed into the Cook Shire local authority if it meant abandoning community control of the DOGIT areas. While some Councillors had reservations about EARC's proposed consultation mechanisms there was general support for the concept.

**17.13** The Committee has taken into account some of these reservations and suggestions in framing their recommendations below.

**17.14** The Cook Shire submitted its endorsement of the EARC recommendations but asked that Lakeland, Rossville and Portland Roads be made "exempt areas"; stated its disagreement that Lockhart River be a consulting council in three sub-regions and notes it does not object to the island communities of Bamaga and Seisia joining the northern Cape York consulting group.

**17.15** Mr R Hill of the Aboriginal and Torres Strait Islander Commission (ATSIC), endorsed EARC's recommendation generally and submitted to the Committee in his private capacity, that it consider some aspects of the Northern Territory system of Community Government for Aborigines as an alternative to local government in the DOGIT areas.

**17.16** Mr Hill citing examples in the Northern Territory and among Canadian indigenous people, emphasises that a system of government encompassing self-determination and self-management may be more appropriate than a "Westminster style local government". Mr Hill says the more responsive form of community government, based on cultural needs, may redress the split between modern - "whitefella business" - and traditional "blackfella business" - spheres of authority.

**17.17** In the Northern Territory, Mr Hill said Community Government deals with both spheres and this could be developed for Queensland ATSI communities to allow for the increasing development of the "out-station" movement.

**17.18** The Committee's own investigations in Cape York revealed concern from the Cook Shire Council at planning, health and other local government issues raised by the growth of the "out-station" movement.

**17.19** Mr Hill notes the situation of Aurukun "where there are many different clan groupings, not all of whom happily co-exist with each other because of historical differences and current interests". The Cook Shire told the Committee that "out-stations" had been established without town planning, health or other local authority requirements and although in Cook Shire were associated with ATSI Councils and residents of individual DOGITs.

**17.20** In a meeting at Cooktown, the Cook Shire Council informed the Committee that it was

generally supportive of EARC's proposed consultative mechanisms, however rejected specific ATSI complaints regarding road maintenance. In the meeting and in its formal submission to the Committee, the Council said complaints about road maintenance would continue as the Council was dependent on funding for roads from other levels of government.

**17.21** The Committee held a public meeting with the people of Coen on Wednesday, 20 November 1991 following their complaint to EARC that their central community had special concerns regarding the restructuring of local government on the peninsula, in particular where the boundary of Cook and Aurukun currently lies and proposals for expansion of the Aurukun Shire. The Committee found the meeting an instructive one and took the concerns expressed in consideration when making their findings.

**17.22** The Committee records that the Aurukun Shire Council made an oral submission to it in favour of correcting anomalies in its boundary with Cook and detailed suggestions for an expanded area of local control.

**17.23** Mr P Poynton submitted to the Committee that EARC's proposals for Cape York continue the disenfranchisement of Aborigines in Cape York decision-making.

**17.24** The Committee notes that EARC approved the introduction of the Islander communities of Bamaga and Seisia into the proposed consultative mechanisms but did not formally recommend it.

**17.25** The Committee acknowledges a request from the Wujal Wujal Council for a consultative mechanism with both of its neighbouring local authorities - Cook and Douglas Shires - similar to that recommended by EARC for other councils.

### **Findings**

**17.26** The Committee recommends that EARC's recommendations be accepted. It found general acceptance of the consultative mechanism concept among councils in Cape York and sees it as a way of guaranteeing all parties have an input into decision-making in areas of mutual interest and community. In particular, it sees the consultative mechanisms as a democratic method of managing development in a unique isolated and fragile environment without discrete communities losing their varying cultural identities.

**17.27** The Committee acknowledges the Cook Shire's request that the localities of Portland Roads, Lakeland and Rossville be included as exempt areas in addition to those designated by EARC. The Committee recommends that this request be referred to the proposed consultative committees to determine whether the other relevant councils are agreeable.

**17.28** The Committee endorses EARC's reference of Aurukun Shire to an on-going boundaries review mechanism as discussed in Chapter 6.

**17.29** The Committee recommends that the Torres Shire Council and the Carpentaria Shire Council also be parties in the Northern Cape York and Western Cape York consultative mechanisms respectively.

**17.30** The Committee also recommends that Bamaga and Seisia Island Councils also be parties in the Northern Cape York consultative mechanism.

**17.31** The Committee recommends that Douglas Shire Council be invited to join a consultative mechanism with the Wujal Wujal Community and the Cook Shire Council.

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## 18. *BOUNDARY ADJUSTMENTS ISSUES*

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### *Committee's Approach to Boundary Adjustments*

**18.1** In Chapter 17 of its report, EARC made what it termed "less major external boundary change proposals". These proposals arose because, in its initial call for submissions, EARC received 74 boundary change proposals in addition to those raised in Issues Paper 8 (EARC report paragraph 17.1). Some of these proposals suggested major change which EARC considered to be beyond its capacity to deal with at the time. Other proposals, however, EARC considered could be dealt with by open correspondence between it and the "major stakeholders" (paragraph 17.3). In EARC's press release of 15 April 1991, 16 such proposals were announced, as follows:

<u>Local Authority Involved</u>	<u>Proposal</u>
Beaudesert/Albert	Seven Beaudesert Shire properties to be placed in Albert Shire (Bahr's Scrub); about 70 Albert Shire properties to be placed in Beaudesert Shire (Loan Village, Paradise Vista Estate, Beechmont Road, Binna Burra Road);
Esk/Kilcoy	Former Division Four of Esk Shire to be placed in Kilcoy Shire;
Caboolture/Caloundra	Bribie Island presently split between the two local authorities to be placed entirely in one LA;
Gatton/Cambooya	Two properties in East Haldon, split between Gatton and Cambooya Shires to be placed entirely in Cambooya Shire;
Waggamba/Tara	23 properties in the far north of Waggamba Shire bordering or near Tara Shire to be transferred to Tara Shire;
Tambo/Murweh	18 Murweh Shire properties bordering or near Tambo Shire to be transferred to Tambo Shire;
Noosa/Maroochy	Peregian Beach split between the two local authorities to be placed wholly in one LA;
Emerald/Bauhinia	Emerald Shire properties in the west and south-west of the Shire, bordering Bauhinia Shire, to be transferred from Emerald Shire to Bauhinia Shire;

Bauhinia/Duaringa	"Rockland Springs" property split between Bauhinia and Duaringa Shires to be located totally in Bauhinia Shire;
Hervey Bay/Maryborough Township	of Aldershot, currently in Hervey Bay City, to be transferred to Maryborough City;
Thuringowa/Dalrymple	Mingela rural community split between Thuringowa City and Dalrymple Shire to be transferred to Dalrymple Shire;
Pioneer/Whitsunday	Midge Point in the far north of Pioneer Shire to be transferred to Whitsunday Shire;
Burdekin/Bowen	Two Bowen Shire properties bordering Burdekin Shire to be included in Burdekin Shire;
Burke/Mornington	Sweers Island & the Bountiful Islands, unincorporated in any LA, to be incorporated into either Burke or Mornington Shires;
Burke/Mt Isa	Southern part of Burke Shire to be transferred to Mt Isa City;
Cloncurry/Mt Isa	Cloncurry Shire properties bordering Mt Isa, to be transferred to Mt Isa City.

**18.2** Two of these proposals, Thuringowa/Dalrymple - Mingela. The transfer of the Preston area from the Gatton Shire to a combined Clifton/Cambooya Shire is considered in Chapter 10 of this report. Pioneer/ Whitsunday - Midge Point, were considered in preceding chapters of this report. This Chapter deals with the remainder of the boundary change proposals listed above.

## **Beaudesert/Albert**

**18.3** EARC recommends that 7 properties currently within the Beaudesert Shire be transferred to the Albert Shire, and that 69 properties currently in the Beaudesert Shire Council be transferred to the Albert Shire. This proposal was put to EARC in a combined submission of both councils on the basis that the changes would enhance community of interest without having any major revenue implications for either local authority. EARC concluded that the change would "see the residents of each of the areas included with the communities with which they already identify" (paragraph 17.25). It also noted that the location of shire depots in each case suggested that services to the affected properties could be provided more efficiently and effectively by the authority to which it would be transferred under the proposal (paragraph 17.28).

**18.4** EARC received a submission opposing the proposal on the basis that road access to the property owner's land would suffer detriment if the proposal proceeded; and a second submission opposed the proposal on the basis that the transfer would disadvantage the property owner who had a composting toilet system, allowable in the Albert Shire but not the Beaudesert Shire (EARC report paragraphs 17.18 and 17.19).

**18.5** In its submission to the Committee, the Albert Shire Council reaffirmed its support for the proposal recommended by EARC. No other submissions were received by the Committee on this matter.

**18.6** The Committee accepts that the proposal would enhance community of interest in the affected areas, and notes the support for the recommendations by both affected councils. The Committee endorses EARC's recommendation for the transfer of seven properties from the Beaudesert Shire to the Albert Shire and the transfer of 69 properties from the Albert Shire to the Beaudesert Shire, as specified in paragraph 17.30 of the EARC report.

### ***Esk/Kilcoy***

**18.7** EARC recommends that the previous division 4 of the Esk Shire, which presently constitutes part of division 3, be transferred to Kilcoy Shire. This proposal originated in an appendix to a submission from the Esk Shire Council, as an option for the region on the basis that it would result in greater homogeneity in each shire in terms of the economic base and that it would give:

*... greater commonality of interest between Division Four residents and the whole of Kilcoy Shire and with the balance of Esk Shire as total entity. ... A marginal strengthening of the overall rate base of kilcoy which is at present a very small local authority (in population, area and physical terms). No measurable impact on either the short term or longer term viability of Esk Shire. Concerns regarding representation levels would be overcome (EARC report paragraph 17.32).*

**18.8** Esk Shire Council, however, later made clear to EARC that it did not itself support this option:

*... based on the evaluations undertaken there would appear to be little overall benefit in undertaking any significant restructuring of the boundaries of the Esk's Shire ... As a result of the abovementioned public meeting where the majority views expressed opposition to any changes to the shire boundaries, and the attitude of Kilcoy Shire Council who sees no advantages in taking over the part Esk's Shire, Council recommends that no boundary change take place (paragraph 17.33).*

**18.9** Kilcoy Shire Council submitted to EARC that:

*... it is prepared to welcome the residents of the Division Four into the Shire of Kilcoy ... obviously, further discussions relating to adequate representation, minimal disruption of the workforce, and financial matters need to be held, but with good will on both sides, Council feels sure that all concerned could benefit from a proposed boundary change (paragraph 17.36).*

and that the proposal had advantages such as:

*... community of interest, making more efficient use of road-making and plant resources and a strengthening of the overall ratebase of Kilcoy Shire without any real disadvantage to Esk Shire. Kilcoy Shire Council acknowledged as a disadvantage of the proposal that "a lower level of service would be provided to*

*the area following its inclusion in the Kilcoy Shire" (paragraphs 17.37 and 17.39).*

**18.10** A possible disadvantage of the proposal advanced by the Kilcoy Shire Council is that in order to avoid a potential burden on existing rural ratepayers of Kilcoy so as to maintain the existing standard of services in division 4, a differential general rate, possibly lower than the present rate, might be needed to be levied on properties in division four in an interim period (EARC report paragraph 17.39).

**18.11** Esk Shire Council submitted to EARC that disadvantages of the proposal included the need for division 4 residents to accept a lower level of service or alternatively the possible need to increase rate levels for Kilcoy residents to allow equalisation of services between the two areas (EARC report paragraph 17.40).

**18.12** EARC considers that the proposal would:

*... enhance community of interest, increase Kilcoy Shire's ratebase and produce the economies of scale, and would provide an increase in representation for those residents who would become residents of Kilcoy Shire (paragraph 17.50);*

and noted both Council's acknowledgment "that neither would be substantially advantaged or disadvantaged by the proposal" (paragraph 17.52).

**18.13** In its submission to the Committee (no. 2105), the Council of the Shire of Esk noted:

*Council was disappointed with EARC's recommendation in that it stated in the first instance that "Esk Shire Council proposed that old Division Four ... be transferred to Kilcoy Shire". The submission prepared by Council's consultant, Morton Consulting Services Pty Ltd, investigated a number of issues as well as several options including part of the shire being amalgamated with the Kilcoy Shire.*

*Their report concluded that there would appear to be little overall benefit in undertaking a significant restructure of the northern boundary. It took into account such issues as community of interest, economic, demographic and geographic considerations as well as other issues. Following presentation to Council, the report was submitted without change in order to demonstrate Council's impartiality.*

*Contrary to EARC's statement "that Council proposed the transfer", I would submit that while EARC endeavoured to canvass all of the issues, it has taken out of context Council's submission to support its recommendation and suggested that Council recommends the change, which is not the case. The amalgamation was one of the options and not the final recommendation.*

**18.14** The council draws to the Committee's attention a public meeting held at Linville on Monday 2 December 1991 to discuss this issue at which:

*At the conclusion of the discussion, a member of the public called for a vote on the issue. After some discussion, it was agreed that those present should write on a piece of paper (to keep their vote secret) the local authority to whom they desire to*

*belong. The result of the ballot was 42 in favour of staying with the Esk Shire and 26 going to Kilcoy Shire.*

*In addition to the public meeting, 21 letters on the proposal (representing 40 residents) have been received since the meeting and copies of these are enclosed for the Committee's consideration.*

*I would like to reiterate that the Council considers that there would be no overall benefit to alter the boundaries in this area. However EARC has felt the issue warranted their attention, and to resolve from that, it is recommended that EARC's proposal be referred to the Boundaries Commission when it is established.*

**18.15** The Kilcoy Shire Council submitted to the Committee (no. 1519) that it stood by its submission to EARC and that:

*... a strong community of interest does exist between the residents of the old Division Four and the Kilcoy Shire, a fact that was submitted by the Esk Shire Council in its submission.*

Kilcoy Shire Council enclosed with its submission 12 letters received by it in support of the recommendations.

**18.16** In addition to the letters enclosed with submissions by each affected Council, the Committee received two further submissions favouring EARC's proposal. The submission from D A Forsyth (no. 1491) noted:

*I am writing to commend the Commission's decision to amalgamate old Esk Division Four to the Kilcoy Shire. I feel the decision is a natural and progressive one; the advantages of which will become more apparent as time passes.*

*Geographically, Collinton/Moore/Linville should be tied to Kilcoy, also its people have a similar ancestry and cultural background. As regards local government representation, I feel the residents of old Division Four will be far better serviced in the new proposal.*

*I don't think there is any doubt that Kilcoy township enjoys the patronage of the majority of Division Four residents for commercial and social interaction.*

**18.17** Similarly, P J Leo supported the proposal and submitted to the Committee (no. 1621):

*The majority of small business people and landholders favoured transfer to Kilcoy for the following reasons:*

- 1. We feel that 2.4 cents in the unapproved rural dollar to be excessive, we further feel that a large proportion of these dollars have been wasted on an overindulgent administration.*
- 2. We also feel we have no voice in Esk Shire. With the population growth Lowood has experienced there is concentrated representation from the Esk Shire in that region, the future planned rural development surrounding Lowood, with increase involvement by the Esk Shire Council*

*will further exerbate the situation.*

**18.18** By contrast, G A and H A Van Doven submitted to the Committee (no. 1519) that:

*As far as our family is concerned, there is no community of interest with Kilcoy at all. We go to Toogoolawah to bank, seek medical care and have our car serviced. When our pets need attention, we seek veterinary care in Toologawah. We are shareholders of the Esk district Co-op.*

A number of other submissions to the Committee supported this viewpoint.

**18.19** The Committee acknowledges that some residents of the affected area identify strongly with the Esk Shire Council. Nonetheless, the Committee accepts EARC's finding, supported by a number of submissions to the Committee, that the majority of residents of Division 4 of Esk Shire "have a greater community of interest with Kilcoy Shire than with Esk Shire because of shared rural interest, lines of communication and proximity" (paragraph 17.53). The Committee accepts that enhanced community of interest would result, and as both councils accept that neither would be substantially advantaged or disadvantaged by the proposal (EARC report paragraph 17.52), the Committee endorses EARC's recommendation that old Division 4 of the Esk Shire, which presently constitutes part of Division 3, be transferred to Kilcoy Shire.

### ***Caboolture/Caloundra***

**18.20** In paragraph 17.75 of its report, EARC considers but rejects a proposal from the Bribie Island Chamber of Commerce that Caboolture Shire encompass the whole of Bribie Island, and recommends that the status quo continue, leaving the northern section of Bribie Island under the jurisdiction of Caloundra City. The suggestion from the Chamber of Commerce was opposed by the Caloundra City Council, the Caloundra and District Action Group and some private individuals, and was later withdrawn by the Chamber of Commerce itself. The suggestion was supported by the Caboolture Shire Council and the Bribie Island Environmental Protection Association Inc (EARC report paragraphs 17.56 and 17.57).

**18.21** EARC notes that issues raised by the proposal were: firstly, community of interest on the basis that local neighbourhoods or adjacent rural and urban areas should not be divided; secondly, that the Pumicestone Channel should be used as a natural boundary to divide Caloundra City from Bribie Island; and thirdly, efficient service delivery, because the only access from Caloundra City to Bribie Island is by boat (EARC report paragraph 17.59).

**18.22** EARC considers that:

*Bribie Island has two community affiliations, namely, the southern section focussing on Caboolture and the northern section used by Caloundra City residents and visitors to the city for recreational purposes.*

*Although the only access to the Island is through Caboolture Shire, the Commission feels that this is not a compelling issue because Caloundra City prohibits the use of motor vehicles and camping on its beaches. Further, the northern part of the Island is uninhabited and a lack of road access affects no-one and enhances the environmental protection of the area (paragraphs 17.69 and*

17.70).

and that:

*The Commission believes that terrain and use of Caloundra City's portion of Bribie Island as a passive recreational site, makes Caloundra City better placed to manage and patrol the area. Caboolture Shire has a depot on Bribie Island, as advised in answers to the Commission's questionnaire. The Commission considers, however, that the services and maintenance provided by the Caboolture and crucial to normal urban/residential development, but are neither necessary nor relevant to the northern undeveloped sector (paragraph 17.74).*

**18.23** The Committee received no submissions in relation to this issue, and in view of the matters raised by EARC, endorses EARC's recommendation preserving the status quo, so as to leave the northern section of Bribie Island in Caloundra City.

### ***Gatton/Cambooya***

**18.24** EARC recommends that two lots in East Haldon currently in the Gatton Shire be transferred to the Cambooya Shire. Each lot comprises part of a larger property, each of which is substantially located in the Cambooya Shire (EARC report paragraph 17.76). EARC notes that both Councils support the proposal (paragraphs 17.82 and 17.83). A proposal to transfer the Preston area from Gatton Shire to a combined Clifton/Cambooya Shire is dealt with in Chapter 10 of this report.

**18.25** EARC notes:

*Portion 140, owned by Mr Crampton of Benbangle Propriety Limited, is on the outer boundary of Gatton Shire and appears to protrude into Cambooya Shire. It shares the same watersheds as all other properties owned by Benbangle Propriety Limited, which are already in Cambooya Shire.*

*Portion 137, owned by Mr Turkington, is enclosed on three sides by Cambooya Shire. The remaining side joins Gatton Shire, and access is from Cambooya Shire because access from Gatton Shire is prevented by a very steep drop of several hundred feet.*

*Gatton and Cambooya Shires are located east and south of Toowoomba respectively. For the most part, the Great Dividing Range provides a natural boundary for the two LGAs, however, at one point the Range comes west into Cambooya Shire.*

*The issues are that properties are split by LA boundaries and that access from Gatton Shire is difficult (paragraphs 17.77 to 17.79).*

**18.26** Whilst the Committee received a submission from the Gatton Shire Council objecting to EARC's recommendation that the Preston area be transferred to an amalgamated Clifton/Cambooya (dealt with in Chapter 10 of this report), the submission did not deal with the proposal to transfer the two East Haldon properties. No submissions in relation to this proposal were received.

**18.27** In the circumstances and given the matters outlined in the EARC report, the Committee endorses EARC's recommendation that Lots 140 on CC934 and 137 on CC582, Parish of East Haldon, be transferred from Gatton Shire to Cambooya Shire.

### ***Waggamba/Tara***

**18.28** EARC recommends the transfer of 18 properties from the Waggamba Shire to Tara Shire. The issue resulted from a proposal to EARC by 17 of the property holders involved, on the basis of community of interest. The 18th property owner was contacted by EARC because it felt similar considerations applied to his property and he indicated agreement to the proposal (EARC report paragraphs 17.88 to 17.91).

**18.29** The proposal is supported by the Tara Shire Council, but not the Waggamba Shire Council (EARC report paragraph 17.92). In its submission to EARC, Waggamba Shire Council refuted the community of interest claim made by the property owners and the Tara Shire Council (EARC report paragraphs 17.101 and 17.102).

**18.30** EARC concludes that:

*... these properties could be more efficiently serviced by Tara Shire, as already evidenced by the Moonie Highway agreement between the two LAs. According to the answers to the commission's Questionnaire, in 1989-1990 Waggamba Shire reimbursed Tara Shire \$36,844.68 for gravel roadworks. The Commission also believes that an advantage of the transfer of properties would be that Tara Shire would receive rate revenue from an area that it currently services.*

**18.31** The Waggamba Shire Council submitted to the Committee (no. 1421) that:

*... Council objects to the Commission soliciting a resident to change to Tara Shire although he did not originally request such a change (paragraph 17.90-1). Is that part of the Commission's function? ...*

*Local government should be local, autonomous, responsive to the needs of the local community, representatives of local attitudes and be accountable to the community itself.*

*Smaller local authorities generally are more responsive and accountable, representatives tend to be a good quality as the job is voluntarily and they are known by the community. If the local community is not happy with a representative they will organise to oust that person at the next election.*

*In conclusion, Council does not consider that EARC has addressed the root problem of improving the quality of local government to the overall benefit of the local community.*

**18.32** The Committee does not accept that by contacting the 18th property owner in this case EARC was soliciting persons to request boundary changes; instead, it was logical to treat the 18 properties together because of their geographic location and it was appropriate for EARC to seek the views of a person who would be directly affected by its recommendations.

**18.33** The Committee accepts EARC's reasoning that the community of interest of the 18 properties lies with Tara Shire rather than Waggamba Shire and notes that all of the affected property owners support this proposal. The Committee therefore endorses EARC's recommendations that 18 properties be transferred from Waggamba Shire to Tara Shire, as specified in paragraph 17.108 of the EARC report.

### ***Tambo/Murweh***

**18.34** EARC recommends the transfer of 18 properties from Murweh Shire to Tambo Shire. The matter arose from a submission by 13 of the property owners to EARC seeking the transfer on the basis of community of interest.

**18.35** The proposal is supported by the Tambo Shire Council but opposed by the Murweh Shire Council, which submitted to EARC that it opposed "the reasons outlined by the Tambo Shire in their land grab for the highest valued properties in the Murweh Shire", and that the proposal would be advantageous to Tambo Shire and to the ratepayers concerned, because nine of the properties straddle or are located on the national highway, which is

*... fully funded by the Australian Government through the Queensland Department of Transport. It can be seen that the expenditure for the servicing of these properties is negligible compared to the rates collected from the properties because of their location (EARC report paragraph 17.115).*

**18.36** Tambo Shire responded in its submission to EARC:

*Shire Councils' sole reason for existence is to benefit the ratepayers. The ratepayer does NOT exist simply for the benefit of Shire Councils. The basic fact of life is disregarded by your council - for \$16,000 a year, 'Yandarloo' gets nothing ...*

*The landholders within this area have made applications to the State Government on previous occasions to be included in the Tambo Shire. There (sic) preceding*

*applications were in the 1930s', 1950s' and 1984*

*A transfer of the properties in question of the Tambo Shire in 1984 would have resulted in an increase in rates to the landholders. This impending rate increase did not deter the applicants at that time.*

**18.37** EARC notes:

*The Commission believes that Tambo Shire is better placed to serve the area, given the relative distances to Tambo, Augathella and Charleville (paragraph 17.127).*

**18.38** EARC considers that any transfer of properties in the area should include three other properties. The owner of one such property submitted a subsequent request to EARC to be transferred to Tambo Shire, but the manager of the other two properties indicated opposition to the proposal on the basis that Murweh Shire was a known entity, and doubts as to whether Tambo Shire would continue to maintain access roads to those properties (paragraphs 17.129 to 17.131).

**18.39** EARC notes a number of significant factors in relation to this proposal, including: various property owners have made several attempts over past decades to achieve the transfer; some properties are currently split between the two shires; and the affected residents make use of Tambo Shire's facilities, while being geographically isolated from similar facilities in Murweh Shire (paragraphs 17.133 to 17.137). EARC concludes that it:

*... cannot understand why the transfer of these properties has not occurred in the past when the benefits are so apparent ...*

and that:

*... the financial arguments by Murweh Shire Council are weakened by the admission that a transfer would not have any major financial impact (paragraphs 17.138 and 17.139).*

**18.40** In its submission to this Committee (no. 2708), the Tambo Shire Council notes:

(a) *Since the release of the EARC report, the Murweh Shire through devious misrepresentation of the facts, has strived to convince the rural landholders in the Murweh Shire that the proposed boundary alteration will have severe financial effects for the balance of the rural ratepayers i.e. rates will need to be substantially increased.*

*This is definitely not the case as outlined in this Council's submission to EARC and subsequently verified in the EARC Report.*

(b) *The Report comments that one landholder (Caldervale) "... is concerned as to Tambo Shire's dedication to maintain his access roads ..." (S17.131, p.418) This Council has previously indicated that it will maintain the roads in question to a similar standard to other local roads within the Shire.*

(c) *The Report acknowledges that community of interest is the primary factor*

*to justify the boundary alteration. Most of the properties are located within 40 km of the town of Tambo, in contrast to approximately 160 km from Charleville, the administrative centre of the Shire of Murweh.*

**18.41** This view, and EARC's recommendations, were supported by a number of submissions to the Committee from some of the affected property owners. The submission from Mr A Ryrie, on behalf of the "group" of affected property owners (no. 1380), noted:

*We believe that for the first time 60 years and after four attempts that justice has prevailed. Community of interest has always been foremost in our submissions and we believe that it is of utmost importance as far as this decision goes ...*

*The loss of income referred to by Murweh in their circular dated 10 December 1991 should be viewed in the light of net reduction of income which we believe to be in the vicinity of twenty thousand dollars (\$20,000).*

**18.42** The Murweh Shire Council, however, reinforced its opposition to the proposals in its submission to the Committee (no. 2716). It noted:

*Council regards the report of E.A.R.C. as being very biased towards the Tambo Shire. It is pointed out that no member of E.A.R.C. has visited the Murweh Shire. The chairman of E.A.R.C. visited the Tambo Shire when the initial proposal was made, that the Tambo and Blackall Shires should be amalgamated. After the visit to Tambo, the amalgamation proposal was dropped by E.A.R.C. in favour of an investigation into an external boundary change between Tambo and Murweh Shires. It is once again reiterated that Council is unanimously opposed to the transfer of the properties to the Tambo Shire. The real issues should be whether Tambo should be amalgamated with either the Blackall or the Murweh Shire.*

**18.43** Murweh Shire Council confirms that, as alleged by the Tambo Shire Council and referred to by EARC (paragraph 17.114), the proposal will lead to a 6.6% decrease in its total rate receipts:

*... The 6.6% decline in rate collection is significant as in monetary terms it amounts to \$102,266.82. In addition to the above, the Commonwealth Fiscal Grant and the C.A.L.A.R. funding will be reduced by \$50,000 approximately.*

*The \$152,266 reduction in revenue will ultimately lead to a decline of five in Council's external workforce, from the Augathella area.*

*The ordinary maintenance funding for work on the Augathella/Tambo section of the National Highway will decrease by \$28,000 due to the decrease in length by 38 kilometres.*

*Council regards the loss of \$180,000 in revenue as being very significant with regard to employment, the financial viability of the Shire and in particular the town of Augathella in these depressed times.*

**18.44** In its submission, the Murweh Shire Council re-iterates its belief that the proposal from residents was "rate driven as the rate in the dollar in the Tambo Shire is 32% below the Murweh Shire". It asserts that EARC quoted it out of context when reporting that the proposal would not alter its finances and that:

*If read in context, the statement reads that expenditure on road maintenance would be negligible as the National Highway is 100% funded by the Australian Government. In Council's answer to 17.114, the financial loss to Murweh is \$180,000 and therefore the Tambo Shire would benefit by a similar amount.*

In a further submission to the Committee (no. 2911) Mr Ryrie, on behalf of 13 of the affected property owners, noted:

*Murweh constantly refers to the gross rate loss involved but in our opinion it is more relevant to consider the net loss in order to establish an accurate perspective.*

*The assertion that as a group we were not interested in being included in the Tambo Shire if it was to be amalgamated with the Blackall Shire is completely untrue. The community of interest with Tambo is still there regardless.*

*We must reiterate that in 1984, given a transfer, the group faced a substantial rate increase regardless of the eventual revaluation aspects. Our intentions are not, and never were rate driven.*

*We are a small group of ratepayers, in fact a minority, who for the best part of this century, despite changes of ownership, increases in technology, road construction and so on, still express a strong desire to become a part of the community that suits our geographic location.*

**18.45** The Murweh Shire Council refutes any suggestion that it does not provide efficient and effective services to the affected area and refutes the claim that the property owners have a greater community of interest with the Tambo Shire than with Murweh. Its submission concludes that because of the substantial investment by the Murweh Shire Council in providing roads in the shire, which it says has not been matched in the Tambo Shire:

*EARC has rewarded the irresponsible Council, such as Tambo Shire, by their recommendations for the transfer of 18 properties, without a full investigation of the relevant facts.*

*In conclusion, it is once again reiterated that no boundary changes should be instigated without fully investigating the alteration of all shire boundaries in the area as well as the original EARC proposal for the amalgamation of the Tambo Shire Council with Blackall.*

**18.46** The submission from the Murweh Shire Council was supported by a submission from Mr W Tomlinson (no. 540) a resident of the Murweh Shire, but not resident in the affected area.

**18.47** The Committee accepts that the proposal will have a considerable financial impact on the Murweh Shire Council, and will result in a diminution of its ratebase. Nevertheless, the community of interest considerations identified by residents and EARC, and the fact that some properties are currently split between the two shires, are strong factors in favour of the proposal. The Committee has also had regard to the overwhelming support for the proposal from affected residents and the long, unsuccessful history of attempted boundary changes in this area. In view of these considerations, the Committee endorses EARC's recommendation that 18 properties be transferred from Murweh Shire to Tambo Shire, as specified in paragraph 17.140 of the EARC report.

### *Noosa/Maroochy*

**18.48** EARC recommends that South Peregian Beach be incorporated within the Noosa Shire. This proposal was made by a number of residents of the affected area on the basis that the current Noosa/Maroochy boundary divides the Peregian Beach community, with about 70% of the area in Noosa and 30% in Maroochy (EARC report paragraphs 17.141 to 17.143). The issue is therefore essentially one of community of interest, together with efficient and effective service provision and quality of representation.

**18.49** Noosa Shire Council supports the proposal on the basis that "the majority of residents of Peregian Beach wish to be part of the Noosa Shire", but this was disputed by the Maroochy Shire (paragraphs 17.154 and 17.155). EARC notes that:

*... both Councils agreed that the boundary divides the area and most submissions from the residents illustrated the different policies and priorities of the two LAs (paragraph 17.165) ...*

and that:

*Peregian Beach is a cohesive community area which should not be split. Further the Commission is concerned that the smaller portion of Peregian Beach in Maroochy Shire might not receive the level and extent of services provided to the Peregian residents located in Noosa Shire. The Commission believes that this could be divisive and prejudicial to the area as a whole (paragraph 17.168).*

**18.50** In its submission to the Committee, the Noosa Shire Council noted:

*Noosa Council has not advocated that the areas be included within Noosa but requested EARC to establish the processes and systems that should be put in place in order to access a range of matters ... Council has always held the view the attitude of the residents of the affected area should be paramount in considering any boundary changes.*

*Noosa Council does not wish to make any comment in regard to the recommendation now made by EARC.*

**18.51** The Maroochy Shire Council submitted to the Committee:

*... the South Peregian area has a very strong linkage with the Coolum area. In fact, the development taking place at Coolum is very close to South Peregian further reinforcing the linkages between the two communities of interest. EARC's comments on future development further reinforcing the need to include South Peregian in Noosa simply ignores the realities of the urban structure of the total area and its growth characteristics ...*

*The South Peregian community is satisfied with the services provided and is in fact receiving a higher level of service than the North Peregian community across the full range of services required, from the community perspective.*

*The Commission was ill-informed or placed too little weight on the relative capacities of either local authority to service the Peregian region when it states that "Noosa Shire would be at least as well placed to provide services to residents in the whole area".*

*The real facts are:-*

- a. North Peregian has regularly suffered water supply failure over a number of years*
- b. Sewerage connection to North Peregian is years away*
- c. Maroochy Shire Council is completing a water supply augmentation which will guarantee high pressure supply to South Peregian for the indefinite future*
- d. Maroochy Shire Council has let tenders to complete the final stage of sewerage to all of South Peregian*
- e. Maroochy Shire Council maintains a permanent workforce and plant and equipment in Coolum, some 5.5 km away, and is able to immediately and efficiently respond to not only day to day maintenance requirements but also emergency situations*
- f. Noosa Shire Council's closest similar facility is located 16.5 km away. (Three times the distance of Coolum)*

*Maroochy Shire, has a greater willingness, resource capacity and ability to service the area than Noosa Shire.*

*This statement is reinforced by the following expenditure:-*

1980/90	Water Supply	\$100,000
	Sewerage	600,00
1990/91	Sewerage	1,000,00
1991/92	Sewerage	750,000

**18.52** Maroochy Shire Council engaged Morton Consulting Services to survey ratepayers of Peregian Beach in relation to the proposal and notes the result of that survey is that:

*... the existing boundary is of little concern to residents with over 72% indicating they do not support a change of the boundary to include them in Noosa Shire and only 24% agreeing with EARC.*

This finding needs to be understood, however, in the context of the information available to the respondents of the survey. The survey was accompanied by a letter from the Maroochy Shire Council which provided the following sparse information on the boundary change proposed by EARC:

*You no doubt are aware by now of the proposal by the Electoral and Administrative Review Commission (EARC) to remove the South Peregian area from Maroochy Shire and incorporate the area in Noosa Shire.*

**18.53** Maroochy Shire Council maintains that EARC's proposals should be rejected on the following grounds:

- *adverse impact on the South Peregian community;*
- *the strong disagreement of residents and ratepayers of South Peregian with the EARC proposal;*
- *the lack of effective and appropriate community consultation by EARC in its consideration of the matter;*
- *the lack of appropriate quantification of the impact on ratepayers from the changes proposed by EARC;*
- *the lack of consideration of co-operative arrangements to overcome problems raised in relation to the Peregian community as a whole.*

**18.54** The Committee received a number of other submissions which opposed this proposal, principally on the basis of residents' satisfaction with services provided by Maroochy Shire Council.

**18.55** The Committee accepts EARC's finding that "Peregian Beach is a cohesive community area" and that its community of interest lies mainly with Noosa rather than Maroochy (paragraph 17.168). The Committee also accepts, however, that the survey conducted by the Maroochy Shire Council appears to indicate that the most residents in the area oppose EARC's recommendations. Of those surveyed in the affected area, South Peregian, 65% opposed the proposal, 29% agreed with it and 7% had no strong feelings or did not respond because of a lack of information. North Peregian residents were also surveyed, and asked whether they would prefer to remain in Noosa Shire or be transferred to Maroochy Shire (which was not proposed by EARC). 80% of residents opposed this proposal, 9% supported it and the remainder did not care or could not say. The author of the survey report draws the conclusion:

*It is interesting to contrast this very strong support for Noosa Shire from residents in North Peregian (80%) with the very strong support for Maroochy Shire from residents of South peregian (73%). The issues of the current boundaries seems to be of little relevance or concern to a very substantial majority of the residents of those communities.*

**18.56** The Committee considers that rather than indicating a lack of concern with the issue, the results of the survey seem to indicate a very strong interest in the issue, supported by the 70% response rate claimed by the authors. This strength of feeling about the issue is also shown by the number of submissions from residents to both EARC and the Parliamentary Committee.

**18.57** In addition to apparent community opposition to the proposal, the Committee notes the assertions by the Maroochy Shire Council that it has a "greater willingness, resource capacity and ability to service the area in Noosa Shire". Nevertheless, the Committee also notes the contents of submissions made to EARC regarding service delivery issues in the area including that:

*The Maroochy Shire Council has provided no community services for its ratepayers in the South Peregian area, thus appearing completely disinterested in its South Peregian ratepayers, maybe because they know that North Peregian Beach has all the facilities for us to use ...*

*It is hard to think of any contribution over and above the bare basics that Maroochy Council has made to our area ...*

*The 400 residents of this section of the Maroochy Shire are not sufficient in numbers to exert any pressure on the Maroochy Shire Council and as a result we receive no community services at all ...*

*Peregian is divided into the "have" and "have nots" ... Peregian residents in Noosa Shire have kerbing and channelling with well-made roads and many footpaths, while the Maroochy Shire is content to leave the roads as bitumen strips with broken shoulders, no kerbing and channelling and no footpaths (EARC report paragraphs 17.148 to 17.152).*

**18.58** Whilst the Committee does not necessarily accept that the standard of service supplied to South Peregian by Maroochy Shire is any lower than that supplied to North Peregian by Noosa Shire, these conflicting submissions do emphasise the problems of perception which a divided community can produce. When neighbouring areas in the one community have different service providers, problems of equality of service may continue to arise.

**18.59** Given that the Committee accepts EARC's finding that Peregian is indeed one community, the Committee considers it important to ensure the future cohesiveness of that community. For this reason, and without making any adverse finding in respect of the services provided by the Maroochy Shire Council, the Committee endorses EARC's recommendation that South Peregian Beach be incorporated into Noosa Shire as specified in paragraph 17.171 of the EARC report.

### ***Emerald/Bauhinia***

**18.60** EARC recommends that certain properties currently in the Emerald Shire be transferred to the Bauhinia Shire. The matter arose from a submission of residents in the affected area to EARC seeking the transfer on the basis of community of interest and efficient and effective delivery of services to the area.

**18.61** Bauhinia Shire Council supported the proposal on the basis that "it already provided

many services to this area, and the inclusion of the properties in Bauhinia Shire would mean rates could be recouped for such service provision (paragraphs 17.179). Emerald Shire Council opposed the proposal on financial grounds, because rural general rates would have to increase for those properties outside the Emerald irrigation area by about 12%, which coupled with foreseen 1991/92 general rates increases would involve a total increase of 20% or more (paragraph 17.180). Bauhinia Shire Council submitted to EARC many activities in Springsure (in Bauhinia Shire), in which it said residents of the affected area participated (paragraph 17.183). Emerald Shire Council conceded that residents used Springsure for some needs, but Emerald for others (paragraph 17.184).

**18.62** EARC notes that the:

*... ratepayers have a closer community of interest with Springsure ... Springsure is closer to the property owners than Emerald, but Emerald is the regional centre, providing services and facilities additional to those provided at a more local level ...*

and that:

*... the estimate of rate increases provided by the Emerald Shire Council is "perhaps excessive because Emerald Shire Council's calculations were based on 21 properties and 1 reserve, rather than the properties identified in the original proposal".*

**18.63** EARC concludes that "change is warranted, primarily because community of interest has been demonstrated by the travel patterns of residents" (paragraph 17.195).

**18.64** In its submission to the Committee, the Emerald Shire Council noted that several property owners in the affected area confirmed at public meetings that they did not want to be transferred to Bauhinia Shire and that:

*It is a bad mistake for EARC to attempt to produce Local Authority boundary alteration recommendations from afar and by mail; some forum at which those affected can be heard is essential ...*

*It is a bad mistake to have absolute faith in written submissions. The Zahl submission 2734, 8/7/91 is a case in point. At the time it was written he was not speaking for the original group of ratepayers. In all probability none of the group knew he was writing it. At the time it was written 4 key properties had withdrawn their support, and nothing had taken place to detract from the effect of the resolution passed at the May, 1991, Public Meeting; the fact is that it was moved by A. Zahl and carried unanimously was still standing ...*

*EARC has a heavy responsibility to guard ratepayers involved in any boundary alteration action against adverse consequences arising out of its recommendation. Here again, the boundary alteration by mail process is unsatisfactory in the extreme ...*

*There has been no inspection and no enquiry of/into the extent of responsibilities being transferred or the capacity of the Bauhinia shire to discharge them to a satisfactory standard at a reasonable rate cost.*

*It is a known fact that Emerald traditionally has provided and maintained an acceptable road system and a satisfactory standard of community support at reasonable general rate cost, but there is no evidence that Bauhinia has similar capacity or intent.*

*Emerald Shire opposes the EARC recommendation to transfer a substantial area of territory to the Bauhinia Shire on the grounds enumerated in its original submission and it submits that the material contained in this letter also must be taken into account.*

*However, with reluctance and considerable dissatisfaction with the process which has led to the point, this Council will accept the transfer to Bauhinia of the territory within the BLUE area on the sketch attached.*

*To exceed this area is definitely not the wish of the property owners in question; it is not in their interests and could have no support on any grounds from any quarter except maybe from Bauhinia Shire Council.*

**18.65** The Chairman of the Emerald Shire Council submitted to the Committee that "the recommendations of EARC do in no way reflect the community of interest or the wishes of those good residents of our Shire", and supported the alternative proposition put by the Emerald Shire Council.

**18.66** In its report, EARC noted that:

*Its open correspondence process was not as successful in this instance, as it was in other cases. Certain questions remain unanswered and there were many conflicting statements ...*

*The Commission has some difficulty in determining just what are the views of those involved because of the numerous changes that have occurred, for example, the withdrawal of support by some, and the request to have the matter referred to an on-going boundaries review mechanism in lieu of public hearings by others (paragraphs 17.193 and 17.194).*

**18.67** The Committee considers that the wishes of the affected residents in this case have not been as clearly ascertained as they have in some of the other cases considered in this chapter. The Emerald Shire Council has advanced an alternative proposition; but it has not provided any evidence to support the basis on which this proposition has been determined. Lacking such evidence, the Committee is left with a choice between endorsing EARC's recommendation and accepting the Emerald Shire Council's suggestion that the matter be referred to the Local Authorities Boundary Commission discussed elsewhere in this report, for further research. EARC's recommendation is made on the basis that community of interest has been demonstrated by the travel patterns of residents. The Committee considers that EARC sufficiently establishes that the affected area has a greater community of interest with Bauhinia than with Emerald, and for this reason endorses EARC's recommendation that the Bauhinia Shire boundary be extended to include certain properties from the Emerald Shire, as specified in paragraph 17.197 of the EARC report.

## ***Bauhinia/Duaringa***

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**18.68** EARC recommends that the property known as "Rockland Springs" be totally included in Bauhinia Shire. The proposal originated with the property owner because the property is currently half in Bauhinia Shire and half in Duaringa Shire. Both Councils agreed with the proposal.

**18.69** EARC's recommendation was made on the basis of community of interest, and the preference of the property owner to be totally located within the Bauhinia Shire, where his homestead is (EARC report paragraph 17.205).

**18.70** The Committee received no submissions in relation to this matter, and endorses EARC's recommendation that "Rockland Springs" be totally included in Bauhinia Shire.

### ***Hervey Bay/Maryborough***

**18.71** EARC recommends that the township of Aldershot remain in Hervey Bay City. The matter originated with an acknowledgment of the Hervey Bay City Council that there was a "strong argument for the township of Aldershot and smaller rural residential type lots in close proximity to the existing boundary to be included within the boundary of the City of Maryborough" (paragraph 17.208).

**18.72** Maryborough City Council noted that both Councils accepted general principles in relation to this matter, but that final agreement could not be reached (paragraph 17.209), and in a later submission to EARC Hervey Bay City Council withdrew its proposal in response to the wishes of Aldershot residents (paragraph 17.210).

**18.73** Maryborough City Council continues to support the proposal based on service delivery and community of interest, but Hervey Bay City Council submitted that the geographic and man-made features justified maintaining the status quo (paragraphs 17.213 to 17.218).

**18.74** EARC accepted that Aldershot residents have a regional community of interest with Maryborough City but also a community identity with Hervey Bay City (paragraph 17.219), and accepted that the present boundaries should remain.

**18.75** During the Committee's hearing at Tinana on 10 December 1991, the Mayor of Maryborough, Alderman A Brown, criticised EARC's findings. He told the Committee:

*In recommendation 17.223 of the EARC report, EARC recommends that the township of Aldershot remain in Hervey Bay. Because EARC excluded consideration of this area from consideration during the public hearings conducted in Maryborough in July 1991, it appears that EARC's recommendation has not been based on correct assumption. For example, paragraph 17.221 of EARC's report states that Aldershot is a community of less than 1,000 people in Hervey Bay City and is located 40 kilometres north-east of Maryborough. Aldershot is actually about 10 kilometres from Maryborough City Hall, immediately adjacent to the boundary between Maryborough and Hervey Bay City. Another part of area A in the council's submission was Riverview, and it too is approximately 10 kilometres from Maryborough City Hall and is also*

*immediately adjacent to the boundary between Maryborough and Hervey Bay City areas. Although a full consideration and investigation of the Maryborough/Woocoo/Tiaro amalgamation proposal was conducted, such an extensive investigation was not undertaken for the boundary change proposal between Maryborough and Hervey Bay and unfortunately it appears that EARC has not used correct information to reach its conclusions when considering the Aldershot/Riverview proposal.*

**18.76** It would appear from Ald Brown's evidence that EARC's recommendation is based on an error of fact as to the distance of Aldershot from Maryborough. Accordingly, the Committee recommends the matter be referred to a proposed on-going boundaries review mechanism.

### ***Burdekin/Bowen***

**18.77** EARC recommends that parts of two properties currently located in the Bowen Shire be transferred to the Burdekin Shire. The matter arose as a result of submissions from the two property owners involved seeking the transfer on the basis of service provision and to avoid the splitting of properties between neighbouring shires. The proposal is supported by the Burdekin Shire Council but opposed by the Bowen Shire Council.

**18.78** The property owners submitted to EARC that "their paying rates to Bowen Shire was inequitable because they use numerous services provided by Burdekin Shire" (paragraph 17.230). Bowen Shire Council responded that it provided road services to one of the properties and that the proposal could prejudice the future projected development of the area (paragraphs 17.232 and 17.233).

**18.79** EARC concluded that on community of interest principles the property should be transferred from Bowen Shire to Burdekin Shire, particularly as the properties are closer to Ayr than Bowen (paragraph 17.237).

**18.80** In its submission to the Committee, the Bowen Shire Council noted:

*It is recognised that community of interest is very difficult to define and obviously EARC had great ideals in setting out in the Discussion Paper No. 8 but found it had to depart from it to cope with the wide variety of circumstances which exist throughout the State of Queensland. In these days of easy travelling and indeed the use of light aircraft, community of interest can be spread over a very wide area. In this area along it is known that vast distances are covered to serve to the sporting, social and cultural needs as well as the shopping and business requirements of just about all the residents of the area.*

*The community of interest cannot rest on the shortest mileage to the nearest commercial centre and there must be a degree of logic come to the force to recognise that there must be a boundary somewhere and that people along that boundary will wish to move in either direction across that boundary or within that boundary as a matter of personal choice. To attempt to overcome the use of the personal choice would be abhorrent to the present Government thinking within the State of Queensland.*

*An examination of the map attached will indicate that the majority of boundary in this area of the Shire is along well designed natural geographic features. The*

*Burdekin River forms one of the most easily identified and natural boundaries that could ever be found in the State of Queensland. The Bogie River is another well defined river but it is noted that the parish boundaries, form the boundary further to the east until such time as further natural boundaries are found further to the north.*

*There is no natural feature that will enable a boundary to be established along the pink line that defines Strathalbyn Station other than for that part of the boundary along the Bogie Range. The rest of the boundary is featureless until the boundary strikes the Clarke Range many kilometres to the south-east.*

**18.81** The Bowen Council submits that EARC's recommendations should be rejected on the basis that:

*The Council is of the opinion that the Electoral and Administrative Review Commission has lost its credibility to some degree by:*

- a) departing from its own criteria;*
- b) catering to the needs of one particular land holder;*
- c) by creating false problems for the owner of King Creek Holding and;*
- d) creating undesirable precedents by the establishment of Shire boundaries based on the ownership of land, the fickle nature of preference in shopping, and such extraneous arguments as point of service for mail, telephone, power and other facilities that are normally serviced by State and Statutory Authorities on a larger regional basis.*

*The Bowen Shire Council feels that:*

- 1) adoption of the recommendation would mean a departure from recognised boundaries;*
- 2) adoption of the recommendation would mean that every property which had part of its area in the adjoining Shire could seek adjustment of the Shire boundary to serve its needs of the moment;*
- 3) adoption of the recommendation would mean that if a land holder in adjoining Shire purchased an adjoining property across the Local Authority boundary the Government would shift the boundary either way to suit that persons particular wishes;*

- 4) *adoption of the recommendation would mean severe difficulties to the owner of King Creek Holding in gaining access to his property, would deny future owners of Strathalbyn from a practical and more manageable route to the Bruce Highway or to Bowen;*
- 5) *adoption of the recommendation would mean that Local Authority boundaries would be altered at the whim of particular people at particular times.*

**18.82** The Committee notes the matters raised by the Bowen Shire Council but accepts EARC's conclusion that community of interest and service provision in the affected area will be enhanced by the proposal. In light of this finding, and in view of the express wishes of the residents in the affected area, the Committee endorses EARC's recommendation that Burdekin Shire be extended as specified in paragraph 17.242 of the EARC report.

### ***Burke/Mornington***

**18.83** EARC recommends that Sweers Island and the Bountiful Islands be incorporated into Mornington Shire. This proposal originated in the submission of the Burke Shire Council to EARC that Sweers Island be incorporated into Burke Shire on the basis that "all Australians have access to significant sites" (paragraph 17.243). A similar proposal was made by the Mornington Shire Council requesting transfer of Sweers Island to that Shire (paragraph 17.244).

**18.84** EARC notes that Sweers Island, part of the South Wellesley group, and the Bountiful Islands, are both unincorporated areas located in the vicinity of Mornington Island and that:

*... the Commission believes that there should be no unincorporated areas in Queensland (paragraph 17.246).*

The issue for consideration is therefore into which Shire the Islands should be incorporated, based on considerations of community of interest and service delivery together with what EARC termed "ethnic and cultural considerations" (paragraph 17.249).

**18.85** Burke Shire Council submitted to EARC that Sweers Island should be incorporated within its area because of historical and pioneering ties and its ability to oversee the development of tourist and port facilities on the island (paragraph 17.263). Mornington Shire Council's claim was also based on historical links between Mornington and Sweers Island, including the traditional habitation of this land by the Kaiadilt Aborigines. The Legislation Review Committee of the Department of Family Services and Aboriginal and Torres Strait Islander Affairs in its submission to EARC supported the incorporation of Sweers Island within Mornington Shire (EARC paragraph 17.272). Burke Shire noted however that:

*Burke Shire has a substantial Aboriginal population to and our people have at least as much in common with the Bentinck people as do the Mornington people (paragraph 17.275).*

**18.86** EARC notes that issue of Sweers Island has been in dispute between Burke and Mornington Shires for many years and that:

*History and economic development underpin Burke Shire Council's claim. Mornington Shire Council applied geographic, demographic, ethnic and cultural principles to support its case. Burke Shire Council maintained that the Kaiadilt people do not use Sweers Island and have rarely used it in the past. Mornington Shire Council and the Legislation Review Committee reject this, stating that the present "outstation" programmes were evidence of the Kaiadilt people's desire to "go home". Mornington Shire Council and the LRC also maintained that natural disasters and other phenomena have forced the Kaiadilt people of Sweers Island at various times (paragraph 17.279).*

**18.87** EARC concludes:

*... that Sweers Island forms part of the Kaiadilt peoples' local community and spatial patterns of human activities. The Commission further believes that Sweers Island has a common interest with the other Islands incorporated into Mornington Shire. Further, the Commission feels that Sweers Island's unincorporated nature effectively divides it from its neighbouring islands.*

*Burke Shire Council maintained that Sweers Island should be returned to Burke Shire for historical reasons. Certainly non-Kaiadilt people use Sweers Island. The Commission feels the Aboriginal use of Sweers Island, is a more compelling factor, because it pre-dates European use.*

*The Commission is influenced by the fact that Mornington Shire Council (S2795, p.3) (formerly Mornington Reserve) has agitated for the incorporation of Sweers Island since the early 1930's (paragraphs 17.280 to 17.282).*

**18.88** EARC rejects the claim of the Burke Shire Council that Sweers Island is different from the other South Wellesley group islands and notes that Sweers Island is regarded as part of the Mornington group for Police Magisterial and electoral purposes, while being excluded from its local authority area (paragraphs 17.283 to 17.285). EARC also concludes that the Mornington Shire is best placed to provide local government services to the Bountiful Islands (paragraph 17.289).

**18.89** The Committee received no submissions on this matter, and accepts EARC's reasoning outlined above. The Committee endorses EARC's recommendation that Sweers Island and the Bountiful Islands be incorporated into Mornington Shire.

### ***Burke/Mount Isa***

**18.90** EARC recommends that there be no change to the Mount Isa/Burke boundary. Mount Isa City Council had proposed that if Burke Shire was going to be amalgamated with other local authorities, the southern section of the shire's area should be included in Mount Isa. EARC notes

that this proposal was effectively withdrawn once the Commission determined not to retain Burke Shire on its priority list (paragraph 17.291). The proposal was rejected by Burke Shire Council and EARC, in also rejecting the proposal noted disadvantages including that if the area was transferred to Mount Isa City it would cost the city more to provide services than it would receive in rate revenue, and that Burke Shire could ill afford to lose any rate revenue. It noted that community of interest was not a consideration (paragraphs 17.297 and 17.298).

**18.91** The Committee received no submissions on this matter and in view of the issues discussed above, endorses EARC's recommendation that there be no change to the Mount Isa/Burke boundary.

### ***Cloncurry/Mount Isa***

**18.92** EARC recommends that the Mount Isa boundary be extended from the north-west corner of Leichardt Holding, easterly, southerly and westerly, to the north-west corner of Heywood Holding, by that Holding, southerly and westerly to the shire boundary (paragraph 17.321). In subsequent correspondence between it and the Cloncurry and Mount Isa Councils, dated 6 January 1991 and on its public register, EARC has admitted that this recommendation was in error. It says that the proposed boundary should be extended to the north east (not north west) corner of Heywood Holding.

**18.93** The matter arose in a submission from some Cloncurry ratepayers seeking transfer to Mount Isa. Both Councils agreed that the boundary could be "better drawn" and EARC notes that boundary alteration discussions had been in progress since three years after Mount Isa Shire was created (paragraphs 17.301 and 17.302). The prime issue is one of community of interest.

**18.94** Mount Isa City Council supported the proposal on the basis that service delivery would be enhanced, although the proposal might result in a net cost to the city (paragraphs 17.305 and 17.306). Cloncurry Shire Council agreed that there was:

*... a need for minor boundary alterations so as to allow Mount Isa City Council room to expand on the southern and eastern sides. Cloncurry Shire comes to within five kilometres of the centre of Mount Isa at those locations (paragraph 17.308).*

**18.95** Cloncurry Shire Council conducted a poll of residents in the affected area the results of which were inconclusive on the need for boundary alterations. Opponents of the proposal feared an increase in rates (paragraphs 17.310 and 17.311).

**18.96** EARC notes that the submission to it proposing the change, together with the respondents to the Cloncurry Shire Council survey who favoured the transfer, all stressed community of interest considerations including proximity to Mount Isa City, use of services in the city and lack of services and representation from Cloncurry Shire (paragraph 17.315). EARC concludes:

*the Commission does not believe there to be compelling arguments which would negate the obvious demonstration of community of interest (paragraph 17.317);*

and that:

*the Commission believes that a boundary alteration would probably see the new residents securing more effective representation (paragraph 17.319).*

**18.97** EARC accepted Mount Isa City Council's submission that the transfer of properties should be more extensive than that originally proposed to EARC because "the community of interest extends beyond these properties" (paragraph 17.320).

**18.98** In its submission to the Committee the Cloncurry Shire Council noted its continued opposition to the proposal:

*The particular recommendation that relates to Cloncurry Shire is for a number of small rural residential holdings on the outskirts of the city of Mount Isa plus two large pastoral holdings (Heywood and West Leichhardt) to be transferred from Cloncurry Shire to Mount Isa City. Although there is some logic in the small holdings being transferred to Mount Isa, even though some of the residents have expressed a desire to stay in Cloncurry Shire, we believe there is no logical reason to transfer the two pastoral holdings. The lessee of Heywood holding has written to the Council expressing very strong objections to this proposal and a copy of his letter is enclosed.*

*He and his family own several adjoining holdings (Murrumba, Angus and Coll) and live on Angus holding approximately half-way between Cloncurry and Mount Isa. The proposed alteration will effectively divide his property and transfer a large part of it to Mount Isa City even though his home and interests will still be in Cloncurry Shire. Similarly the inclusion of West Leichhardt in Mount Isa City will divide the land held by the Croft family leaving part in each Shire.*

*Mount Isa is a city which is almost entirely dependent on the activities of Mount Isa Mines and has virtually no affinity with the rural community. There is no reason for large areas of rural land to be tacked onto it. If it was felt necessary to include a small area on the Southern side of the city in the city boundaries, to incorporate the small holdings that are there and allow for some expansion of that rural residential area it could be that the Western boundary of the parish of Mull could be a suitable boundary. However, as this would still incorporate a small portion of Heywood holding, and as there has been no residential expansion in this area for many years, and all projections are for a decrease in Mount Isa's population it would seem more appropriate not to go beyond the inclusion of the existing small holdings in the city of Mount Isa. It should be noted that there is unlimited room for the city to expand to the North and West and with the development of the Hilton Mine, this is where any future development will almost certainly take place.*

**18.99** The Cloncurry Shire Council while accepting "some logic" in the transfer of small holdings to Mount Isa, opposes the transfer of two large pastoral holdings as recommended by EARC. The Committee notes the opposition of one of the property owners to the transfer (EARC report paragraph 17.317) and the comments of Cloncurry Shire Council that the move would effectively divide the properties of both landholders between the two Councils, because of their adjacent landholdings. The Committee also notes the submission of the Cloncurry Shire Council that Mount Isa City Council has little affinity with rural issues.

**18.100** EARC bases its recommendation on its finding of an "obvious demonstration of

community of interest" between the properties and Mount Isa City Council, particularly because the properties are much closer to Mount Isa than Cloncurry (paragraphs 17.317 and 17.318). The Cloncurry Shire Council, however, points out that the actual residence of the property owner in one case is "half way between Cloncurry and Mount Isa" and suggests that this negates EARC's claims of community of interest.

**18.101** The Committee accepts that the mere geographic location of the residences in this case does not of itself negate the community of interest found by EARC. Other factors, such as the use and provision of services and improvements in representation, have been identified by EARC. In view of these factors, the Committee endorses EARC's recommendation, subject to the correction noted in paragraph 18.92, that the properties described in paragraph 17.321 of its report be transferred from the Cloncurry Shire Council to the Mount Isa City Council.

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## **19. IMPLEMENTATION ISSUES**

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**19.1** The Committee concurs with EARC that implementation processes are critical to any major external boundary change. EARC recommended:

*The Commission recommends that any implementation process emphasise:*

- (a) *local management and control within broad parameters;*
- (b) *good industrial relations;*
- (c) *redeployment and retraining in preference to redundancy;*
- (d) *external assistance in dispute resolution;*
- (e) *adequate financial assistance by the State Government; and*
- (f) *an education programme.*

*The Commission further recommends that:*

- (a) *the co-ordination and implementation process should be accomplished by a combination of:*
  - (i) *State Co-ordination Committee,*
  - (ii) *Interim Councils,*
  - (iii) *Local Staff Consultation Committees; and*
- (b) *the State Co-ordination Committee be funded by the Department of Housing and Local Government.*

**19.2** EARC identified the following issues in implementation:

- referendums to decide boundary change
- date of amalgamation
- transitional arrangements
- co-ordination of implementation
- powers during transition period
- length of transition period
- compatibility of local authority administrations
- human resource management
- assets and liabilities apportionment
- education program
- funding of change
- political neutrality

**19.3** EARC also recommended certain implementation principles:

*So far the Commission has addressed structural and timing issues associated with*

implementation. As mentioned in paragraph 18.7 above, the Commission considers it inappropriate to spell out a detailed implementation plan because:

- (a) the situation will vary from one area to another; and
- (b) people at the local level are best placed to develop their own plans within broad parameters.

There are a number of principles, however, which should be recognised and applied if the benefits identified by the Commission are to be realised.

Firstly, the experience of other jurisdictions shows that benefits (including any savings) do not come quickly and that transition can cost money. Unless the Queensland Government is prepared to contribute in a meaningful way to the cost of change, reform will be a pyrrhic victory which will only increase hostility when other areas are reviewed. The Queensland Government could also assist by acquiring and utilising surplus LA facilities where appropriate.

For example, in some cases an amalgamation will produce the result that one LA centre of administration will be surplus to requirements. The amalgamated LA may be able to sell the property for a good price and thereby not lose money. On the other hand, such a property may be difficult to dispose of and in those circumstances the amalgamated LA should not bear the brunt of that cost. The Queensland Government, on the other hand, may be able to use that facility for its own purposes. In those circumstances, the Queensland Government could be expected to purchase the property for a reasonable figure.

Secondly, the reforms recommended by the Commission have been based largely on community considerations. The Commission has made no predictions of savings, although savings are a reasonable prospect in most cases. This means that the reforms should be seen as providing stronger Local Government in the relevant area by utilising combined resources to serve the community more effectively.

It will be a matter for each amalgamated LA to determine the best use to be made of any savings from rationalisation. Clearly there will be some savings, for example, where there were two Town/Shire Clerks previously, on amalgamation there will only be one. The amalgamated LA may choose to use any resources saved by providing additional functions and services. The Commission suspects, however, that in the transition period all the staff and resources of the former LAs will have to be effectively and fully deployed to deal with both transitional matters and the on-going provision of services.

Thirdly, proper communication with and involvement of staff and their unions is crucial. The process of rationalisation need not mean wholesale redundancies. The new LAs may wish to retrain and redeploy staff in new service areas or more specialised areas. In this regard the Commission noted that all amalgamated LAs visited in New South Wales maintained existing staff numbers from pre-amalgamation days. Money spent on staff retraining and skills enhancement is usually better value than redundancy packages. In any event, if jobs are to be lost in some areas, the problem may be overcome by normal resignations and retirements. Staff fears and resentment, however, can cause major problems. Good industrial relations are critical.

*It will be important at both State Co-ordination Committee and Interim Council levels for strategies to be established to ensure good communications with staff and relevant unions. The Commission has made no recommendations on specific provisions in awards. The Commission notes that these matters can be dealt with in the ordinary process of industrial relations. The Commission considers that the best solutions are developed by negotiation rather than by external bodies such as EARC. Local Staff Consultation Committees (see paragraphs 18.157 to 18.161) are important in this regard.*

*Fourthly, the local community has to be informed of the reasons for any change and of the progress of change. This responsibility must be shared by the State Government, the State Co-ordination Committee and Interim Councils.*

*Fifthly, there has to be provision for an external facilitator/arbitrator when disputes or problems arise. Members of the State Co-ordination Committee should carry the major responsibility in this area, although there may be cases when the Minister will need to intervene.*

**19.4** The Committee received many submissions from councils and individuals on the need for a referendum or poll. It considers this issue in Chapter 20.

**19.5** Submissions to the Committee on the most appropriate date of amalgamation and transitional arrangements varied widely. In hearings there was almost no commonality among councils on the suitability of EARC's recommendations for appointed interim councils.

**19.6** The Clifton Chairman, Councillor I Jones, asked that implementation take place as soon as possible. Cr Jones suggested a common budget for Clifton and Cambooya could be drawn up by 1 July, the start of the new financial year.

**19.7** In contrast, the Cambooya Chairman, Councillor Newman, asked for the matter to be delayed for as late as possible.

**19.8** The Clifton Shire Clerk, Mr P Logan, supported appointed interim councils which would allow elections to be held in a "clear political atmosphere".

**19.9** The Gympie City and Widgee Shire Councils, in particular, had marked differences on transitional arrangements for any new LA.

**19.10** The Gympie Town Clerk, Mr R Irvine, gave the opinion in the Committee's hearings that at least a year was needed for a successful merger.

**19.11** The Mayor of Gympie, Alderman J Dodt, in hearings suggested to the Committee an administrator as an alternative to an interim council.

**19.12** She suggested those appointed to an interim council would have an electoral advantage and re-cited the difficulties that EARC reported the Orange Council in New South Wales had experienced pre-amalgamation:

*There was considerable scheming amongst both groups of councillors on the interim council to get the best result for themselves or their former "home" council.*

**19.13** Furthermore, she suggested this would allay fears among staff that an interim committee may be biased in selection for a new council.

**19.14** Cr A McClintock, the Widgee Shire Chairman, while opposing amalgamation with Gympie City, said he believed EARC's implementation proposals were reasonable but he had several objections including:

- *a preference the new LA be called Gympie or Cooloola Shire instead of Gympie City in reflection of a new LA's rural origins;*
- *there should be staff representatives from each former council on consultation committees and unions should not be represented;*
- *the State must provide adequate funding;*
- *that outgoing councils elect the members of an interim council in proportion to population.*

**19.15** Both Cr McClintock and the Glengallan Shire Chairman, Cr C Jamieson, claimed there was a serious defect in EARC's implementation recommendations. They suggested that although EARC had recommended the creation of two new local authorities called "Gympie City" and "Warwick City" respectively, changed population provisions for a city meant the new Gympie and Warwick would not be large enough to qualify for the title.

**19.16** The Mayor of Townsville, Alderman A Mooney, told the Committee his council did not agree with amalgamation unless the two serving councils - Townsville and Thuringowa - ran their full term.

**19.17** He rejected the notion that appointed interim councils could be apolitical:

*To coin a phrase, all politics are local, and even the smallest of decisions - whether it be to repair a road in the suburb of Kirwan, which is currently in Thuringowa City, before we repair a road in Wulguru, currently in Townsville City - are political decisions.*

**19.18** Ald Mooney said any appointed interim council, as recommended by EARC, "could not possibly have a mandate from this area" and would be effectively hamstrung in making necessary decisions.

**19.19** Ald Mooney told the Committee:

*I believe it would not be able to do its job properly ...*

and also said:

*We have seen in Townsville before that appointed representatives by a higher*

*level of government are not supported by this community.*

**19.20** Ald Mooney also gave his opinion that it would take the wisdom of Solomon to select an interim council that would be acceptable.

**19.21** Councillor D Hamilton of the Pioneer Shire submitted that should his shire be amalgamated with the Mackay City Council (2657) then the new local authority would take time to develop expertise and competency in its expanded functions. He suggests a two-tiered transition, with both councils continuing and gradually transferring powers to an interim council.

**19.22** The Local Government Association of Queensland also expressed disquiet at the prospect of appointed interim councils. The LGAQ Director, Mr G Hoffman, told the Committee:

*The short answer to your question is that we are far from happy with the idea of appointing councils, and it is reflected in our policy in relation to the government's processes of dissolution of councils and the appointment of administrators, and things that flow from that. Our initial assessment of the proposal was that it did provide a transition. While acknowledging that we have three-year terms and elections scheduled for the end of March 1994, the interim arrangement may well have been appropriate to keep the change process in the sequence with that broader question of sequencing elections. However, a lot of the responses we are getting relate to the timing of decision-making by this Committee and the Government, and the things that flow from that. I think we would prefer to see the change take place to an elected council and, depending on the timing of events, that may well be possible. I would suggest that might be a preferred position. A lot has to do with the timing of events. If that is achievable, it might well suggest that you have elections sooner and let councils run a touch beyond the three years. There is nothing bad about that suggestion in this case, given the difficulties they will have in establishing and operating in their first period.*

**19.23** The Institute of Municipal Management State President, Mr R Edwards, had doubts too about interim councils. He told the Committee:

*I realise there has to be some mechanism and some ongoing body to keep the status quo going, but I think the sooner we get to democratically elected councils, the better it will be. That is why I said the timetable is very critical. It has to be set down and people have to know where they are going. In the meantime, the interim council is charged with a responsibility to do a particular job and does not have to answer to any particular ratepayer as an ordinary, ongoing council would have to do. Can you see that point? ...*

and:

*They are appointed not elected. They are appointed by the Minister and it is his decision as to whom he will put on the interim council and whether it will be two people here and three people there. The others will be left out and the ones who are left out will say, "We have been democratically elected by the people to do our job. We are being denied the opportunity to do that job". It is a hard question to answer. There must be some type of interim council appointed, but the other alternative is to go to the people immediately and say, "This council goes out of*

*existence and the elections are next week". That would be highly impracticable.*

**19.24** Mr Edwards however preferred an interim council to an administrator because of its greater democratic nature: "you get other bodies of opinion".

**19.25** Mr Edwards called for caution for scrutiny of councils slated for abolition:

*I think it could be written into the law that they have got to keep the status quo going, and they are not allowed to spend grand sums of money on doing things that normally they would not do. I think that could be covered by the law. I think as far as redundancy payments, that can all be sorted out with the union. I do not think it is up to each local authority to say, "Well, we feel very sorry for you. Here is \$300,000 for you, and here is \$200,00 for you". I do not think they should be allowed to do that. In theory, I would say they perhaps would not do it. In actual practice, I am not 100 per cent certain.*

**19.26** Mr Edwards said the availability of redundancy packages to senior staff should not be automatic as continuing councils could not afford to lose the expertise of key employees in a transitional period.

**19.27** The Mayor of Bundaberg, Ald Cunningham, gave her opinion that amalgamations would not mean staff losses:

*I think the only jobs that would be on the line with amalgamation would be the elected members' jobs, because obviously you are not going to need 20 in this area, and the senior officers of any councils. There would have to be restructuring there because, obviously, you cannot have two town clerks or two city engineers.*

**19.28** Mr R Arndt, a Woongarra Shire Council worker, submitted that he was personally concerned about his future employment if amalgamation proceeds (no. 932).

**19.29** David H Hockings, a property owner in both Warwick and Rosenthal submitted to the Committee that there should be a strategy to "handle the possible negative human reactions" to amalgamation (953).

**19.30** However, Mr M Vining of the Australian Workers Union told the Committee in evidence his union was comfortable with EARC's recommendations regarding employees.

**19.31** He did not foresee his members losing their jobs because of the recommendations.

**19.32** He suggested representatives of "inside" and "outside" workers should be on the State Co-ordination Committee. The AWU, he said, would represent the latter and the Australian Services Union, the former.

**19.33** Mr Vining suggested the difference between redundancy packages in the industrial award and that offered to state government employees be met by State funding.

**19.34** Mr R Selby also gave evidence to the Committee on behalf of the Trades and Labor

Council of Queensland and the Australian Services Union.

**19.35** Mr Selby said he envisaged the proposed State Co-ordinating Committee could have a role managing job vacancies throughout the local government industry in Queensland for redundant employees:

*We would hate to see the other local authorities in this State take the view or position that this is a problem in the Townsville area, the Warwick area or the Bundaberg area, but it's not our problem so to speak. We would like to see ... this as being some sort of shared responsibility on the part of the industry. What I mean by that is that the State Co-ordinating Committee could have a management and co-ordination role over job vacancies in the industry. For example, it appears to us to be an absurdity if in the Townsville area it is ultimately determined and identified a number of surplus positions or staff, and in surrounding areas you have got councils advertising positions.*

**19.36** Similarly, Mr Selby said the State Committee could assist in re-skilling for some employees.

**19.37** Mr Selby agreed with the AWU that there should be two union appointments to the State Co-ordinating Committee.

**19.38** The Committee notes a motion passed at the Special Conference of the local Government Association of Queensland on February 7 1992, as to the possibility of a new category of local authority ie. "rural city".

**19.39** The Committee also notes several submissions to it that an alternative category "district council" may be more appropriate than "shire", "town" or "city" for local authorities with a mix of rural and urban residents.

**19.40** The Committee in its hearings sought to investigate the oft-repeated claim that amalgamation would inevitably lead to rate increases.

**19.41** Responses to this question were varied. In particular, the Committee explored the practability of differential rating.

**19.42** In evidence, the Calliope Shire Clerk, Mr G Kanofski agreed a new council could continue with the same rating in each of the former local authorities:

*Sure, the whole rating issue can be saved by the differential rating, the averaging provisions etc. Whether they would be used by the new council is a matter of contention.*

**19.43** The Widgee Shire Clerk, Mr S Slatter was sceptical:

*That would be an avenue, but to me, it is not achieving the aim, anyway. You are really running two councils within a council. So to me, it is really counter-productive*

**19.44** The Clifton Shire Council Chairman, Cr I Jones, favoured differential rating as a condition of amalgamation with Cambooya:

*The only thing that would have to be addressed is the differential rating system so that Cambooya residents would be protected by that. It is beyond me that somebody has not explained that situation to them.*

**19.45** The Committee considered and was briefed on the New Zealand alternative to interim councils; transition committees to prepare the ground for new councils.

**19.46** The Committee noted that transition committees in that country were empowered to make staffing and financial decisions for a future council until elected. The existing elected councils retained all other powers until abolition.

**19.47** The Committee records a report in the Wellington Evening post of 10 October 1989, that tells of the councillors of the outgoing Green Island Borough who voted themselves gold watches, the chairs they sat on and shopping vouchers for their spouses. The Committee also records that a New Zealand Local Government Commission inquiry prompted legislative change after one local authority secretly set up trust funds to continue some of its functions after it was abolished and its responsibilities transferred to another LA.

### **Findings**

**19.48** The Committees endorses EARC's recommendations on the principles of implementation subject to the following recommendations.

**19.49** The Committee endorses EARC's recommendation for an education campaign for ratepayers and further recommends that a special briefing package on what effects amalgamation may have be distributed to all Queensland local government employees.

**19.50** The Committee is especially aware of the fears of many residents that amalgamation means their rates may rise and acknowledges the submissions it received on this matter.

**19.51** The Committee strongly recommends that legislation be introduced to provide that in the case of amalgamation of local authorities a differential rating system be maintained by the new councils (allowing increments for consumer price index rises) until such time as the duly elected council determines otherwise.

**19.52** The Committee rejects EARC's recommendations for appointed interim councils to replace elected councils of local authorities due for abolition as undemocratic and unlikely to be conducive to smooth transitional arrangements.

**19.53** The Committee recommends that the current councils remain in office until elections are

held for the new amalgamated local authorities at the earliest possible opportunity.

**19.54** In the interim, it recommends transitional committees with members from councils involved to be nominated by the respective councils or failing such nomination to be appointed by the Minister for Local Government.

**19.55** The Committee recommends that the membership of the transitional committees should be in proportion to the number of electors of the local authorities involved.

**19.56** The Committee recommends that the transitional committees be empowered to make staffing and financial decisions for the future council until it is elected.

**19.57** The Committee recommends that the State Co-ordinating Committee contain representatives of employees from both the Australian Workers Union and the Australian Services Union, as endorsed by the Trades and Labor Council of Queensland.

**19.58** Similarly, the Committee recommends local consultative committees contain staff members representing each council as well as those two unions.

**19.59** In view of the problems of naming the new amalgamated councils as "cities", as for example in the cases of Warwick and Gympie, the Committee recommends that the Minister Local Government review the nomenclature of local authorities taking into account suggestions from local governments and the designation "rural city" as recommended by the Local Government Association of Queensland.

**19.60** The Committee recommends the State Co-ordinating Committee and the Minister for Local Government have a supervisory and approval role in out-going councils' decisions on redundancy packages and asset disposal.

**19.61** The Committee recommends the State Co-ordinating Committee similarly facilitate redundant staff movement to other local authorities.

**19.62** In relation to the electoral system to be adopted at the first election for each newly amalgamated local authority with regard to divisional or "at large" representation the Committee recommends that this be determined in each case by the agreement of the respective outgoing local authorities, or failing agreement by the Minister for Local Government.

**19.63** The Committee recommends the state government give careful consideration to the request from the Australian Workers Union regarding its request that the State assist in payment for redundancy packages, should any redundancies occur.

**19.64** The Committee views with great seriousness the jobs of employees of local government involved in the process of boundary change or amalgamation. The Committee does not foresee job losses amongst the general ranks of local government employees as a result of amalgamations though there may be some rationalisation of senior executive positions. The Committee strongly endorses EARC's recommendations for good industrial relations, redeployment and retraining in preference to redundancy (as set out in 19.1) above in any implementation process.

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## **20. REFERENDUM**

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**20.1** The Committee received many submissions requesting the holding and successful passage of a referendum as a condition precedent to boundary changes.

**20.2** EARC in its report concluded that the decision was essentially a political question and made no recommendation.

**20.3** EARC however noted in its report that:

- (a) *Queensland has not had referendums on boundary change, previously, for example, the creation of Logan City and changes in the Maryborough area were not preceded by referendums in the LAs concerned;*
- (b) *there is no consensus on the most appropriate form of referendum;*
- (c) *referendums will favour those seeking to maintain the status quo because of fears of change and the unknown; and*
- (d) *finally, LAs exercise functions which are delegated by the State Parliament. Therefore it is a matter for State Parliament to implement change in the manner it considers best serves the public interest.*

**20.4** In relation to the change process, it is a matter for the state parliament to make and to pass the relevant laws and then a matter for the state government to implement them.

**20.5** The Committee canvassed the issue of referenda extensively in public hearings to determine the view of councils potentially affected by EARC's recommendations for boundary change.

**20.6** The Cambooya Shire Chairman, Councillor T Newman, told the Committee in its hearing at Clifton on 9 December 1991 that:

*We are not opposed to amalgamation provided that the affected electors are given the right to have their say by referendum.*

**20.7** In contrast, the Clifton Shire Chairman, Councillor I Jones, took the view that a referendum was not of great issue:

*I do not believe my council has discussed that issue, and it has probably not discussed that issue because that issue has not been raised by the community. We come back to the belief that I think most people in this shire might have. This is a decision that will not be made here. It will be made by the Government of the day, and we had best get on with it. In that context, I would also say that people in this community have been made very well aware of what these issues are and have*

*had explained to them very clearly where this council stands and what it might win and what it might lose. To some degree, perhaps people in this shire are a little more relaxed. One could be cynical and say that it is perhaps because they have more to gain, but I do not necessarily think that is the case. I think they are just probably more relaxed about it.*

**20.8** At the Committee's hearing regarding Gympie/Widgee, both councils regarded a referendum as necessary.

**20.9** The Widgee Shire Chairman, Councillor A McClintock, stated:

*Council is still of the opinion that a proposal as major as that put forward should be put to the people.*

**20.10** The Mayor of Gympie, Alderman J Dodt, agreed with the suggestion of a local poll but differed on the proportion necessary for passage to be given to such a poll. Ald Dodt said a simple majority of electors rather than a majority of electors in each local authority should be sufficient for carriage.

**20.11** The Mayor of Maryborough, Alderman A Brown, did not regard a referendum for a merger of Maryborough City and the Woocoo Shire, as necessary when he gave evidence to the Committee at Tinana on 10 December 1991.

**20.12** In contrast, the Woocoo Shire Clerk, Mr J Hill saw a poll as a means of self-determination when questioned why Woocoo desired a referendum when it had not done so when the beneficiary of boundary change in 1975:

*I believe, Mr Chairman, that in the last 16 years people generally have taken much more of an interest in their own self-determination and destination, and that goes worldwide. It's a lot lower key here, I acknowledge that, but people are much more interested in their own local government and, of course, in those particular instances that you've mentioned it was sectional, and I suppose some benefit could have been seen in regard to those developing coastal area. Again, the feeling probably wouldn't have been as strong, and that's only an assumption on my part. But we're looking at the whole of the Shire here, and a complete loss of the Woocoo Shire identity and, as I said, this is 1991, and I believe it's a different scene.*

**20.13** In the Committee's 11 December 1991 hearings reviewing EARC's recommendations on Bundaberg/Woongarra/Gooburrum, the Bundaberg City Council saw no need for a referendum while the Shires of Woongarra and Gooburrum stated it was an essential condition for boundary change.

**20.14** The Mayor of Bundaberg, Alderman J Cunningham, was asked whether her evidence that there was little public interest in a referendum was contradictory to the presence of a large number of citizens objecting to proposals:

*I think that I did say that there were only 116 people in the three shires who bothered to register their opposition in that News-Mail poll out of 49,000. I would suggest that the 116 are here today.*

**20.15** The Committee found similarly polarised views on the desirability of a referendum when it heard the Mayor of Gladstone, Alderman C Brown, and the Calliope Shire Chairman, Councillor E Cunningham, in its review of EARC's recommendation to form a new single local authority for the Port Curtis district.

**20.16** While the Pioneer Shire Council's declared policy was in favour of a referendum, the Mayor of Mackay, Alderman G Williamson, was extremely sceptical of the need for a referendum. When questioned on this issue he replied:

*That is one of the attitudes, Mr Stoneman, that I agreed with as far as the Commission's report goes. I still stand behind the fact that a referendum is not the way to run the country. When you are talking about reform, the seeking of a referendum will only end up with the status quo. That is proven ...*

and:

*One should not confuse referendums with democracy. If the world were run by referendums, the world would still be flat.*

**20.17** In the Committee's review of Townsville/Thuringowa, the Mayor of Thuringowa, Alderman L Tyrell asked rhetorically:

*What does one say to the residents of the cities when they ask why democracy should not prevail and a referendum be held?*

**20.18** Ald Tyrell informed the Committee a referendum had been held in 1918 before Hermit Park and several other suburbs were transferred from Thuringowa to Townsville.

**20.19** The Mayor of Townsville, Alderman A Mooney, said his council was not opposed to a referendum if "that process would stop divisiveness in the community and promote a sense of accord":

*My concern, however, in fact, a fear, is that any semblance of rational debate would fly out the window during the lead up to a referendum. You really only have to look at some of the hysteria that has been generated in the last number of months by some sections of the community, and see the amount of hysteria being whipped up in the community by peddling absolute rubbish about boundary changes, to see what I am referring to as being valid. Whoever said truth is the first victim of any conflict was certainly on the right track in this regard.*

**20.20** Mr K McElligott MLA, the Member for Thuringowa, submitted to the Committee that he believed a referendum would be passed in the two cities in favour of amalgamation if held.

**20.21** In deliberations on the recommendations regarding Warwick/Rosenthal/Glengallan/Allora, the Committee heard that the three shires surrounding Warwick favoured a poll.

**20.22** Councillor C Jamieson, the Glengallan Shire Chairman, said he regarded the holding of a poll as a democratic right.

**20.23** The Rosenthal Shire Chairman, Councillor J Mitchell, in his address to the Committee made a plea for a referendum:

*We would ask you most sincerely - all we want is a referendum. Give the people a choice. The days of Governments and authorities telling people, shoving stuff down people's necks, telling them what they want - people are not going to stand for that any longer. We want a referendum. We demand a referendum. We have not had that response, even today. We did from Glengallan. They are keen on a referendum, but there has been not a word from Warwick, not a word. They have not asked the people. We have asked our people twice. We will be very happy if you would recommend a referendum, and if our people go the way they suggest, that is okay by me. I might not be happy, but that will be it.*

**20.24** The Committee acknowledges the views of many other councils, the National Party of Australia - Queensland, the group Communities Against Forced Amalgamation and the Local Government Association of Queensland which urged in submissions and hearings that the Committee adopt referenda as a first step towards boundary change.

**20.25** It similarly acknowledges the views of the Trades and Labour Council, and local authorities like the Gold Coast City Council which see the issue as a decision for the state government rather than local residents.

**20.26** The Committee notes a motion passed at the LGAQ Special Conference on 7 February 1992 that:

*The State Government legislate for community control of significant Local Government boundary changes. When the area in question accounts for 10 percent of the elector population or the rateable value of a local authority, a referendum is to be mandatory.*

*A referendum is also to be mandatory if a minimum of 10 percent of the electors in any affected local authority petition for a referendum on boundary change.*

*Further, that the proposed amalgamation or boundary changed can proceed only if a majority result in each affected local authority area approves of the proposed boundary changes.*

**20.27** The Institute of Municipal Management Queensland President, Mr R Edwards, told the Committee in hearings that while his members had originally thought there perhaps should be referenda before change, he now had some reservations:

*However, I think that it would be very difficult to have a referendum and to get the message across to all the people, such as, "Why are you voting on this particular issue"? Do they really know what the issues are? In past referendums, people always voted "No", or voted to retain the status quo".*

**20.28** Alderman P Gamin of the Gold Coast City Council submitted to the Committee that his

Council and the Albert Shire Council should jointly fund and hold a referendum on a possible amalgamation and that both "Yes" and "No" cases be distributed to electors.

**20.29** Les and Marj Diamond of Burnett Heads submitted to the Committee that amalgamation of local authorities should only take place if a referendum was held and passed - but also expressed the view that the cost of a referendum would negate any savings amalgamation would bring.

**20.30** The Committee notes the views expressed by the Local Government Commissions in Victoria and New Zealand that referenda are used by opponents of sensible reform to stymie change.

**20.31** It notes that there has been little change in Victoria over the last seven years and that this is attributed to the existence of a poll provision in the relevant legislation. The Committee notes that this poll provision has been a structural impediment to sensible change. There has only been one recent amalgamation of local authorities in Victoria, that of Koriot and Warnambool, where the former council asked for amalgamation because of its financial plight. It also notes that in Bairnsdale both town and shire councils resolved and publicly supported the establishment of a new local authority - but the proposal was defeated at a referendum.

**20.32** It further notes that Sir Brian Ellwood, the Chairman of the New Zealand Local Government Commission, reasoned that the absence, indeed removal, of referenda before boundary change was instrumental to the success of local government rationalisation in that nation.

**20.33** The Committee notes comments published in the Warwick press to the effect that EARC's recommendations for amalgamation of local authorities without referenda were comparable to the annexation of East Timor by Indonesia, or were the type of move that would permit the rise of a leader like Adolf Hitler.

### **Findings**

**20.34** The Committee believes that the Victorian experience, in particular, demonstrates that the need for referenda can frustrate meaningful change.

**20.35** The Committee respects the right of citizens and councils to express their views fully and forcefully on matters such as proposals for local authority amalgamations; in its hearings, however, the Committee has seen at first hand the irresponsible and often mischievous statements made by some local Councillors regarding the merits of boundary changes and the propriety of the boundary review process. Given such behaviour and mis-information, the Committee's view is that it would be difficult to have a fair and rational debate on the worth of boundary changes - or lack of - in some of the local authorities that EARC has recommended for amalgamation. In particular, it regards such gross over-statement as comparisons to Nazi Germany and elsewhere as risible.

**20.36** The Committee further notes the high cost of conducting referenda and the fact that state governments in Queensland have not conducted polls before implementing boundary changes.

**20.37** The Committee notes again section 54 of the *Constitution Act 1867* (discussed previously in Chapter 2 of this report), which while recognising the important role local government has to play in Queensland, also recognises that local government is a creature of statute created and subject to change by the law. Section 54 (2) provides:

- (2) *The manner in which local government bodies are constituted and the nature and extent of their powers, authorities, duties and functions are as determined by and in accordance with the laws of the Parliament of Queensland.*

Clearly then, it is for the parliament to establish the method by which local government boundary change must occur and for the state government to oversee the implementation of such change.

**20.38** This Committee takes the view that parliament and government have the authority and the duty to ensure the people of Queensland have a system of local government truly able to deliver effective services and to plan for the future. It would be an abrogation of the responsibility of an elected state government to condone inaction under the guise of requiring a local referendum before boundary change or amalgamation of local authorities could take place.

**20.39** The Committee recommends that the state government implement the boundary changes recommended without necessarily being required to conduct a referendum before doing so.

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## ***LIST OF APPENDICES***

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- A. Letters from EARC's Chairman to the Speaker of the Parliament advising of delay in reporting.
- B. Advertisement by the Committee calling for submissions and list of newspapers in which it was published.
- C. List of submissions received by Committee.
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