

**LOCAL GOVERNMENT AMENDMENT (MEMBERS OF PARLIAMENT) BILL
2012**

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Second Reading

The Hon. GREG PEARCE (Minister for Finance and Services, and Minister for the Illawarra) [4.12 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Local Government Amendment (Members of Parliament) Bill 2012. The object of the bill is to remove the potential for conflicts of duties between State and local council matters by ensuring that a person can only serve in one elected position at any one time in either the Parliament of New South Wales or on a local council.

The Hon. Catherine Cusack: Point of order: I cannot hear a word the Minister is saying.

The PRESIDENT: Order! Members will leave the Chamber quickly and quietly. I am having difficulty hearing the Minister. The Minister has commenced his second reading speech.

The Hon. GREG PEARCE: To achieve this, the bill proposes that the Local Government Act 1993 be amended to disqualify a person who is a member of the Parliament of New South Wales from being at the same time a mayor or a councillor of a local council. It will allow a sitting councillor, including a mayor, to stand for election to the New South Wales Parliament. If elected, the councillor will be able to complete their term of civic office, provided the term does not exceed two years. This will apply to all current and future terms of civic office. This will allow most councillors who are elected to the New South Wales Parliament to see out their term of civic office. I seek leave to incorporate the remainder of the second reading speech in *Hansard*.

Leave not granted.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! Members will allow the Minister to be heard in silence.

The Hon. GREG PEARCE: New South Wales State general elections are held on the fourth Saturday in March every four years. Local government ordinary elections in New South Wales are held approximately 18 months later, on the second Saturday of September every four years. Consequently, mayors and councillors who are elected to the New South Wales Parliament at a State general election will be able to retain their civic office until the end of the term of the council. This phased approach will ensure continuity and certainty for councils, communities and candidates for both local government and State elections.

The Hon. Catherine Cusack: Point of order: The Minister is giving the Labor Party and The Greens important information they do not have.

The Hon. Eric Roozendaal: What? That we have elections every four years?

DEPUTY-PRESIDENT (The Hon. Paul Green): Order!

The Hon. Catherine Cusack: The Minister sought the leave of the House to incorporate the speech. Leave was not granted. As members opposite insisted that the speech be given they should at least have the courtesy to listen to the Minister in silence

The Hon. Eric Roozendaal: Point of order: I was listening intently to what the Minister said as he went through the rudimentary issues relating to elections. However, the Hon. Catherine Cusack keeps taking points of order, which is interrupting my train of thought and the flow of debate. I ask you to bring her to order.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! While some members are enthusiastic as we approach the Easter break, I ask them to cease interjecting. I cannot hear the Minister's speech.

The Hon. GREG PEARCE: We must be getting close to the wonderful Easter holidays because all the rabbits are running. There may be occasions when a sitting councillor or mayor is elected to the New South Wales Parliament at a State by-election. If this happens, they may retain their dual roles for a maximum period of two years. At the end of two years they must choose which role they wish to retain and resign from the other. Should a serving mayor or councillor who is elected to the New South Wales Parliament at a State general election nevertheless choose to resign their office as a councillor, in most instances they will be able to do so without triggering a by-election.

This is a direct result of the Government's initiative in 2011 in amending the Local Government Act to provide councils with the opportunity to avoid filling a vacancy in a civic office when it occurs within 18 months prior to an ordinary council election. This saves councils the time and cost of holding by-elections during the run-up to ordinary elections. A member of the New South Wales Parliament will not be forced to resign their seat in Parliament to be eligible to stand for civic office. This is because the bill will allow a member of the New South Wales Parliament to stand for civic office, that is, as a mayor or councillor, either at a local government by-election or at an ordinary election.

The Local Government Act 1993 provides a legislative framework reflecting contemporary community expectations and gives local councils broad powers to plan for and provide local community services and facilities. It ensures that leadership of councils is provided by all the elected councillors who work together to provide good governance for the betterment of their community. Councillors can, and do, have a major impact on the health and wellbeing of the whole community. Consequently, the importance of the community's confidence in the integrity of its councillors cannot be underestimated. One key ingredient supporting that confidence is the underlying principle that those who are elected as local government councillors should not have obligations to other governments which may limit their impartiality or their ability to act in the best interests of their local community.

Such competing obligations can impact on the effective and appropriate exercise of a person's role as a local government representative in two respects. Firstly, the person may be influenced in the performance of their role as a mayor or councillor by their obligations to another level of government or by political considerations arising from their service in the State Parliament. Secondly, the demands on a person's time that arise from meeting their obligations as a member of the State Parliament may inhibit their capacity effectively to represent the interests of the community the council serves.

The Hon. Catherine Cusack: Point of order: The Hon. Eric Roozendaal interjected and said, "Yadda yadda yadda", which contradicts his earlier claim that he was listening intently to the

Minister.

The Hon. Eric Roozendaal: To the point of order: "Yadda yadda yadda" is an encouragement because I am so interested in this speech. Mr Deputy-President, I ask you to call the Hon. Catherine Cusack to order because she is the only member who keeps taking ridiculous points of order, interrupting and extending the debate far more than she should. If she cannot hear she should move down to the frontbench where I know she wants to be.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! There is no point of order.

The Hon. GREG PEARCE: This proposal will address concerns that have been raised frequently by community groups and members of the public about the level of performance and value judgements made by some councillors who serve also as members of the New South Wales Parliament. Those concerns have included difficulties for ratepayers to know who to approach when they wish to raise a problem with their local member of Parliament about their council and the member happens to be the mayor or a councillor on that council. They raise concerns also about fairness and equity in the sense that mayors and councillors who are not members of Parliament will not have the same capacity to raise issues directly in Parliament or with Ministers with whom they do not have regular contact. A further series of concerns relates to the potential for perceptions about the inappropriate use of one position for the purposes of another.

Is David Shoebridge still in the Chamber as he is the person who wanted to hear this? Of course, he has gone to his council meeting. The proposal is also a further step in the implementation of the Government's policy to enhance the autonomy of councils, to enhance democracy and to enhance accountability in local government. This proposal also is made in the context that the local government sector in New South Wales has expressed a desire to define more clearly the responsibilities of State and local government. The bill will assist in ensuring that elected representation in each tier of government, that is, State and local, is distinct, thereby enhancing clear and distinct responsibilities.

I must stress that the proposal is not targeted at any particular member of the New South Wales Parliament or at any local government mayor or councillor; it is about all persons currently in the New South Wales Parliament. Following the March 2011 State election, which we won very handsomely, 29 councillors from 24 councils in New South Wales also were elected to the New South Wales Parliament, although it is recognised that these numbers fluctuate through time. They hailed from all parties and include Independents. In fact, the majority are members of the Coalition Government.

This bill will bring New South Wales into line with contemporary democratic practice. In the course of developing this proposal the Government undertook consultation with the public and local government stakeholders. This involved the release of a discussion paper and consideration of over 450 submissions that were received. The proposal in the bill will serve to enhance the integrity of local government in New South Wales as a distinct and essential tier of government. It also will promote the impartiality of decision-making by elected councils. I commend the bill to the House.