



## Local Government Amendment (Elections) Bill.

### Second Reading

**The Hon. HENRY TSANG** [Parliamentary Secretary] [5.23 p.m.]: I move:

That this bill be now read a second time.

As the speech is lengthy, I seek leave to incorporate the second reading speech in *Hansard*.

#### Leave granted.

This Bill reflects the Government's continuing commitment to providing a transparent and effective legislative framework for the administration of local government in New South Wales. The Government is committed to ensuring that local government is able to properly deliver its services to the community that it represents.

The amendments contained in this Bill will ensure continuing support for reform to enable local councils to deliver efficient, timely and quality services to ratepayers and ensure that the Government's focus on the proper functioning of local government is maintained.

The Bill amends the Local Government Act 1993 in relation to the timing of the conduct of local council ordinary elections and makes consequential amendments. Currently, ordinary elections are held every four years in September in the year in which State elections are held. The proposal is to move ordinary elections to, in the first instance, 27 March 2004 and then every four years thereafter in the year following a State election.

This change follows representations on the issue to the Government from LGOV NSW, the Local Government Association of New South Wales, and is consistent with our policy of continuing to maintain a close dialogue with the local government industry, particularly through industry peak bodies like LGOV NSW.

This change will remove the current unsatisfactory situation where newly elected councils are bound—from September in the year of their election until the next strategic planning process is settled in June of the following year—by the budgetary and policy decisions made by the outgoing council.

The Government is moving quickly to address the situation.

Changing the date of ordinary elections to March will mean that newly elected councils will be immediately able to commence work on budgetary and strategic planning for the year ahead. Newly elected councils will have greater financial responsibility, greater control over budgets and be more accountable to ratepayers.

Now that councils' financial years run from 1 July to 30 June, it makes good sense to have council elections in March so they can prepare and settle their budgets for the next financial year. It may also provide the opportunity for important issues like council budgets and strategic planning to become more relevant to the election processes—particularly as the March election date would fall squarely within the period when councils are developing their budgets and strategic planning for the future.

Councils will continue to have fixed four-year terms.

The change in dates will also mean that local government ordinary elections will not be held in the same year as the State election, easing the workload of the State Electoral Office and ensuring that the voters of New South Wales do not have to go to the polls for State-based elections twice in one year.

Current councillors, mayors, deputy mayors, chairpersons and deputy chairpersons of county councils will continue to hold office until the elections in March 2004. This will also apply to councillors who are members of the State's 20 county councils.

The Bill also amends the Local Government Act to allow for an increase in the period prior to ordinary elections during which a council can make application to the Minister to seek an order that a casual vacancy in the office of a councillor not be filled or that in the alternative a by-election be held.

Currently that period is 9 months and the Bill proposes to increase that period to 12 months. This extended period provides councils with a reasonable extension of time within which they can, where a casual vacancy occurs,

apply for an order that the vacancy not be filled. This option allows councils to save ratepayer's money by not having to conduct a by-election.

The Minister retains the power, where necessary or desirable, to order that a by-election be held to fill a casual vacancy.

The Bill also provides a one-off opportunity allowing councils to make application, following the making of a resolution, to reduce the numbers of councillors on that council.

Councils making such an application will be required to give notice of the proposed resolution and the public will have 21 days within which to make submissions concerning the proposal.

At the end of the 21-day notice period, and if the council decides to proceed, it will be required to provide a summary of, and council comments on, all submissions received. If a council's application is approved then the number of councillor positions available for nomination at the March 2004 ordinary elections will be the number referred to in Council's application.

This option of voluntary councillor reductions will be available to councils for a limited time up to December 31 of this year, and will allow councils to avoid the costs associated with the conduct of a constitutional referendum. This option was previously extended to councils in 1993 and will again provide opportunity for communities to shape the future direction of the reform process at the local level.

The Bill also contains consequential amendments of a minor nature to the timetable for the phasing-in of the new membership requirements for the registration of local government political parties that were introduced by the Local Government Amendment Act 2000.

The changes to the Local Government Act proposed in this Bill are consistent with the Government's policies of ensuring that the local government sector remains financially accountable and is better equipped to deliver efficient and effective services to ratepayers.

I commend the Bill to the House.

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