



3<sup>rd</sup> October, 2019

The Chairperson  
Ministerial Panel  
Victorian Local Government Rating System Review  
Level 35  
2 Lonsdale Street  
Melbourne Vic 3000

Dear Chairperson and Panel Members

Re: Submission to Victorian Local Government Rating System as it applies to the agricultural Community (lodged at Bairnsdale community meeting, Thursday, 3<sup>rd</sup> October, 2019)

Through a combination of factors rural councils impose rate increases on segments of a general rate such as residential, commercial/industrial and farm rateable properties with a stated maximum rate increase cap of 2.5% per year

Councils state that they comply with the Fair Go Rate System (FGRS) cap which is up to 2.5% increase and the implication appears to be allowed to run within rate paying communities that this is the rate increase on each rate payer's Rates and Valuation Notice when it is not the case because of escalated council charges, arbitrary capital improvement valuation increases and changes in revenue collection between rate segments

For the agriculture sector how can Councils be allowed to increase rates when farmers are already borrowing money to survive both the drought and the financial drought they are experiencing

Australia's food security is at risk right now and by adding such a steep rate increase to farm operating expenses rural councils are doing their bit to exacerbate loss of food security as agriculture is made unsustainable. A tax on agricultural land is a tax on food and fibre production

Agricultural land should not be rated and a move to a rating system where agricultural land is not rated, only the dwelling, such as the model Britain uses (Britain, USA and numerous other countries' governments which have known in the past what it means not to have sufficient food for their populations have made domestic food security a very high priority)

Instead of increasing rates and charges it would be better to look at the charter of the operation of councils because many of the services that Council is involved in are State and Federal government responsibility with duplication of costs being met by rate payers

Councils should be looking at ways of containing costs including deferral of non critical asset acquisitions, eliminating duplicated services, removing unnecessary services and ensuring all employees are productively employed and that none are inadvertently part of a cyclical duplication trail of administration

To act with Courage and Integrity. To be able to stand up for what you believe in, to stand up for yourself and others, to do what is right even when it is hard

While appreciating the need to have a financially viable and economically sound local government sector it must be appreciated that rural communities with sparse populations cannot bear such a heavy financial burden as densely populated council areas. The impact of such an unrealistic goal places stress on rural communities

Shires must be apolitical and if a councillor stands for parliament they must resign from council before nominating

Commercial auditors should be appointed to auditor all councils every three years and the findings be made public

Chief Executive Officers, directors and senior staff have too much power over the role adopted by council and Councillors must have more direct access to council staff members

Thank you for your attention to my submission

