

Submission to Rating system review
Submitted by email

16th November 2019

Dear sir/madam,

Please accept my submission to the rate system review, I submit this in good faith as a resident, voter and tax payer in country Victorian where I live with my young family in Mirboo North. I would like to state I am a vested interest as I do live in the country where we pay really high rates that I want to change but only to make the rating system fairer for all Victorians.

I do believe everyone should pay fair share including churches, camps etc, there should be no exceptions as that is not fair. if you own land for anything and you use council services then you should pay some kind of rates even if it is a reduced amount. I call on the committee to get everyone to pay their fair share or rates.

I also would like to the committee to consider recommending a rate system that is similar to the Australian GST system, where larger rate collecting councils have a percentage (it could be capped at a fixed rate, like 1, 2 or 3 or more percent) of their rates then this revenue is used to reduce the rates of residents who live in councils with less residents and higher rates. The GST system works where States and territories that make up Australia with less population get more GST distribution than heavily populated states and territories to make it fair and to assist states with less rate papers etc to fix their roads and run services. I know states like WA cry poor but then again you don't hear anything from them when it works the other way. I think a lot of grand standing goes on around GST distribution and will probably go one if you recommend anything similar but that is ok? It is up to the State Government to set the rules and the councils have to accept them so, they can grandstand all they like but at the end of the day, Victoria will have a much better and fairer rates system.

I can see it now, grandstanding, complaining by large councils are it is not being fair, why are they subsidising the country, but it only fair we are one State being the State of Victoria. We are not different countries and don't people in the country deserve the same rates as city people? Our houses are not worth as much, we don't earn as much but we pay some of the highest rates in the state.

The Victorian rate system is wrong and is broken, really if I knew what rates we were going to get charged when we bought our land and built on it, we would not have bought our young family to South Gippsland. We would have stayed in Melbourne as our rates are outrages in country Victoria. I truly believe our rate system discriminates against people that live in the country and it has to change as it is not fair under any measure.

I support rate capping but there should go further to include caps on CEO wages, charges for other services like planning permits etc as all councils do is increase these charges to cover the rates shortfall as they need to manage their budgets much better.

Let me give you an example (I can supply evidence of the below if required including rate notices) of how people who live in country Victorian fair under the current rating system:

- Our rates in South Gippsland in Mirboo North 3871 are \$3046.65 on our house with a capital improved value of \$547000.

- A house in City of Manningham are \$2380.00 on a capital improved value of \$1,150,000 (More than double the value but \$666.65 cheaper than our rates).
- A house in The City of Maroondah rates are \$1372.40 on a capital improved value of \$460,000. (\$87,000 less in value but \$1674.25 cheaper than our rates).
- A flat in in the city of Whitehorse rates are \$935.55 on a capital improved value of \$480,000 (\$67,000 less in value but \$2111.10 cheaper than our rates).

We get no better services or roads, I would even say we get worse roads and services for the extra thousands of dollars compared to the other councils. We don't get a green waste bin?

While it can be partially explained by the size of the council and the number of ratepayers that does not tell the full story. I believe it does that justify rates that are over 300% more for a property with nearly the same value as a house in the city of Maroondah.

Something has to change, or people will stop moving to the country, please recommend actions and please make the hard decisions as you have a chance to make Victoria a fair state where everyone helps each other and we all pay our fair share of rates.