

# Opinion - Council rate rises plug the gaps

25 Jun 09 @ 06:11pm by Rose Iser, president, Victorian Local Governance Association.

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Cr Rose Iser, president of the Victorian Local Governance Association.

CONTRARY to popular opinion, Councils don't like having to put up rates – tax increases are unwelcome however you spin it.

This is the difficulty for Councils as they put their budgets to the vote this week and ask communities to trust that, without an increase in rates, the bottom line will fall further and services will run drier.

Across Victoria, Councils are looking at rate rises of a little over CPI – which has been running between 3.7 per cent and 2.5 per cent.

This will amount to about \$30 per year or 58c per week.

Not huge, but enough to incur criticism.

I know what you are thinking – my rates get wasted on newsletters I don't read and festivals I don't attend.

There are a number of ways to approach the issue.

One of them is to get engaged in council business and activities.

Read your council budget. If you think there is waste occurring, write to your council and point out possible savings.

Most submissions to the budget in fact suggest the opposite: that greater funds should be allocated to services, upgrades, grants and environmental initiatives.

This is particularly so as the global financial crisis and unemployment start to bite.

We are also seeing increased use of council services such as libraries, meals on wheels and other services directly provided by councils.

The level of government many hate is actually a critical provider of cradle to grave services, and a vital line of defence between community members and serious detriment to quality of life.

What is the best strategy for councils to adopt in supporting its communities during times of economic duress?

Maintaining spending on current services is essential and increasing spending on additional services is desirable.

Despite a perceived over-reliance on “jobs creation” as a reason for increased spending on capital works, there is some truth about the value of these schemes.

Capital works programs orchestrated by local government are excellent job-creation vehicles.

These programs provide residents with vital community infrastructure including sports pavilions, recreation centres and childcare facilities. They also help maintain and renew ageing assets.

We can also look at rate rises in the context of the way councils are funded.

Councils collect three cents in every dollar raised in Australian taxes.

The reality for most councils is that more than 50 per cent of funding must be generated through rate revenue.

This may change, and even should change for those rural councils for whom a rate rise won't even cover increases in staff wages.

Permanent, reliable subsidies for councils are a long-sought dream.

So when you receive this year's rate bill, before swearing at your council, take a moment to contemplate other actions.

What would your quality of life be if you had no access to maternal and child health care, if you couldn't go to the library to borrow a book, if your children couldn't play in the local park, if social support programs disappeared, and there were few arts and cultural events to bring a community together?

Then write your letter to ask for that pot-hole to be repaired.

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