

CAIRNS RESIDENTS REFERENCE GROUP (RATES)

Tuesday, 17 October 2006

Mr Andrew Fraser MP
Minister for Local Government, Planning and Sport
18th Floor, Mineral House
41 George Street
Brisbane QLD 4000

Re: Excessive increases to Council rates in targeted areas of Cairns

Dear Mr Fraser

The Cairns Residents Reference Group – Rates (CRRGR) wish to register a formal complaint against Cairns City Council's excessive council rate increases initiated on 29th July 2005.

On 4 October 2004, the then Department of Natural Resources and Mines issued land revaluations. Premier Peter Beattie stated on State-wide television that he was not in favour of any Council increasing rates after the DNRM valuations, as it would be taking advantage of the situation.

During July 2005, Cairns City Council opportunistically raised rates; there was no State mechanism in place to protect the community from gross inequities. The Northern Beaches communities of Cairns were targeted, with rate increases of up to 200%, compared to the Cairns community average of less than 3.9%.

Following this clear discrimination by CCC against the Cairns Northern Beaches community, a public meeting was held and the CRRGR was created. With the support of Northern Beaches community and like-minded community members, our group lobbied Ms Desley Boyle MP, Dr Lesley Clark MP, David Farmer, Cairns City Council CEO, Councillors Bonneau, Cochrane, and Byrne, asking for transparency and justification for the exorbitant rate increases.

After six months the Council agreed to accept submissions from ratepayers at a closed meeting at Council Chambers on 14 March 2006; however, no access to Council records was allowed.

Among suggestions made to CCC were minimum and maximum rates, differential rating, and rebates for current over charging, accountability for unnecessary capital projects brought forward, and rate capping.

During the meeting the Mayor was extremely vocal about his opposition to rate capping; he stated unequivocally it was non negotiable, even though it works equitably for a majority of councils nationwide.

After ratepayers waited 6 months for the opportunity to meet with Mayor Byrne, he walked out halfway through presentations to attend another meeting.

Rate notices were mailed to residents on 28th July, 2006, which showed that the Council had adopted a 'Banding' system with 12 new categories or levels [including 9 for single-residential] replacing the previous one-only level of cents in the dollar of unimproved value for all residential properties.

The exorbitant rate rise has still not been addressed; there were only some small reductions using the new higher rates as the base figure. There is no relief for properties under \$287,500 UCV.

Many Cairns residents have moved to Queensland for a lifestyle change and a less expensive place to live; however Cairns City Council has consumed any savings in many cases.

In NSW such prestigious areas as Point Piper have a 2.5% rate capping mechanism, and pay less in rates, compared to the DNRM value, than some Cairns Northern beach properties. It is a shameful situation that many residents who have encountered a high increase in land valuations are victimised, and many, including retirees, low-income and fixed income families have been forced to sell.

We respectfully request that the Minister and Premier conduct an appropriate investigation and bring Cairns City Council's rate structure in line with Queensland and Nationwide averages.

Copies of submissions to Council by the CRRGR and Combined Northern Beaches Communities are attached for your considerations.

Respectfully

Selwyn Johnston

CRRGR (Spokesperson)

cc: Premier's Office