Dear Committee Environment and Planning,

I thank you for the opportunity to express My Will as a constituent.

It is a breath of fresh air to finally have a proactive conversation to put a brake on ongoing, unsustainable increases of tax/rates on greater than the Consumer Price Index gauged against one’s private home. I wish to claim that I am one of the constituents who is burdened with this dilemma and there are many like me.

I recall the forced amalgamations of councils by Jeff Kennett in 1994 with promises of lower tax/ rates and this has proved incorrect. Amalgamations of councils has resulted in ongoing unsustainable spending as evidenced by individual councils as per their Annual Reports.

In 1979, paragraph 74A was inserted in the Constitution Act 1975 (Vic.) creating “a distinct an essential tier of government”- the local councils. With one problem - there is no Upper House or Lower House for “checks and balances” to ensure the “appropriation of constituents’ taxes/rates” to be subject to The Commonwealth of Australia Constitution as per the:

COMMONWEALTH OF AUSTRALIA CONSTITUTION ACT - CLAUSE 5

Operation of the Constitution and laws [see Note 3]

This Act, and all laws made by the Parliament of the Commonwealth under the Constitution, shall be binding on the courts, judges, and people of every State and of every part of the Commonwealth, notwithstanding anything in the laws of any State..............

One example of inappropriate spending is when council paid a “voluntary levy” for a one-way campaign to fund a “Yes” referendum (for local councils to have Constitutional Recognition) in a Federal referendum. Another example, council borrowed money over a 10 year term to prop up Super Defined Benefits after the 2008 Financial Crises, yet council did have the money.

Further, herewith a link of a foreign Association by the name of ICLEI and view which council pays a membership, and selected councillors attend overseas ICLEI conferences to learn about environment initiatives. So much tax/rates wasted. Constituents can participate with their elected councillors and solve their own environment issues in their individual municipalities.

http://www.iclei.org/iclei-members/iclei-members.html
Tax/rates are calculated by way of one compartment for services/charges for Waste and Management Collection and another compartment against Capital Improved Value of one’s principal home.

Also, the Fire Levy Charges which consists of two levels within the Fire Levy. Upon commencement, every principal home owner was imposed a base of $100, and another level, a charge gauged against the Capital Improved Value. The amount is totalled and deemed as the Fire Service Levy. The base $100 will be increasing every year as per the Consumer Price Index for ever along with Capital Improve Value.

My grievance and for the record, the real estate market is artificially inflated by fractional lending (money Not backed by Gold), overseas investors, and negative gearing. Hence, the relationship of Capital Improved Value has no “factual” standing on imposing a rate/tax against one’s principal home to pay an alleged tax/rate to council. Also, the Commonwealth Government had abolished land tax via the Land Abolition Act 1952.

The words Fair Go Rate Cap – is misleading. One example, I can demonstrate is: The CEO of a council can live next door to my house. I keep my garden neat and tidy and happen to have one extra room in the house and have lived in the house for 20 years. As a low income individual, I am burdened with a higher tax/rate bill than the CEO.

We all are aware – The Commonwealth of Australia Government is cutting expenditure, and are borrowing money on behalf of the People of the Commonwealth. Councils complain of “cost shifting”.

Yet, Constituents are burdened with ongoing taxes by way of Income Tax, GST, Fuel Tax, Registration Fees, Vehicle Licence Fees and the privatisation of utilities etc... There is no consideration given to the principal home owner as to whether the tax/rate gauged against Capital Improved Value of their property is affordable?

Further, I deem the tax/rate gauged against Capital Improved Value on one’s principal home inflated by artificial means as stated above - discriminates the property owner in their principal home and there are people whose property has been taken for lack of money to pay the imposition of tax/rates!
- There should “not” be a tax/rate on “principal” private property.

I am pleased that the Local Government Minister has commenced the Conversation and trust the Committee will pave the way to identify what is the responsibility of local/councils as a department of the State Government of Victoria? Identify what services and expenditure is constitutionally valid at local council level in order to curtail ongoing unsustainable spending by councils.

For further consideration, if the Commonwealth of Australia is in debt, then State Government and the department of local councils should aspire to eliminate frivolous and duplication of spending and Not burden the owner of their “principal home” to pay tax/rates to fill in the “gap”.

I have a responsibility to inform you that I am aware that one person has taken their life due to the stress of imposition of unsustainable tax/rates. In my case, I declare, I am burdened with the imposition of ongoing increasing of tax/rates on my “principal” home even if it is capped at the Consumer Price Index it is still unaffordable?

I thank you for reading this submission and trust that you understand my grievance.

How is it “good government” to rate people out of their “principal home” after they have paid Stamp Duty, and the alleged tax/rates of their “principal home” is calculated via artificial means?

Yours faithfully,

M. Smyrnis