

STATEMENT BY THE GENERAL COUNCIL FOR RATING REFORM

History

Before 1920, all councils in Victoria were required to use net annual value (NAV) rating. In December 1919 it was made possible for councils to change to site value (SV) rating (actually UCV at the time), and back again to NAV, by either of two methods: Council resolution, or by voter initiative in calling and winning a poll. Also, if council resolved to change the rating system, voters had one month in which to demand a poll in order to attempt to reverse Council's decision.

By now, 50% of the people of Victoria are in SV-rating municipalities. (There is a larger number of NAV-rating than SV-rating municipalities, due to the many rural municipalities with small population using NAV. There are 57 SV-rating municipalities, of the 210 in Victoria.)

Abolition of Historical Democratic Rights

The 1989 Local Government Act,

when fully proclaimed, will abolish the democratic right of voters to initiate a poll.

Also, Council was required, for the next three years, to act in accordance with the result of a poll won by the voters. In the 1989 Act, a winning poll prohibits a Council from proceeding "with its decision", but allows a Council to move a reversion motion again at any time.

The present Bill would abolish the right of voters to have a poll at all.

Past Use by Voters of their Power to Initiate Polls

Of the 112 changes and attempts to change the rating system in Victoria since 1920, 62 have been by voters initiating a poll to change to SV rating. A majority was obtained for SV in 48 of them, and for NAV in 14. The large number of polls for changing to SV is not surprising, of course, as all were on NAV to start with; it is the **success rate of 77%** which is remarkable. That is:

Voters have exercised their democratic right to initiate a poll frequently and effectively.

Voters have shown that they are prepared to vote "Yes", even to an untried system.

Past Use by Voters of their Power to Challenge Councils' Decisions

From the not large number of Councils rating SV, there have been 29 attempts by Councils to revert towards NAV. ("towards" is used, to include the infrequent half-way case of composite ['shandy'] rating.)

On 23 of those 29 occasions, 10% of the voters succeeded in demanding a poll, and reversed Council's decision in 21 of them, usually with an increased majority for SV. That is:

*It is typical for Councils to attempt to revert towards NAV rating, and for voters to **very strongly resist**.*

*A great majority of voters who have (in most cases) experienced both systems, show themselves as **very determined to retain SV rating**.*