

CITY OF CANNING — MINIMUM RATE INCREASE

**691. Mr D.A. TEMPLEMAN to the Minister for Local Government:**

I refer to the information provided in the other place concerning the minimum council rate of \$621 that currently applies to 10 000 ratepayers in the City of Canning. In the event of forced council mergers —

**Mr A.J. Simpson:** I have not forced any.

**The SPEAKER:** You are a bit quick off the mark there, Minister for Local Government.

**Mr D.A. TEMPLEMAN:** Mr Speaker, would you like me to start again?

**The SPEAKER:** Start again, please.

**Mr D.A. TEMPLEMAN:** I refer to the information provided in the other place concerning the minimum council rate of \$621 that currently applies to 10 000 residents or ratepayers of the City of Canning. In the event of forced council mergers, can the minister categorically rule out that those ratepayers will not have their minimum rates increase by more than \$200, in line with the minimum rate that applies in surrounding councils?

**Mr A.J. SIMPSON replied:**

I thank the member for the question.

In the event of what? The shadow Minister for Local Government said “in the event”. Let us understand one very important thing here: the most important thing about local government and the reform process is to make sure—I will say this one hundred times over—that local governments are sustainable now and into the future.

On the minimum rate of \$621 for the 10 000 people in the City of Canning, the important part is to make sure that the ratepayer gets good service for their ratepayer dollar. The best way to put downward pressure on rates is to create economies of scale. The important thing to note is that rates will always go up. The only way that local government can generate income is by pulling a rate lever. It is guaranteed that rates will always go up. What is more important, as members may remember, on the front cover of *The West Australian* on 30 July this year was a story about rate increases and by how much they had gone up. The important part is that they are now increasing by up to seven, eight and 10 per cent in some local governments. Quite clearly, the Mayor of Victoria Park said that because they are only a small local council, there needed to be a 10 per cent rate increase for it to continue to provide services. As the member can understand more than I can understand, by creating the economies of scale, we can put downward pressure on rates.