

DUNGOG - GRESFORD LAND & BEEF

Promoting Sustainable Land & Beef Management

Dungog - Gresford Land & Beef Group represents 40 beef producers in the area of Dungog Shire Council. We do not support the application of a 97.8% SRV by Dungog Shire Council which will result in an almost doubling of land rates.

Farmers and other rate payers attended community Council meetings early on regarding the SRV application but unfortunately these meetings were poorly advertised and also did not disclose the amount of SRV being sought until the actual meeting. Hence only small numbers of rate payers attended these meetings and this falsely gave the impression the 98.7% SRV was supported by the community.

A survey was distributed to ratepayers with no option between leaving the rates on hold or increasing them and asking how to fix the budget if rates did not increase. We do not believe ratepayers would be in a position to solve financial problems on a survey which was ambiguous in its format.

Council did hold a phone poll around late November to get feedback following farmers (and other ratepayers) attending council monthly meetings objecting to the 98.7% increase. Beef farmers within the group have said they did receive the phone poll and were unaware of the questions being asked. In a small rural shire one would expect a reasonable percentage of farmers would have received a phone call if sufficient ratepayers were polled.

Dungog Council is seeking most of the 98.7% SRV for road maintenances and bridge replacements. The Dungog - Gresford Land & Beef group is concerned that at the end of 7 years the council will remain financially unviable and unsustainable. This Council has been unviable for some years and even though the ratepayers were in support of amalgamation with Port Stephens Council this was rejected by Dungog Council. Some Councillors resigned at this time due to the debacle but the Council was allowed to continue operation with only a few Councillors for many months until the next general election was held. NSW Government should have intervened and placed the Council into administration at this time.

Beef farmers are unable to increase production to pay for the 97.8 % SRV with their budgets already stretched to cover existing on-farm costs. Producers will need to sacrifice their operations on pasture improvement, property management and overall maintenance which will result in less income per annum to pay for the increase in rates. Ongoing droughts have already meant farmers have reduced herd sizes and with lower prices in beef markets their ability to pay an extra 98.7% in land rates will be unsustainable.

Members of the Dungog - Gresford Land & Beef Group have been attending monthly meetings to keep on top of the developments in this proposed SRV and it has become apparent that some Councillors have a warped knowledge of how farmers operate. Comments including land rates are tax deductible,

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selling off portions of land and investing the capitol to live off, also we are causing a division in the community by objecting to the SRV are offensive and should not have been said. It was also stated by Council that Dungog has a higher than state average of people paying into private health funds. This was in a report by Morrison Low, used by Council as a reference in their SRV application. How this applies to justifying an increase in rates is unknown to farmers - they may be forced to drop out of the private health system to pay the Council rates.

Farmers already pay the largest amounts in rates due to the quantity of land they own and the property valuations which generates the amount charged. The SRV will therefore have the biggest impact on farmers but their taxable income would be lower than many households. The Council did not have any consideration for the financial burden this would have on farmers when applying to IPART for an SRV of 97.8 % .

Since Dungog Council application for the SRV went to IPART there has been \$16m of State Government funding allocated to the Council for fixing roads and bridges and also an announcement that many kilometres of local roads will be reclaimed back into the State system. We would hope that these matters will be considered by IPART at the time of determination of as these were two of the main financial burdens demonstrated in the Councils application.

Our submission is sent anticipating that you will give due consideration to the Dungog - Gresford Land & Beef Group concerns when assessing the SRV of 97.8% application by Dungog Shire Council.

Yours Sincerely

Suellen Dunlop

President

10th March 2019