

WESTERN AUSTRALIAN LOCAL GOVERNMENT STUDY

MADE BY THE LAND VALUES RESEARCH GROUP

Studies made in Victoria have shown that where municipal councils use their option to base their rates on the unimproved value of the land alone and to un-tax the dwellings and other improvements made by owners this proves an effective incentive to stimulate development.

The objective of the Western Australian study was to find out whether the experience in that State was the same as elsewhere. The means used to test performance was to compare the growth or decline in the total number of dwellings between the census of 30th June, 1976, and the previous one of 30th June, 1971. The comparison was made between the three following categories of Local Government Areas in Western Australia according to the rating basis used by them:

- (a) Local Government areas rating only on the unimproved value basis;
- (b) Local Government areas rating partly on the unimproved value basis and partly on the annual value of land plus owners' improvements;
- (c) Local Government areas rating only on the annual value of land plus owners' improvements.

The results are given separately for the Metropolitan and the Country Divisions on the next sheet. The figures for the individual councils in the Divisions are given on the following sheets.

Conclusions

The results of the study show that the experience of West Australian councils rating on unimproved land values and un-taxing owners' improvements parallels that elsewhere. In the metropolitan area over the five years between the last two censuses the 17 councils rating only on unimproved values showed an average growth in dwellings of 34 per cent. By contrast the 9 councils still taxing improvements showed a decline.

In the Country Divisions the councils rating only on unimproved values showed an average growth of dwellings of 13 per cent.

Those rating partly on unimproved and partly on annual values of land plus improvements showed an average growth in dwellings of 5 per cent.

Those rating only on annual values showed a growth of only 1½ per cent in the number of dwellings.

The local level of building construction is of vital concern to all councils. The message is clear from this study that rate-payers are more willing to build or improve their properties when they know it will not cost them more in rates for doing so. This applies equally to rates levied by separate water and sewerage authorities as for council rates.

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WEST AUSTRALIAN LOCAL GOVERNMENT RATING STUDY

Comparing the growth or decline in the total dwellings recorded at the censuses of 30th June, 1976, and of 1971 respectively, grouped according to the local Government rating basis used by the municipal councils within the statistical divisions.

METROPOLITAN (Perth Statistical Division)

Statistical Sub-division and Local Government Area	Total Dwellings		Changes Between Census Years	
	at 30th June 1976	1971	Nos.	Per Cent
(a) Councils rating only on unimproved value (17)	200,530	149,251	+ 51,279	+ 34.36 %
(b) Councils rating only on annual value (9)	66,440	66,452	- 12	- 0.02

COUNTRY DIVISIONS

(a) <u>Councils rating unimproved value only</u>				
South West Division (8)	22,928	19,877	+ 3,051	+ 15.35 %
Lower Great Southern (8)	11,440	10,535	+ 905	+ 8.59
Upper Great Southern (2)	854	629	+ 225	+ 35.77
Midlands Division (9)	5,842	5,545	+ 297	+ 5.36
South Eastern Divn. (2)	2,577	2,264	+ 313	+ 13.83
Central Division (7)	8,070	6,773	+ 1,297	+ 19.15
Totals: (36)	51,711	45,623	+ 6,088	+ 13.34
(b) <u>Councils rating partly unimproved and partly on Annual Values</u>				
South West Division (7)	10,509	9,847	+ 662	+ 6.72 %
Lower Great Southern (4)	1,878	1,869	+ 9	+ 0.48
Upper Great Southern (9)	5,439	5,636	- 197	- 3.50
Midlands Division (19)	11,480	11,016	+ 464	+ 4.21
South Eastern Divn. (6)	6,837	6,813	+ 24	+ 0.35
Central Division (16)	5,031	5,453	- 422	- 7.73
Pilbara Division (4)	8,283	6,073	+ 2,210	+ 36.39
Kimberley Divn. (4)	2,704	1,986	- 282	- 14.20
Totals: (69)	52,161	48,693	+ 2,468	+ 5.07
(c) <u>Councils rating on Annual Value only</u>				
Narrogin Town (1)	1,474	1,427	+ 47	+ 3.29 %
Northam Town (1)	2,069	2,041	+ 28	+ 1.37
Kalgoorlie Town (1)	3,013	2,989	+ 24	+ 0.80
Totals: (3)	6,556	6,457	+ 99	+ 1.53

WESTERN AUSTRALIA

CHANGES IN NUMBERS OF TOTAL DWELLINGS BETWEEN THE CENSUSES OF
1976 & 1971METROPOLITAN (Perth Statistical Division)(a) L.G. Areas rating on Unimproved Values only

Statistical Sub-division and Local Government Area	Total Dwellings at 30th June		Changes Between Census Years	
	1976	1971	Nos.	Per Cent
<u>East Metropolitan:</u>				
Bassendean (T)	3,425	3,236	+ 189	+ 5.84 %
Bayswater	11,724	9,732	+ 1,992	+20.47
Kalamunda	7,571	5,173	+ 2,398	+46.36
Mundaring	5,129	3,667	+ 1,462	+39.87
Swan (∅)	8,079	7,093	+ 986	+13.90
<u>North Metropolitan:</u>				
Stirling (c)	54,668	46,509	+ 8,159	+17.54
Wanneroo	16,477	2,857	+13,620	+472.72
<u>South West Metropolitan:</u>				
Cockburn (T)	8,695	7,015	+ 1,680	+23.95
Kwinana	3,866	3,188	+ 678	+21.26
Melville (c)	17,988	15,551	+ 2,437	+15.67
Rockingham	6,857	5,038	+ 1,819	+36.10
<u>South East Metropolitan:</u>				
Armadale-Kelmscot	7,926	4,485	+ 3,441	+76.72
Belmont	9,788	8,004	+ 1,784	+22.29
Canning (T)	13,350	9,645	+ 3,705	+38.41
Gosnells (T)	11,923	6,312	+ 5,611	+88.89
Serpentine-Jarrahdale (∅)	647	528	+ 119	+22.54
South Perth (c)	12,417	11,218	+ 1,199	+10.69
<u>TOTAL: (17 councils)</u>				
	200,530	149,251	+51,279	+34.36

(C) Local Government areas rating on Annual Values only

<u>Central Metropolitan:</u>				
Claremont (T)	3,349	3,149	+ 200	+ 6.35 %
Cottesloe (T)	3,321	3,325	- 4	- 0.12
Mosman Park (T)	2,822	2,710	+ 112	+ 4.13
Nedlands (c)	6,756	6,715	+ 41	+ 0.61
Peppermint Grove	515	473	+ 42	+ 8.88
Perth (c) (∅)	32,650	33,044	- 394	- 1.19
Subiaco (c)	6,560	6,652	- 92	- 1.38
<u>South West Metropolitan:</u>				
East Fremantle (T)	2,427	2,456	- 29	- 1.18
Fremantle (c)	8,040	7,928	+ 112	+ 1.41
<u>TOTAL: (9 Councils)</u>				
	66,440	66,452	- 12	- 0.02

NOTES

- (∅) In the Perth Statistical Division there are only three councils which rate partly on the Unimproved and partly on the Annual Value basis. These are the City of Perth and the Shires of Swan and Serpentine-Jarrahdale respectively. The two Shires have been included under Table (a) since at least 94% of their total rate revenue is raised on the Unimproved Value basis. The City of Perth is included above in Table (c) since 92% of its total rate revenue is raised on the Annual Value basis.

The letters (c) (T) after the name of the Local Government

Area in the Tables stand for City or Town respectively. The rest of the places unmarked are Shires.

Source of Data:

(A) Statement ("Western Australia - Population and Dwellings") dated 5th March, 1977, issued by the Australian Bureau of Statistics. 1 - 3 St. George's Terrace, Perth, W.A. 6000.

Relative to changes in boundaries of certain Local Government Areas the Statement contains a note (a) which reads -

"Some figures from the 1971 Census have been adjusted to provide figures comparable to the boundaries of local government areas as defined at 30th June, 1976."

(B) Statistics of Western Australia, Local Government 1974-75, issued by the Australian Bureau of Statistics on 10th September, 1976. Items 12 and 13 give the basis on which the rates during 1974-75 were levied i.e. Unimproved or Annual Value and the amounts in the dollar used.

COUNTRY STATISTICAL DIVISIONS

South-West Division

(A) L.G. Areas Rating on Unimproved Values Only

Statistical Sub-division and Local Government Area	Total dwellings at 30th June		Changes Between Census Years	
	1976	1971	Nos. [†]	Per Cent
<u>Murray</u>				
Mandurah	5,382	4,440	+ 942	+ 21.22 %
Murray	1,974	1,536	+ 438	+ 28.52
<u>Preston</u>				
Bunbury (T)	6,148	5,256	+ 892	+ 16.97
Dardanup	1,048	980	+ 68	+ 6.94
<u>Vasse</u>				
Augusta-Margaret River	1,442	1,212	+ 230	+ 18.98
Busselton	3,257	2,841	+ 416	+ 14.64
<u>Blackwood</u>				
Boyup Brook	669	721	- 52	- 7.21
Bridgetown-Greenbushes	3,008	2,891	+ 117	+ 4.05
TOTAL:	22,928	19,877	+3051	+ 15.35

(B) L.G. Areas Rating partly on U.V. and partly on A.V.

<u>Murray</u>				
Waroona	658	605	+ 53	+ 8.76
<u>Preston</u>				
Capel	708	641	+ 67	+ 10.45
Collie	2,479	2,434	+ 45	+ 1.85
Donnybrook-Balingup	1,048	980	+ 68	+ 6.94
Harvey	2,164	1,925	+ 239	+ 12.42
<u>Blackwood</u>				
Manjimup	3,008	2,871	+ 137	+ 4.77
<u>Nannup</u>				
Nannup	444	391	+ 53	+ 13.55
TOTAL:	10,509	9,847	+ 662	+ 6.72

Lower Great Southern Division

(A) L.G. Areas Rating on Unimproved Values only

Statistical Subdivision and Local Government Area	Total Dwellings at 30th June		Changes Between Census Years	
	1976	1971	Nos.+	Per Cent
<u>Pallinup</u>				
Katanning	1,450	1,310	+ 140	+ 10.68 %
Kojonup	787	825	- 38	- 4.61
Tambellup	293	295	- 2	- 0.68
<u>King</u>				
Albany (T)	4,420	4,100	+ 320	+ 7.80
Albany (S)	1,775	1,335	+ 440	+ 32.96
Cranbrook	430	442	- 12	- 2.71
Denmark	929	871	+ 58	+ 6.66
Plantagenet	1,356	1,357	- 1	- 0.07
TOTAL:	11,440	10,535	+ 905	+ 8.59

(B) L.G. Areas rating partly on U.V. and partly on A.V.

<u>Pallinup</u>				
Broomehill	217	199	+ 18	+ 9.05
Gnowangerup	1,167	1,185	- 18	- 1.52
Kent	346	313	+ 33	+ 10.54
Woodanilling	148	172	- 24	- 13.95
TOTAL:	1,878	1,869	+ 9	+ 0.48

Upper Great Southern Division

(A) L.G. Areas Rating on Unimproved Values

<u>Williams</u>				
Brookton	384	373	+ 11	+ 2.95
Narrogin (S)	470	256	+ 214	+ 83.59
TOTAL:	854	629	+ 225	+ 35.77

(B) L.G. Areas rating Partly on U.V. and Partly on A.V.

<u>Williams</u>				
Boddington	270	279	- 9	- 3.23
Cuballing	209	216	- 7	- 3.24
Dumbleyung	415	449	- 34	- 7.57
Pingelly	470	473	- 3	- 0.63
Wagin	819	822	- 3	- 0.36
Wandering	139	151	- 12	- 7.95
West Arthur	446	423	+ 23	+ 5.44
Wickepin	336	416	- 80	- 19.23
Williams	370	375	- 5	- 1.33
<u>Lakes</u>				
Corrigin	542	603	- 61	- 10.12
Kondinin	366	411	- 45	- 10.95
Kulin	389	404	- 15	- 3.71
Lake Grace	66 8	614	+ 54	+ 8.79
TOTAL:	5,439	5,636	- 197	- 3.50

(C) L.G. Areas Rating on Annual Values

<u>Williams</u>				
Narrogin (T)	1,474	1,427	+ 47	+ 3.29
TOTAL:	1,474	1,427	+ 47	+ 3.29

Midlands Division

(A) L.G. Areas Rating on Unimproved Values only

Statistical Subdivision and Local Government Areas	Total Dwellings at 30th June		Changes Census Nos. ±	Between Years Per Cent
	1976	1971		
<u>Moore</u>				
Chittering	357	362	- 5	- 1.38 %
Dandaragan	1,054	688	+366	+ 53.20
<u>Avon</u>				
Quairading	490	525	- 35	- 6.67
Wongan-Ballidu	676	658	+ 18	+ 2.74
Wyalkatchem	360	331	+ 29	+ 8.76
<u>Campion</u>				
Bruce Rock	510	573	- 63	- 10.99
Kellerberrin	576	638	- 62	- 9.72
Merredin	1,340	1,299	+ 41	+ 3.16
Narembeen	479	471	+ 8	+ 1.70
TOTAL:	5,842	5,545	+297	+ 5.36

(B) L.G. Areas rating Partly on U.V. and partly on A.V.

<u>Moore</u>				
Gingin	1,155	785	+370	+ 47.13
Moora	913	929	- 16	- 1.72
Victoria Plains	442	433	+ 9	+ 2.08
<u>Avon</u>				
Beverley	613	532	+ 81	+ 15.23
Cunderdin	546	531	+ 15	+ 2.82
Dalwallinu	664	677	- 13	- 1.92
Dowerin	380	365	+ 15	+ 4.11
Goomalling	400	434	- 34	- 7.83
Koorda	264	294	- 30	- 10.20
Northam (S)	723	685	38	+ 5.55
Tammin	222	244	- 22	- 9.02
Toodyay	454	387	+ 67	+ 17.31
York	724	716	+ 8	+ 1.12
<u>Campion</u>				
Mount Marshall	364	373	- 9	- 2.41
Mukinbudin	282	282	-	-
Nungarin	152	155	- 3	- 1.94
Trayning	253	280	- 27	- 9.64
Westonia	142	142	-	-
Yilgarn	718	731	- 13	- 1.78
TOTAL:	11,480	11,016	+464	4.212

(C) L.G. Areas Rating on Annual Values only

<u>Avon</u>				
Northam (T)	2,069	2,041	+ 28	+ 1.37
TOTAL:	2,069	2,041	+ 28	+ 1.37

South Eastern Division

(A) L.G. Areas Rating on Unimproved Values only

<u>Lefroy</u>				
Menzies	100	107	- 7	- 6.54
<u>Dundas</u>				
Esperance	2,477	2,157	+320	+ 14.84
TOTAL:	2,577	2,264	+313	+ 13.83

(B) L.G. Areas rating Partly on U.V. and Partly on A.V.

Statistical Subdivision and Local Government Area	Total Dwellings at 30th June		Change Between Census Years	
	1976	1971	Nos. ±	Per Cent
<u>Lefroy</u>				
Boulder	3,624	3,822	- 198	- 5.18
Coolgardie	1,452	1,386	+ 66	+ 4.76
Laverton	273	163	+ 110	+67.48
Leonora	201	217	- 16	- 7.37
<u>Dundas</u>				
Dundas	776	740	+ 36	+ 4.86
Ravensthorpe	511	485	+ 26	+ 5.36
TOTAL:	6,837	6,813	+ 24	+ 0.35

(C) L.G. Areas Rating on Annual Values Only

<u>Lefroy</u>				
Kalgoorlie (T)	3,013	2,989	+ 24	+ 0.80
TOTAL:	3,013	2,989	+ 24	+ 0.80

Central Division

(A) L.G. Areas Rating on Unimproved Values only

<u>Carnegie</u>				
Murchison	40	62	- 22	- 35.48
<u>Greenough</u>				
Carnamah	373	303	+ 70	+ 23.10
Coorow	489	384	+105	+ 27.34
Geraldton (T)	4,962	4,245	+717	+ 16.89
Greenough	890	695	+195	+ 28.06
Northampton	978	781	+197	+ 25.22
Three Springs	338	303	+ 35	+ 11.55
TOTAL:	8,070	6,773	+1297	+ 19.15

(B) L.G. Areas Rating Partly on U.V. and Partly on A.V.

<u>Gascoyne</u>				
Carnarvon	1,522	1,788	-266	- 14.88
Exmouth	705	718	- 13	- 1.81
Shark Bay	161	157	+ 4	+ 2.55
Upper Gascoyne	67	68	- 1	- 1.47
<u>Carnegie</u>				
Cue	102	105	- 3	- 2.86
Meekatharra	309	363	- 54	- 14.88
Mount Magnet	232	289	- 57	- 19.72
Sandstone	53	44	+ 9	+ 20.45
Wiluna	98	219	-121	- 55.25
Yalgoo	114	118	- 4	- 3.39
<u>Greenough</u>				
Chapman Valley	267	258	+ 9	+ 3.49
Irwin	409	353	+ 56	+ 15.86
Mingenew	237	256	- 19	- 7.42
Morawa	412	470	- 58	- 12.34
Mullewa	410	460	- 50	- 10.87
Perenjori	340	369	- 29	- 7.86
TOTAL:	5,438	6,035	-597	- 9.89

Pilbara Division

(A) L.G. Areas Rating on Unimproved Values only

N I L

(B) L. G. Areas Rating Partly on U.V. and Partly on A.V.

Statistical Subdivision and Local Government Area	Total Dwellings at 30th June		Changes Between Census Years	
	1976	1971	Nos. +	Per Cent
<u>De Grey</u>				
East Pilbara	1,628	1,183	+445	+37.62
Port Hedland	2,534	1,733	+801	+46.22
<u>Ashburton</u>				
Roebourne	2,279	1,618	+661	+40.85
West Pilbara	1,842	1,539	+303	+19.69
TOTAL:	8,283	6,073	+2210	+36.39

Kimberley Division

(A) L. G. Areas Rating on Unimproved Values only

N I L

(B) L. G. Areas Rating Partly on U.V. and Partly on A.V.

<u>Ord</u>				
Halls Creek	236	274	- 38	-13.87
Wyndham-East Kilberley	839	980	-141	-14.39
<u>Fitzroy</u>				
Broome	657	583	+ 74	+12.69
West Kimberley	972	1,149	-177	-15.40
TOTAL:	2,704	1,986	-282	-14.20