

SHIRE OF YEA

This Land Values Research Group Study, Rural No. 5, relating to a central Victorian country shire, consists of two tables. The first comprises a balance sheet of increases and reductions in rates resulting if there were a change from site value rating to net annual value rating. Yea had been on the site-value system since 1921 but there was a poll taken in 1958 on a proposal to revert to rating of owners' improvements. The poll resulted in retention of site-value rating by 1072 votes to 502. The study was made to obtain factual data on the proposal.

It was found that in the town area 95½% of houses and 94% of "business and other" gained under site value rating. As would be expected, all vacant land would pay more. In the rural area, 41% of graziers and 60% of other farmers benefitted under site value rating. In total, 69% of holdings gained. The table gives statistical details of the valuations and also the rates payable under the alternative systems.

The second table deals with the average valuations and rates for graziers and farmers. The properties are grouped in order of degree of development, and the table brings out the fundamental point that the higher the degree of improvement, as expressed in value of improvements per £100 of U.C.V., the greater the benefit under site-value rating. Poorly developed properties, of course, pay more on the site value basis, a fact which the table clearly illustrates.

The deterrent effect of the net annual value basis is brought home by the statement that as improvements are made to the holdings the rate payments will increase by about 14/6 for each £100 added to the value of the improvements.

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Balance Sheet of Increases and Reductions in Rates Payable Upon Change of Rating System
From Unimproved Capital Value to Nett Annual Value Basis.

The balance sheet below covers all properties for which voters are shown on the municipal voters roll. They account for 93% of the total rateable value of £2,035,093 for the Shire. Rate per £ of U.C.V. for the Rural area is 4½d, and for the Town area 6¼d. Equivalent rate on N.A.V. would be approx. 2/11 per £.

| Type of Property | Rate Basis Charging Least in Rates and No. of holdings involved. | VALUATIONS | | | RATES PAYABLE UNDER: | | | | |
|-------------------|--|----------------------------|--------------------------|-----------------------------------|--------------------------|----------------------------|----------------------|----------------------|-------------------|
| | | Annual Value (N.A.V.) £ | Site-Value (U.C.V.) £ | Buildings & Farm Improvmnts. £ | Site-Value (U.C.V.) £ | Annual Value (N.A.V.) £ | U.C.V. Lower By £ | N.A.V. Lower By £ | Average Reduction |
| <u>TOWN AREA</u> | | | | | | | | | |
| HOUSES | (U.C.V.) 261 | 22,616 | 64,150 | 388,170 | 1,670 | 3,286 | 1,616 | - | (49%) |
| " | (N.A.V.) 12 | 379 | 3,901 | 3,679 | 102 | 55 | - | 47 | (46%) |
| BUSINESS & OTHER | (U.C.V.) 35 | 6,521 | 22,764 | 107,656 | 593 | 948 | 355 | - | (37%) |
| " | (N.A.V.) 2 | 142 | 1,158 | 1,682 | 30 | 21 | - | 9 | (30%) |
| VACANT LAND ONLY | 34 | 1,487 | 30,156 | - - | 785 | 216 | - | 569 | (72%) |
| <u>RURAL AREA</u> | | | | | | | | | |
| GRAZIERS | (U.C.V.) 40 | 24,137 | 164,597 | 318,143 | 3,065 | 3,507 | 442 | - | (13%) |
| " | (N.A.V.) 57 | 51,242 | 489,475 | 535,365 | 9,176 | 7,444 | - | 1,732 | (19%) |
| OTHER FARMERS | (U.C.V.) 300 | 58,290 | 308,061 | 857,839 | 5,779 | 8,468 | 2,689 | - | (32%) |
| " | (N.A.V.) 201 | 84,669 | 811,437 | 881,943 | 15,215 | 12,303 | - | 2,912 | (19%) |
| TOTAL | (U.C.V.) 636 | 111,564 | 559,572 | 1,681,708 | 11,107 | 16,209 | 5,102 | - | |
| " | (N.A.V.) 306 | 137,919 | 1,336,127 | 1,422,253 | 25,308 | 20,039 | - | 5,269 | |
| GRAND TOTAL | 942 | 249,483 | 1,895,699 | 3,103,961 | 36,415 | 36,248 | 5,102 | 5,269 | |

U.C.V. Rates @ £0.02614 (Town) and £0.01875 (Rural): N.A.V. Rates @ £0.1453.