

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Local Government Funding and Services

Melbourne – Tuesday 8 October 2024

MEMBERS

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David Davis – Deputy Chair

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Gaelle Broad

Georgie Crozier

David Ettershank

Michael Galea

Renee Heath

Sarah Mansfield

Rachel Payne

Richard Welch

WITNESS

Dr Peter Mitchell, President, Ratepayers Geelong.

The CHAIR: I declare open the Legislative Council Economy and Infrastructure Committee's public hearing for the Inquiry into Local Government Funding and Services. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the Aboriginal peoples, the traditional custodians of the land we gather on today, and paying my respects to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee or who are watching the live broadcast of these proceedings. I also welcome any other members of the public watching via the broadcast.

Before we kick off, I will get committee members to introduce themselves to you, starting with Mrs Broad.

Gaelle BROAD: Hi, I am Gaelle Broad, Member for Northern Victoria Region.

Bev McARTHUR: Bev McArthur, Western Victoria Region.

The CHAIR: Georgie Purcell, Northern Victoria Region.

Michael GALEA: Michael Galea, South-Eastern Metropolitan Region.

Sarah MANSFIELD: Sarah Mansfield, Western Victoria Region.

The CHAIR: Thanks very much for appearing today. All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing, and then transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record can you please state your full name and the organisation you are appearing on behalf of.

Peter MITCHELL: My name is Dr Peter Mitchell. I am appearing on behalf of Ratepayers Geelong Inc.

The CHAIR: Wonderful, thank you. We now welcome your opening comments but ask they are kept to around 10 minutes to ensure plenty of time for discussion and questions.

Peter MITCHELL: I do not have a lot of opening comments.

The CHAIR: That is fine; we will have more discussion and questions.

Peter MITCHELL: I heard about this committee last week, I think, so I have not had much time to prepare. In reading through I have got a few observations, and I am sure you have heard more detail from other people. Most local government income comes from rates; you would be aware of that – 35 per cent-ish. The rate cap at the moment is 2.75 – nothing you do not already know – which is well below the current inflation rate, which means the cost of services is going up while income is not going up as much. You would have heard that from every councillor who is been in front of you for the last however long you have been doing this.

For individual ratepayers that cap does not actually apply. It applies to the total rates taken in, not to individual circumstances. We have had people approach us with rates that have gone up by 45 per cent due to factors totally outside their control. In that particular case the area was redesignated due to another building that happened to be in that area, and those individuals, people who have lived in areas for decades, can no longer afford the rates for that area. That happens. I know in my own case I have had rates go up by 7 per cent every year for the last decade or more. If you know anything about exponential growth, that means it has doubled in

10 years. In fact my rates I think, since we moved in, have gone up by three to four times what they were when we started, so individual cases differ. That is just for rates.

Obviously if council is not getting enough money but people cannot afford to pay more, money has to come from somewhere else. You would be aware of that. We at Ratepayers do not believe user pays is a viable option, mostly because that puts the onus on the people who cannot pay. If the people who cannot pay do not get their services, the people most in need of services cannot get them, so that is not viable. Besides, the point of government is to provide services that are not necessarily financially viable. If they were financially viable, you would privatise them and get somebody else to do it more efficiently. The government purpose is to provide things that other people are not providing, which means you need money from elsewhere. This is just a logical progression through a series of things. Councils need money that is reliable and dependable to be able to plan for the future. The grants and income from state government tend to vary a lot and according to political will and all those sorts of other things. I do not really have an answer to that issue other than I note that the state government gets a lot of its money from federal government through GST. There is a fixed bucket of a particular tax which is forwarded to the state government. Something similar from state government provided to council would be appropriate. But as I said, I have had about two days to think about this, so that is just a first thought.

The other option is to remove the need for council to provide those services, so if the state government took on certain services and removed that cost from the councils, that would help. That would have to be very judicious, because there are certain things that council are best placed to put in place. There are other things – off the top of my head, child care and aged care – that state government might be able to provide. Again, first thoughts – that would be something that would have to go through whatever.

Those are basically the points I had to make. There are a couple of other things here. A few years ago I was involved in a discussion with both council and state government at almost exactly the same time. Council were doing their new rates strategy going forward and what they should be doing about it. The Vic government was doing something about capping and rate caps and how that should be managed. Having talked to both those groups within a month of each other, one thing that became obvious was neither side had much control over it. The rates structure for the council is sort of forced on them. They can look at the distribution, but one way or another somebody is going to be disadvantaged. At least that evaluation by the state government tended to suggest that they did not really have much control over setting the cap because it is political, basically.

The rest of these notes I have made are probably not relevant at this point. I will use them if I get to them in the questions.

The CHAIR: Wonderful.

Peter MITCHELL: Okay, that is enough.

The CHAIR: Great. Thanks very much. We will go to Mrs McArthur first.

Bev McARTHUR: Thank you, Dr Mitchell, for coming before us. We do not often hear from ratepayers. We have heard from CEOs and bureaucracies and so on, who of course want to increase the amount of take from ratepayers so that they can grow their pile. I understand you might have an interest in the Taj Mahal which is the new council office in Geelong.

Peter MITCHELL: I was very interested in it as it was going up, mostly because council kept saying it was \$100 million – or \$97 million, \$105 million, whatever it was – whereas the total cost of construction was \$200 million. Nobody anywhere ever explained that distinction. I suspect it was the developer who paid the extra for the chance to own it. We were particularly interested at the time because one of our committee members was an ex-mayor of Ballarat – or Bendigo, I think – and they had been through a very similar case where they had got somebody else to build their building for them and then were paying through the nose for rent. I believe that is not how it worked in Geelong, but the details were never actually explained publicly. One of the things that council is very poor at is explaining anything much.

Bev McARTHUR: You have touched on rates, and we heard earlier today that they are, according to the unions, a very good wealth tax. But how could we fund local government better and differently? I think you have just touched on it – local government receiving a designated amount of the GST. Did you suggest that?

Peter MITCHELL: Well, the GST is what the state government gets. My quick thought would be something like land tax, which makes sense for council, except that if you are doing rates and land tax it feels like double dipping on where you are getting it from. I am not a taxation expert, but something set aside like that, which varies according to the area that you are dealing with.

Bev McARTHUR: Potentially if we did away with rates as a form of funding altogether, given the differentials within a council and within the various groups they are taxing vary considerably – but it also varies considerably where you live. You will be paying a much higher rate in the dollar out in a small rural municipality than you would, say, in Stonnington, so it is a very unfair form of taxation. If you had a set amount of government funding coming for core services, for the rest the council could go to their ratepayers and say, ‘If you want this service, are you prepared to pay?’

Peter MITCHELL: I do not think I would suggest we do away with rates entirely. I do think that works. Maybe the way it is calculated – I do not know enough about it. But the value of the land and the calculation, the basis on which the rates are calculated – I do not know if that is the most appropriate, and that would tie into the lower level citizens paying more because of where they live.

Bev McARTHUR: Are you concerned about planning decisions being taken away from councils in areas?

Peter MITCHELL: We have had a significant issue in Geelong with the state government taking away planning rights. On the particular issue that prompted them to do it I thought state government were absolutely correct; I just do not like them taking away that planning permission. I have also had several situations where council have blocked a piece of work and VCAT have gone through and said, ‘No; going ahead,’ over the top of what the locals want to go there. I do not like the idea of state government stepping in when they do not like it. I am not sure what other governments could be over that, when and where they can step in and where they should not, but it is a particular issue that we have had in Geelong in the past.

Bev McARTHUR: Does your association have a view on the monitors that Geelong consistently seems to require?

Peter MITCHELL: We have not seen any results from it. Geelong has been paying for monitors.

Bev McARTHUR: Yes, \$1200 a day each.

Peter MITCHELL: We paid a lot of money for a group of administrators. The three administrators got paid a lot more than the councillors got paid when they came in, for no obvious benefit to Geelong we can see. Going by the newspaper, which is I admit a long shot, the problems that caused the administrators to be put in have not necessarily been solved. The administrators did not actually fix things. I put that on the *Advertiser*, and I do not necessarily trust them, given the nature of the paper and their attitude towards council. But that is the information that Geelong people are getting anyway.

Bev McARTHUR: We do know how much the two monitors were paid for the year. It was over \$125,000.

Peter MITCHELL: We are paying for them, but we do not get any response. The last set of monitors apparently released their report quietly in the back of something just as the Commonwealth Games were cancelled, so that drifted off into nowhere and nobody ever reported on it.

Bev McARTHUR: Do you think councils are getting involved in areas that they should not be involved in, like foreign affairs or social engineering?

Peter MITCHELL: To an extent. Councils have a responsibility to the ratepayers. Where you have got a diverse set of ratepayers, building community is one of the things council should be doing, and helping community groups be part of that larger community I think is helpful. There are areas where I am not sure the council actions are helping or effective. On the Australia Day question, I have no personal opinion on where it should be, except that it is Australia Day. It is for all Australians, so a group, whether it is council or a political group of any sort, making comment independent of the whole of the country I do not find useful. But for particular isolated groups, the LBGTI group and Aboriginals, those sorts of marginal groups, bringing them in and becoming more inclusive I think is a good thing. That is building community within the council local government area, and diversity and inclusion is always a good thing for any sort of area.

Bev McARTHUR: What would be your prime recommendation to this committee that your association would be advocating?

Peter MITCHELL: We do not necessarily have something. As I said at the beginning, I believe councils need to be funded more for the services that they do provide. I know that our council has several times said that they provide 216 different services. I think the exact number probably depends on how you slice and dice the numbers and things, but that is a lot of services to be providing on the back of local people providing income. Geelong also happens to be one of the largest – I think second largest in terms of population – councils and probably one of the most diverse. I mean, there is CBD and apartment living and there is perirural and there is urban and suburban and there are agricultural areas, all within those boundaries, so it is a very broad base for a council to try and work with.

Bev McARTHUR: Not the biggest, but a significant problem they are facing is the CBD itself.

Peter MITCHELL: The CBD is considered a problem. You would probably know better than I would. Planning control over the CBD was taken by the state government several years ago. I am not aware that it was ever handed back, but you would know more about that than I would. So it is still a state government responsibility, not local, despite what the locals say – anytime there is anything wrong anywhere, it is the council's fault. But I am also aware that there is some major movement within the CBD at the moment. There is a particular developer who has taken responsibility for a large block, and people complaining that it is all empty and looking awful is because the developer has pushed everybody out so he can develop it. He is going to build it up again. That is one area, and the council have just released a plan for that whole section if they can get other people to work with them on that. That I like. I think there is action happening in the CBD, but again, we do not hear about the details until after it has happened. We just hear about the complaints because things are changing.

The CHAIR: Thanks, Mrs McArthur. That is all we have got time for. I will go to Dr Mansfield.

Sarah MANSFIELD: Thank you. Thank you for appearing today. I will just state for the record I was previously a councillor at the City of Greater Geelong. I probably have some insights and views on some of those issues, but I will not delve into some of those specifics. Just for context, can you tell us a bit about the Geelong ratepayers association, how it was formed, who you represent and membership?

Peter MITCHELL: At the election where the administrators were removed and the new council came in, there were actually a couple of us on Ratepayers who stood in that election and then we did not make it through. You took my seat. That is right, and thanks, by the way – I have seen what happens in council, so I am glad I did not make it in there. But there are a few of us who still wanted to be involved, so we started up the Ratepayers Geelong group on the basis of information coming from Ratepayers Victoria, as they were at the time – they have undergone major changes since then. And we limped along for a while. We have not actually been deeply involved in anything. When the next election happened and all the same councillors got returned, save one, it became clear that as much as the Geelong people bitch about the council, they had no other alternative. They are putting the same councillors back in; they must have been fairly satisfied with it. We have been supporting a number of initiatives – stopping the goat farm in Lara, our library renewal and all that sort of stuff. We have been watching and keeping a brief on and being part of, but not taking an active role in, a lot of that sort of stuff.

Sarah MANSFIELD: When you say 'not taking an active role', do you have any ongoing communication with the council?

Peter MITCHELL: We have tried several times. When there is a new council, when there is a new mayor, we reach out and try and make connection. Stephanie wanted to meet with us at one stage, and then that meeting kept getting put off and put off until the next month, two months, and it just never happened. There is one councillor who has tended to respond when we talk to them, and that is Eddy Kontelj. I do not particularly agree with his opinions on many things, but he is probably the most responsive councillor that has been there.

Sarah MANSFIELD: I am keen to understand, given that I think you have reflected that ratepayers have very diverse interests and needs, in your advocacy how do you decide what is a priority for ratepayers, or how do you ensure you are representing ratepayers as distinct from perhaps elected representatives who, in an ideal world, should be actually representing ratepayers?

Peter MITCHELL: We have actually had a couple of issues passed to us by council officers, as in, 'We can't do anything. Go to the Ratepayers. They might be able to help you with it.' In terms of the issues we take up, they are basically things that are raised by our members, particularly committee members, because we have got a committee member who lives in Lara, one that lives in Geelong West, I am in Geelong and we had one from Bellarine who moved. I was going to say he left the committee, but he actually moved. He is no longer in the area. We have had people from various different areas, and where they raise an issue, those are the ones that we will follow through with, generally. Or if there is something that is obviously in the news that everybody cares about, we will try and make touch and if they need a hand, we will help out.

Sarah MANSFIELD: And do you have particular principles? Or, I guess, what guides your advocacy? Again, from what you are describing, it sort of depends a bit on who brings what issue, and you decide upon on a position to take on it. What distinguishes you from other groups that might be advocating to council? Are there some fundamental principles?

Peter MITCHELL: We would tend to not take an active role where somebody else is actually doing it. Say the Lara goat farm, we had members who were part of the group that were dealing with it, but we as Ratepayers did not actually take an active role. We just kept watch on it, and it was okay and actually successful, which is good.

There was a group from Highton who were protesting a new mental hospital being put in, mostly because they did not like what it was doing to the infrastructure and roads around and people trying to get in and out. Their major angle on the problem was that nobody had been consulted; it had been decided by state government. Council had not talked to anyone because council did not know; it had just been declared this would be there. They did not think it was an appropriate place for it. I attended a couple of their meetings and provided advice on who they should talk to and where they should go. A lot of that sort of thing is providing advice to the people who are looking for 'How do I approach this?'

There was one woman we spent a lot of time with who had had her house damaged by a poorly placed sign the council had put in place. Some truck had ignored it and pushed it into her house and caused damage, and it was like, 'Who's responsible for this?' We went through council, and they said, 'It's not us. Some other truck pushed it in.' And we said, 'The sign was in the wrong place. It couldn't have been pushed into the house if it had been put in properly.' Of course they put it back in exactly the same place when they replaced it. They made no attempt to fix why the truck might have been there in the first place to knock it. That one we actually took through the internal ombudsman. They were not willing to do anything, so we brought it to the state panel, who said, 'No, the internal ombudsman looked at it, so we can't do anything more.' There is no appeal. Once it goes through that internal process, there is nowhere else to go. In the particular case the woman who was affected was a very private person and did not like being public at all and decided to stop, basically. We did not take it much further than that.

Sarah MANSFIELD: I know that this inquiry is focused particularly on finances of local government, but I suppose some of what you are reflecting is something that is very common, that some people in the community feel that consultation is often not good enough, and that can be from all levels of government. In your experience, are there things that perhaps local governments could do or be supported better to do when it comes to consultation?

Peter MITCHELL: One of the biggest issues is people knowing there is a consultation happening. I have read people complaining on social media about various issues and I have said, 'But no point complaining here. They've actually got a "your say" site where you can go and give feedback.' 'Oh, but they never listen to it' – so these people who are complaining are not willing to actually complain to the council because they do not think they are listening.

I do think there are a number of things that should be publicised more widely. As I said, I do not think council tells everybody what it is doing and how it works. In fact this might be a role for the state. 'What is a council for?' or 'What is the purpose of having a council?' I think is something that might need to come from a higher level as a group thing. As to what the local council is doing, the trouble is I do not have an answer to that because media outlets are fairly restricted, particularly in the smaller areas. I know in Geelong there is the Addy, but they are very biased; there is the Indy, but nobody reads it; and there is the local radio station that nobody knows exists, and all that sort of stuff.

The CHAIR: K Rock.

Peter MITCHELL: Yes. It is very difficult to actually get that message out there, I understand.

Sarah MANSFIELD: Okay. Thank you.

The CHAIR: Thanks, Dr Mansfield. Just picking up on your comment before, do you think or does your organisation have a position that the state government should legislate or set and define the roles of councils?

Peter MITCHELL: I think some outline of what a council is and why it does – we have had some crank talk to us about ‘Councils aren’t legal because the constitution doesn’t recognise them.’ It just shows a complete lack of understanding of what legislation is. That is beside the point. If we remove councils and say they are not legal, what is going to replace that? The state government would have to take over those duties; they would need somebody local who knows what is happening who could administer things. They would get a group of people, have an organisation set up to manage it and all of that – we are talking about a council again. The only difference is that with the council local government stuff we have got, we elect the councillors, whereas if we got rid of that structure, some sort of structure would still have to exist, and state government would manage it independent of the locals. I think making that sort of thing clear to the people in the area – ‘This is your council and it’s looking out for you’ – however it might look –

Bev McARTHUR: And going to Georgie’s question, the core role – isn’t that what you asked, Georgie?

The CHAIR: Yes. We have heard from all different councils about what they think their role is, and it is quite vastly different depending on where they are and who their communities are. Of course there is the usual standard of roads, rates and rubbish, but then there is a bunch of other stuff. Do you think the government should be setting and defining their core work?

Peter MITCHELL: Not necessarily. Well, not the individual services. A council is there to provide services to the locals. As I said earlier, they are services that a private organisation will not provide because it is not something that is going to make them money or they cannot do it efficiently or something. So the council is there to provide things that the community needs, and what that is will depend on where the community is and what the demographic is and all that sort of thing. It will vary according to location, but they are things that we need to be a cohesive whole, and that is where I say inclusivity and diversity – where you have a broad range of people, you are going to need a broad range of services. If you are, I hesitate to say, a rural area where everybody is a farmer, then there is going to be a different set of services to an urban sort of area, but the council role is to provide those services so that particularly the neediest people have something as a backstop or support for whatever they need to do.

The CHAIR: Great, thank you. Ms Broad.

Gaëlle BROAD: Thank you very much for appearing today. Just on your membership, how many members do you have?

Peter MITCHELL: I do not have the figures. Our treasurer would have that – 100? Not a lot. It is not a very big organisation.

Gaëlle BROAD: No, that is fine. I just thought a bit of context is helpful. You mentioned earlier just about the highest rate increase being 45 per cent, that you are aware of.

Peter MITCHELL: That is highest we have heard of. We were interested when that came to us – and I think it is 45, by my memory – it was just below the point at which support would be given or deferrals or whatever would be given. I think it is 50 per cent or something where the thing comes in, and it was just below that, which seemed odd at the time that it should be that close without being over that limit.

Gaëlle BROAD: Do you hear much from members or from the people they are speaking to about those kinds of significant rate increases? What impact does that have on the people?

Peter MITCHELL: That time of year when the rates notices come out is when we get the most interest and people trying to contact us. There was one a couple years ago with a 10 or 12 per cent increase, and it was like, ‘I can’t pay this; how do I do it?’, and we were providing advice on who you would go to and what facilities the

council might be able to support, because nobody – they do not go to the council with those sorts of issues, because they expect to get brushed off. So they will come to us and say ‘How do you do this?’ and we provide advice about how to actually approach council and what to say and that sort of thing. But yes, that 10 or 15 per cent does not seem to be unusual in Geelong at the moment. Traditionally commercial rates have been much higher than residential. As I said, we were involved in a rate strategy a few years ago, and part of that strategy was to balance it out and bring it back to parity. But I am also aware that people in rural areas do not get as many services; they do not use as many of the council services, but they still pay very similar rates at the moment, so balancing the amount that you pay against the services that you make use of – but then that also gets into the services that people who cannot pay still need and who pays for that sort of stuff.

Gaelle BROAD: We have just been hearing from the Essential Services Commission about them wanting councils to do more about collecting some of those debts. But you are talking to the people that are actually experiencing those debts. Where can they go? What advice are you giving? What do you think should happen?

Peter MITCHELL: What we think should happen is – well, at the moment the council sets rates for a group or for a particular category according to the valuation given by the state government so that the total amount adds up to 2.75 or whatever. For individuals that may be a very large jump. In theory some people also get a reduction, but we have never heard of that. Presumably they do not tell us if they get a reduction. It would be nice for the council to be able to tune that on an individual level and say nobody gets more than a 7 per cent increase regardless of what the house is. They might get 7 per cent every year, but they would not get a 45 per cent jump just because evaluation comes in slightly different. So as well as the rate cap on the total amount, there would be a cap on each individual amount, which would be higher, obviously, because otherwise you would not be able to balance into the rate cap. Again, that is just first thoughts. That would ease the load year by year, but somebody who has been in their house, was born in the house and retired in the house and suddenly the price goes up because – I am sure the case I am thinking of was because the hospital was there, but I cannot remember what the situation was for that 45 per cent.

Gaelle BROAD: Do you think those significant jumps are actually leading people to make a choice between what bills to pay, or do they have got to sell because they cannot afford rates? What are your thoughts?

Peter MITCHELL: I think once or twice you can get exemptions and you get parts. But then that price is still that price, and eventually that will be what you need to pay. If you cannot afford to pay it, it means the house is worth more than you can afford to maintain, and we are talking family home type stuff here. Again, if I remember the details, I am sure the person we were talking about had grown up in that house and it had been their home. Suddenly they were not able to afford it anymore because they could not pay the rates, because that area had been redesignated by the council and therefore the land value had gone up or the capital improved value had gone up. In that case she got an exemption for the year and I think got something, but she was desperately concerned about the next year when the exemption no longer applied and she would have to pay that. She did not come back to us, so I do not know what actually happened about that.

Gaelle BROAD: Some councils have called for the abolition of rate capping. What are your thoughts?

Peter MITCHELL: I think if councils were allowed to charge as much as they wanted it would be a free-for-all. As I said, quite rightly councils need money, and they need to be able to provide these services. If their only or major source of income is from rates, then they are going to have to charge for the services they do. As long as the services are mostly used by people who are needy, they are not going to be able to pay. So people who are not needy will be paying a larger proportion, basically, and that is as long as we are charging the individuals within the area that amount. As long as they are charging rates and that sort of thing, that is how it will work. I am not familiar enough to know whether rates are a progressive or regressive taxation system; I just do not know the details. But something that is progressive without charging people too much for things they do not use I think is where I am going. The trouble is that is what ‘progressive’ actually means.

Gaelle BROAD: I know Geelong is a real growing area. When you drive around there are new houses everywhere. We have heard from other councils, and certainly they talk about the Growing Suburbs Fund. Funding by the state government dropped by 90 per cent, and there does not seem to be that factor of growth taken into account. What are your thoughts? I saw on your website the impact on roads, if you could talk to some of that.

Peter MITCHELL: The biggest issue in any council is roads and parking, because that is what everybody cares about. It is not so much roads as infrastructure. There have been at least, as I am aware of, three different growth areas where developers have claimed they have put in lots of drainage, council have removed flood overlays and suddenly the locals are paying extra in insurance because there is a flood problem in that area. That has happened in Lara. In Armstrong Creek the council actually had to pay for some additional drainage because the developers had not done it, and I cannot remember the third one. There was a third one that came up recently as well. In terms of growth area, both council and the state government have declared that there will be no additional growth in the Bellarine. But then we keep hearing developers putting in new homes, new growth and new structure. I believe it is all because it is within a particular boundary. There is no growth outside that boundary, but within that boundary there is a free-for-all and stuff going on. There is a lot of densification going on in Central Geelong that is coming through, and I know the council have designated the north and west of Geelong as being the new areas where growth will happen. In that particular case that is probably better, because that is where the ring-road is. Access via roads is good, but water, electricity and all those other utilities that need to go in still need to be supplied. They need to be able to handle the people that are going in there.

Gaëlle BROAD: This inquiry has been looking a lot at financial sustainability of councils. You said yourself you are kind of relieved that you did not get onto council, but I am just interested in your thoughts. In the recent local council elections nearly 50 wards were uncontested. What are your thoughts on that? Is there a risk there that we are not getting the people into council?

Peter MITCHELL: I like the idea of multicouncillor wards. This is a personal opinion; I do not have any sort of real basis for it. But it seems to me that sort of thing is more likely to get you a diverse council. You do not have the cases where there are uncontested wards and that sort of thing. Also people can get their first, second and fifth pick or something like that, which means you tend to get a wider spread of people coming into those roles. Particularly if you have got a diverse constituency, having a diverse council makes sense because you have got representatives for each of those areas. As I said, that is a personal opinion. I would like that. The other thing in terms of council would be re-evaluating the borders – I know that is a very sensitive subject, having another review of where the council borders are. It might work well with Geelong because, as I said, it is so diverse. I can see all sorts of pros and cons there and I do not want to make any recommendation, but it might be something worth looking at.

The CHAIR: One more.

Gaëlle BROAD: I am just interested in your thoughts too about some of the changes that have been made in the state government review. We have now got some councils that have got an even number of councillors, so the mayor will have the casting vote. What are your thoughts from a governance perspective?

Peter MITCHELL: I have heard rumours that in Geelong council previously, not currently, a group of councillors formed a voting block, and that block would dominate anything and particularly had an agenda they were trying to push. I suppose what I am saying is I do not think odd or even makes as much difference as councillors working for their own good rather than for the community good. I do not have a solution for that, because I think it depends on the individual councillor. The problem with council is always you are voting on popularity. The people who get voted in are the ones most known, most seen. They get their name out there. They probably spend more on advertising during the elections than they ever make out of doing the role, but that is not why people are councillors.

The CHAIR: Thanks, Mrs Broad. Mr Galea.

Michael GALEA: Thank you, Chair. Thank you for joining us, Dr Mitchell. Some of the things were actually covered by Mrs Broad, but I did want to ask about the rate cap in general and your views. My first question is: does Ratepayers Geelong support rate capping?

Peter MITCHELL: Yes. A cap of some sort I think is necessary.

Michael GALEA: Thank you. Noting the individual circumstances that can lead to much higher results for some people – obviously that is council by council – is there a way in which you would envisage that to be ameliorated in some way or do you think it is important that councils get to choose that on a case-by-case basis?

Peter MITCHELL: Backing up to the question about rate caps, councils should not be allowed to charge as much as they want. There needs to be some control over that, otherwise the ratepayers will be disadvantaged by that. The council will take money because they need money always.

Bev McARTHUR: They want to spend more.

Peter MITCHELL: They want to spend more. The nature of government is to take over bits.

Bev McARTHUR: Tax more and control more.

Peter MITCHELL: Back to what I was saying, what they should be doing is providing those services that nobody else is providing. If other people can provide, let other people. Let it go to the free market. The whole principle of free market is it is about making money, but the principle of government is to build communities, build society and hold it together. Those are conflicting results. If it is all about making money, give it to free enterprise. If it is about holding a group together and creating a sense of community, that is a government role. That is one government role. The other government role is to keep the bastards honest and make sure the free market is actually a flat free market.

Bev McARTHUR: How do we keep them honest is the question.

Peter MITCHELL: Yes, who watches the watchman?

Michael GALEA: We are getting into a very deep philosophical argument here, I think.

Peter MITCHELL: Yes, it is. We are getting a bit off the topic.

Michael GALEA: Another thing that Mrs Broad mentioned was about people that do struggle, and you did say it was interesting and makes sense that you have more interest when rates notices come out each year. I realise from your perspective it is only with one particular council, but what is the general experience of people who do apply for those hardship arrangements through council? Do they generally feel supported by the council through the process?

Peter MITCHELL: As far as I am aware, they do. What I am also aware of is that there are probably half a dozen people a year who apply for it. Even though there would be a hundred who might be eligible, they do not know that they are eligible or they do not expect to be able to get the thing or whatever. But they do not attempt to apply. That is probably an information campaign. The pamphlet that comes with the rates notice says that you can apply in small writing on the back of it.

Michael GALEA: I suspect that is probably universal across councils, yes.

Peter MITCHELL: As I said, I do not think most people apply. Of those that apply, I have heard it seems to go well. I do not believe our council have that much of a problem with that sort of thing.

Michael GALEA: That is very good to hear. Another topic that has been recurring throughout these hearings has been that to do with waste charges. Waste charges, as I am sure you are aware, are not subject to the rate cap. There was a recent change from the state government directed to councils in the way in which waste charges can be applied, narrowing that focus after one council – it was not Geelong – significantly overstepped what it was including under waste charges to residents. Do you have a view on waste charges and whether they are appropriate or whether you would prefer for some other model to be applied?

Peter MITCHELL: I think that is one of the critical things that needs to happen, and council need to pay for it. The council need to pay for it, which means the ratepayers need to pay for it. I can think of all sorts of complicated ways they could judge how much people pay depending on how much waste there is. I know with us it would take us a month to fill our red bin. We just do not put it out that often, but we get charged the same amount as the people next door, who have got four kids and overflow it every week. But any other way of measuring it is going to be so much more complicated to try to administer and get things out.

What is done with waste is another matter. A lot of it goes to the term ‘waste’ and how much is actually waste that cannot be used, cannot be recovered and cannot be used for other things. If it was actually worth something, if the rubbish that is thrown out had a value to someone, they would not have to charge the people

who are throwing it out. They would actually be able to provide something. So divert stuff that is of value and get money from selling that waste rather than charging the people who are throwing it out, I think. But again, that is a larger piece of work. It is another service that council could offer.

Michael GALEA: Indeed. And just on one of things you said, which was about the red bins – it has been quite a big issue in some councils. I am not sure if Geelong has already implemented the switch where there is more frequent green waste as opposed to more frequent red bin collection.

Peter MITCHELL: No. Every second week it is green and yellow, and then red is every week.

Michael GALEA: I know some councils in my region have done that, and there was a lot of hesitation at first, as you can imagine. For some people it is just better than for others, so I am just curious if there are any perspectives that your group has.

Peter MITCHELL: When we fill the green bin, the organic waste, we fill it, because we have done a whole lot of gardening, and it is just stuffed. But that is once a month or once every couple of months. When we had kids at home we would overflow the yellow bin every time. The kids have left home, and we do not have anything to throw out anymore. It is swings and roundabouts.

Michael GALEA: My ears pricked up when you mentioned the GST. I am not sure if you were listening to our previous session. Some councils rely heavily on parking charges, especially inner-city Melbourne councils, though I understand that Geelong does raise some revenue from street parking. Do you think that is an unfair structural advantage that those councils have over, say, the outer suburban or the regional councils that do not?

Peter MITCHELL: The council will say their parking strategy is to keep parks available for people to use. They put in a 2-hour limit, and they put prices on because otherwise people would overstay, and in the CBD you want people to change over, because the shops need people. They do not need one person sitting there for 4 hours, they need four or five people moving in and out. As far as I can tell, certainly compared to Melbourne, the charges in Geelong are almost nominal. And people complain; they do not like it, and they would prefer to go to regional centres, which is fine. Regional centres need the money as well. If they want to go to Waurn Ponds or Drysdale, those areas need the money as well. They need the shoppers as well.

The CBD is the central business district. It is not just shops. They have other businesses, and they need to support other things than just the shops.

Michael GALEA: And you want a lot of people to be able to come in and to incentivise that with things like public transport as well and not just –

Peter MITCHELL: Public transport would be really nice in Geelong if we had any. I live close enough to town; I do not have to worry about it. I just walk into town, so it is okay for me. But I used to commute to Melbourne every day, and an hour and a half to 2 hours travelling every day is really a pain.

The other way of doing it for the CBD is more residents in that area – and I know the council are looking at that – and not just students and not just families and not just singles. You want all different –

Michael GALEA: The diversity of options.

Peter MITCHELL: and that is what makes a vibrant CBD. But you have also got the businesses there, and Geelong has done fairly well with the government agencies at the moment in Geelong.

But all those people, if they are not living in town, also need a way of getting in and somewhere to park for the day, not just for 2 hours. Shoppers have got these 2-hour parks, but they like the all-day ones. So people who are working there need all-day ones but they cannot – and so the mix of parking is also a problem.

I know there are standards around the amount of parking that needs to be built for any new building. The biggest arguments I get into online are about parking, because everybody wants a street park outside the shop they are going to, and there is simply not enough street to put so many parks in.

Michael GALEA: If you want to have a vibrant city, certainly. Yes.

Peter MITCHELL: And nobody wants to pay for parking or go into a parking garage, because ‘It’s off-street; I can’t tell what’s there’ and ‘I have to go through the gate’ and all that sort of stuff. I do not have an easy solution for that, and Ratepayers Geelong –

Michael GALEA: I guess my question went to more: do you think that those councils that do have such a huge intake of parking fees should – you talked about GST being spread evenly. Do you think there should be a bit more even spread of that across the councils that might need a bit more than those inner-city ones?

Peter MITCHELL: I think economically it is an incentive to them to put parking fees up if they are getting that much from it. It is not necessarily an advantage to them except they turn it into an advantage. So yes, somewhere like Melbourne CBD, who make a lot of money out of it because they can –

Bev McARTHUR: I think what Mr Galea is asking is: should they get the same amount of revenue from the state or federal government, given they can raise all these amounts of money as opposed to a small rural shire.

Michael GALEA: That is quite an extreme paraphrase.

The CHAIR: Mr Galea, did you have one more question?

Michael GALEA: That was the end of my questions, thank you.

The CHAIR: Wonderful. Thank you. Members, I think based on time we will not be able to go around again, so we might leave it there. But if there are any other questions, they will be submitted on notice. Thank you very much for making the time to appear before us today. That concludes the public hearing.

Witness withdrew.