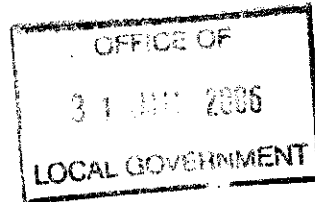


SAIRA

SA INSTITUTE OF RATE
ADMINISTRATORS INC



27 July 2006

Mr Shane Sody
Principal Policy Officer, Legislation
Office for State/Local Government Relations
PO Box 8021
Station Arcade
ADELAIDE SA 5000

Dear Shane,

Response to Differential Rates Recommendations Paper

SAIRA welcomes the opportunity to provide feedback on the Recommendations on Differential Rates report. Inevitably a request for feedback on a report like this involves criticism of the report (albeit constructive). I would like to start by commending the author on a report that is written so as to make a very technical subject quite accessible.

However, I do feel compelled to observe that the report extends far beyond the issues that were originally discussed by the working party, and in particular that the recommendations were proposed by the report's author and not the working party.

To deal with each of the recommendations in turn:

Recommendation 4.6

The first part of this recommendation states that councils should not be permitted to declare zones specifically for rating purposes. **SAIRA agrees with this recommendation.**

The second part of this recommendation states that the option to rate differentially according to Development Plan Zones should be removed. **SAIRA disagrees with this recommendation.** There are 15 councils (out of 68) using this rating mechanism. Affected councils may wish to consider whether some of the alternative mechanisms are appropriate, but this is clearly not a justification for the removal of the option to rate differentially by planning zones.

Recommendation 5.5

This recommendation states that councils should not be permitted to differentiate rates based on secondary land uses by a single occupier. **SAIRA agrees with this recommendation.**

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Recommendation 6.5

This recommendation states that there should be no change to the land use categories in Local Government Regs. **On balance, SAIRA agrees with this recommendation.** However, as a professional body SAIRA acknowledges the diverse opinions of Rate Administrators who have a unique insight into their own local issues and feedback has not been unanimous.

Recommendation 7.0

The final recommendation states that the LGA shall consider the development of guidelines and training to assist with the determination of predominant use and objections to land use. **SAIRA agrees with this recommendation."**

I hope that SAIRA's input will assist in formulating your recommendations to the Minister.

Yours sincerely,



KEVIN BROGAN
President

Cc: David Hitchcock, Manager Finance and Infrastructure LGA