

**From:** Stas Korczak [REDACTED]  
**Sent:** Thursday, 3 March 2016 10:27 AM  
**To:** [REDACTED]  
**Subject:** RE: Greater Taree Possible Special Rate Variation Application

Dear [REDACTED]

Further to our exchange at the end of last year I am now aware that GTCC has lodged its application for an exorbitant special rate variation and although the quantum of the SRV may have been slightly altered in the interim I still wish to register my vehement opposition and would ask that my letter of 22 November be treated as referring to the SRV application as lodged.

I would add that the deceptive use of statistics is still being propagated by the Council. As recently as early this week the General Manager claimed on local radio that more than 80% of the electorate/ratepayers “wanted the Council to fix the roads”. If this percentage comes from the week long consultation process at their pop-up shop it is merely 80% of a miniscule percentage of the ratepayers who completed the survey.

In actual fact it would probably be closer to 100% of the electorate who would like the Council to focus more attention on maintaining the road network and bridges but to do this by carefully re-allocating resources and increasing efficiency – not by bankrupting ratepayers.

To add insult to injury the Council has now voted a tokenistic freeze on Councillors allowances – but only if the SRV is approved. This freeze would evidently result in a “saving” of only some \$26,000 over the 6 years the SRV would be in operation before the total SRV increase became embedded in the rate base for all time, i.e. a rate base some 50% or more above its present level. This just goes to reinforce my belief that the Council is using the excuse of roads as a means of becoming financially “fit for the future” and thus avoiding threats of amalgamation.

Regards

Stas' Korczak



[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

22 November 2015

Independent Pricing & Regulatory Tribunal of NSW  
PO Box K35  
Haymarket Post Shop  
NSW 1240

Dear Regulator

**Re: Greater Taree City Council - Special Rate Variation proposal**

I wish to express my vehement opposition to Taree Council's proposed special rate variation of 6% per annum for 6 years. This is on a number of grounds:

First, notwithstanding rate capping, GTCC has upped its rate intake by 165.8% in the 16 years since my wife and I moved into the district, during which period the national average wages index has increased by 72.99% whilst the CPI has increased by just 57.86%. So GTCC has already managed to outspend average earnings by more than 2 ¼ times and the prices index by more than 2 ¾ times yet still it cries poor and wants to spend even more of its residents' incomes. And a high proportion of those residents will be self-funded retirees; many of whom will have seen their after tax incomes stagnate or even fall since the global financial crisis resulted in interest rates being slashed to record low levels. Even those in employment are now in receipt of the lowest wage increases since records began. The continuing ability to pay must surely be a significant factor in the Tribunal's decision.

Next is the misleading, or even deceptive, way in which the Council has sought to portray its proposal. Its first major press release stated the proposal was for a special rate variation of 6% over 6 years. Not surprisingly this statement was challenged by a number of residents as a result of which the next statement acknowledged the error in omitting to mention 6% **per annum** and then referred to a total rate increase over 6 years of 47%. This figure of 47% has subsequently been repeated on the local television news, by the general manager, as the **total** increase and the same 47 percentage has been heavily promoted in the display at the "community consultation" pop-up shop last week. Whilst not denying, when challenged, that the **real total** rate increase for residents over 6 years was likely to be in the order of 62.25%, when the average 2.4% capped rate increase was included, this would only have been obvious to highly numerate individuals who were inclined to carry out their own calculations.

Highly dubious is the way the public consultation process has been characterised by leading questions (to which it would be almost impossible to answer NO). The most obvious example was the initial flyer asking "Do you think our roads need attention?" Well of course they do - all roads need attention. Absolutely no mention of intending to levy a near 50% rate increase on ratepayers, in addition to the annual capped increase, to pay for this attention.

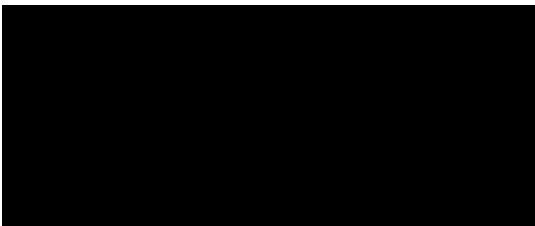
The online survey was also carefully designed so that it was almost impossible to answer that additional expenditure on roads wasn't desirable or necessary. And in fact some additional expenditure on roads probably is warranted, but effectively implying that maybe the budgets of libraries, leisure centres, and sporting facilities would need to be trimmed if the special rate variation wasn't approved is nothing short of a mild form of blackmail.

I would be the first to acknowledge that maintenance of Taree's roads and bridges has undergone a considerable change for the better since the last special rate variation of 2008 – 2013 and believe this has been considerably aided by a change in management over this period. I do wonder, however, why some 50kmph urban streets have undergone complete reconstruction from the sub-base up whilst many 80/90 or 100kmph through roads, with a far greater potential for serious accidents or vehicle damage, receive little more than ever repeated pothole patching.

Finally I would like to add my suspicion that this special rate variation to deal with roads, at this particular point in time, is really a disguised attempt to permanently increase the rate base so that the Council can claim to be financially fit to remain as a stand-alone identity into the future. The capital boost that voluntarily merging Councils have been promised by the State Government would go a long way towards fixing the road maintenance backlog as, indeed, has just been acknowledged by a pragmatic vote of Gloucester Council.

My personal opinion, for what it is worth, is that there really is no need for more than three elected Councils (with specific ward representation for each major population centre) between the Newcastle metropolitan area and the Queensland border. Call them Lower North Coast, Mid North Coast and Far North Coast Councils respectively. Each major population hub would undoubtedly still require some form of local service centre and maintenance depot but a major reconfiguration of the entire panoply of elected forums should result, in time, in substantial cost savings with minimal diminution in the democratic process. After all the major part of any Council's *raison d'être* is to implement the laws, rules and regulations promulgated by the Federal and State Governments – an essentially service delivery function.

Yours sincerely

A large black rectangular box redacting the signature of Stas' Korczak.

Stas' Korczak