



NORTHERN TERRITORY CATTLEMEN'S ASSOCIATION

Media Release

Shire rate rises threaten Territory's cattle industry

15th February 2011

The Northern Territory cattle industry has fended off some savage financial blows this year, but the impact of potential shire rate rises might bring the economically significant industry to its knees.

Until now, rates on pastoral properties have been set by the Northern Territory Government but this year, the job of formulating and applying rates will be handed back to the shire councils, subject to NT Government approval.

The councils, which were formed as a result of the 2009 local government reforms and subsequent amalgamations, oversee massive land areas and have few rate payers.

NT Cattleman's Association President, Rohan Sullivan said the shires were presenting their planned rates formulas to the NT Government for sign off this month.

"Our fear is that if the shires use a rates formula that multiplies a cents in the dollar by the Unimproved Capital Value (UCV) of individual properties – rates stand to rise by between 400 and 1000% on some properties," Rohan said.

"That's because UCVs on many pastoral properties skyrocketed in the Northern Territory last year. The Valuer-General's office has been inundated with objections to the UCVs and the objections process has effectively stalled. Now the Lands Department has called for comment for a review of Valuation of Lands Act, so we are very unlikely to see a revision of the UCVs any time soon."

Mr Sullivan said that a recent meeting with the MacDonnell Shire council has given him hope that some Councils will adopt the more reasonable approach of applying CPI to the former year's rates.

"Katherine Town Council's current approach is a concern though. There are three pastoral properties within their boundaries that will have their rates quadruple next year – some may face a rise from \$5000 to \$25,000" he said.

"It's like the final kick when you are already down. The cattle industry is already toughing a massive decrease in the number of cattle it can export because of weight restrictions imposed by the Indonesian government.

"Last year we saw a 10% reduction in numbers exported to Indonesia, which is our major market, but more importantly, those cattle were all below the 350 kg weight restriction, and fewer kilograms mean less return to the pastoralist.

"We need a consistent approach across all shire councils and the most rationale formula will be to apply CPI increases to the previous year's rates; and this is an NT Government responsibility."

Note: The following pastoralists have made themselves available for media interviews on the shire rates issue.

- Catherine Driver, Elkedra Station, via Alice Springs 08 8956 9897
- Randall Crozier, Florina Station, via Katherine 08 8972 1386

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