

**March 23, 2018**

**Submission to the Public Accounts Committee for the Inquiry into the Methodology for Determining Rates and Land Tax for Strata Residents (Ref 15 February 2018)**

I am writing a letter in response to the changes in the new methodology in calculating rates for unit owners and how this will impact me as an individual and the flow on to the economy in our city.

The cost of living in Canberra is already high, we have a Government that allows for unscrupulous developers to rule the property market, creating poor quality developments which buyers end up paying for in rectifications. My body corporate levies have risen around 30% in just 3 years in order to cover significant building defects (that we will never be successful in pursuing from the builder as there is no real means to hold them to account as many builders deny responsibility and will never come to the party). On top of this, electricity, gas and water have all had increases, and my unit value has also drop since I purchased off the plan in 2012 and I simply cannot recoup the money I've lost through my property.

As a single person on a reasonable income, I'm am stunned to find I'm only just covering all my costs and lucky enough to not be going into debt, however these rate increases will now mean I'll have to make provisions to cover my basic living costs.

This will likely be done by reducing insurances, placing more burden on public health services. Cutting back on simple pleasures, impacting local business. And ultimately reconsidering my future in Canberra as the rates for a single person in a tiny apartment is as much as a house in other locations.

With little movement in salaries, I believe there will be a real impact across the Territory in personal expenditure that will have an overall impact on the economy.

I strongly believe the new methodology for calculating rates is extremely unfair. It impacts the vulnerable significantly. I would love a house, as many would, but the only way to own my own home was to buy a unit, as it was more affordable for me. Now I feel that the Government is placing the least likely to afford rates increases in a frightening position, and as a small unit owner in a large complex, I'm now subsidising free-standing home owners for their municipal infrastructure. I don't even benefit from transport improvements, meaning I will continue to use my car daily costing me money and polluting the environment.

The benefit of high density living is to reduce costs not only for individuals but for Government, as it centralises services, such as waste removal, gas supply etc. And we are more responsible for our properties as maintenance, security and fire safety is taken care of by the Owner's Corporation and not the wider community and government services. We also keep the surrounding verges maintained by paying for gardeners to do this for us, unlike many home owners who create hazards and leave the city looking untidy.

I request that the Public Accounts Committee consider my comments above and please make a recommendation to the Legislative Assembly to reverse their decision to increase rates for apartment owners in the ACT due to the inequitable situation which has arisen because of the change.

Further consideration should be given to the wider effects of this increase and the possible flow-on effect to investment in the region.

Sincerely, Emma Jackman