

Regarding the issue of fairness for rates.

Hamilton city council has recently introduced a 'universal annual charge' which has been described as being fair because everyone uses a certain number of resources in the city. eg roads, lights,etc.

However, your paper discusses fairness and 'ability to pay' which is a common point in all forms of rates and taxes.

The UAC has the effect of transferring some of the rates burden from wealthy homes to poorer homes. This is clearly unfair and is the opposite of 'ability to pay'. Further, the UAC is going to rise at the same % as any rates increase, which will further burden poorer homes with a fixed charge that they are less likely to be able to pay.

(NB-when the rates increase was originally being discussed I heard two people note that it really only amounted to a weekend away on their boat. This was in stark contrast to the poorer people I know who were wondering whether it would affect their ability to put petrol in the car to get to work).

I hope that this can in some way affect the findings of the commission.
thank you for your time