

19 June, 2025

For immediate release

Shire raises concerns over long-term impact of public housing rate exemptions



The Shire of Broome is calling for greater State Government support and clearer policy direction around public housing and community housing rate exemptions, amid growing concern about the long-term financial impact on regional local governments and ratepayers.

The issue has recently been considered by Council following an application from a community housing provider engaged by the State seeking rate exemptions for multiple properties in Broome.

Under the current legislative framework, some public and community housing properties may be exempt from local government rates if deemed to be used exclusively for charitable purposes.

The Shire acknowledges the benefits that public housing delivers to the wider community and supports the provision of social and affordable housing to those in need. Historically, rates on public housing properties were paid by either the State Government or the community housing

provider, helping ensure the cost of local government services was shared fairly across the community.

The transfer of public housing management from the State Government to Community Housing Providers has increased the application of charitable-use rate exemptions, placing growing pressure on regional local governments and ratepayers.

Across parts of the Kimberley, public housing accounts for around 30 per cent of housing stock, compared to approximately three per cent in metropolitan Perth.

The Shire notes local governments remain responsible for maintaining roads, parks, drainage, libraries, waste services, recreation facilities and community infrastructure used by all residents, regardless of whether properties are rate exempt.

In 2025/26, Council considered a rate exemption request from a Community Housing Provider seeking exemptions on public housing properties owned by, or managed on behalf of, the State Government. Following a State Administrative Tribunal hearing and legal advice, Council approved the exemption, resulting in a \$240,496 reduction in rates revenue. This includes an ongoing annual impact of approximately \$125,000 - equivalent to around 0.4 per cent of the Shire's total rates revenue - which must be absorbed by the remaining rate base.

The concerns come as the Shire faces rising operational and infrastructure costs, placing increasing pressure on local government budgets and the delivery of community services and infrastructure.

Shire President Chris Mitchell said regional local governments were increasingly being asked to absorb the financial impacts of broader housing and social policy decisions.

"The Kimberley experiences very different housing and service delivery pressures compared to metropolitan areas," Cr Mitchell said.

"In the Shire of Broome, public housing accounts for around 16 per cent of housing stock, compared to approximately three per cent in metropolitan Perth.

"When a significant proportion of housing is exempt from rates, the financial responsibility for maintaining local infrastructure and services is ultimately shared across a smaller ratepayer base."

"Council acknowledges the disproportionately high concentration of public housing across the Kimberley and the growing burden this places on the Shire's rating base where rates are not payable on public housing properties.

"If all public housing properties in the Shire were to become exempt from rates, the potential reduction in rates revenue could be up to \$2.8 million annually, significantly impacting Council's ability to deliver services and infrastructure to the community."

The Shire has raised concerns with Housing and Works Minister Hon. John Carey MLA and Local Government Minister Hannah Beazley MLA, advocating for a more sustainable and equitable approach, including ensuring community housing providers leasing State-owned properties are adequately funded to contribute to local government rates.

Cr Mitchell said the Shire supported social and affordable housing outcomes, but long-term solutions were needed to ensure regional local governments remained financially sustainable.

“This is a complex issue and Council has worked to carefully balance community need, legal obligations and long-term financial sustainability,” he said.

“We support the provision of social and affordable housing, however the cost of delivering local government services should not be disproportionately shifted onto existing ratepayers.

“The Shire will continue advocating for collaborative solutions that support vulnerable residents while ensuring regional communities can continue delivering essential infrastructure and services.”

ENDS.

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