

Mr Carlo Tassone
Valuer General
Landgate
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Via email: carlo.tassone@landgate.wa.gov.au

Dear Mr Tassone

GROSS RENTAL VALUATION METHODOLOGY

I am writing to express concern regarding the Gross Rental Value (GRV) methodology applied in the Pilbara region. The Pilbara's high rental rates are impacting the proportion of rates that ratepayers are charged comparative to metropolitan areas, nearly doubling this value.

Several factors drive rental values to be 86% higher than those in Perth, and it is crucial that these are given due consideration to ensure fairness and equity in the rating system. The primary factors contributing to these elevated rental values are:

- **Mining Industry:** The Pilbara region is renowned for its vibrant mining industry which attracts a substantial workforce. This influx of workers significantly drives up the demand for rental properties leading to higher rental values.
- **Remote Location:** The Pilbara's remote location and the scarcity of rental housing options further exacerbate the situation. The limited supply of rental properties, coupled with the high demand, naturally results in elevated rental rates.
- **Infrastructure Development:** The ongoing resource sector infrastructure projects and developments in the Pilbara region necessitate housing for the workforce involved in these initiatives. This added demand contributes to the increasing rental values.
- **Economic Factors:** The resource sector provides rental subsidies for employees and contractors, enabling them to afford higher rents, which contributes to the upward movement of the market.

- Construction Costs: The cost of both building materials and limited tradespeople contribute to the lower supply of housing stock. The cost of a house/land package exceeds the established properties by 25% creating no incentive to build and further pressure on supply.

It is vital that the GRV methodology is re-evaluated in the context of these unique regional factors. The current approach results in disproportionate rates for Pilbara residents, and we seek a more balanced and equitable solution for our community.

I look forward to hearing from you regarding this issue.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Daniel Scott', written in a cursive style.

Daniel Scott
MAYOR

26 June 2025