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Western Australia's Rate Reforms Bolster Mining and Local Stability

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Western Australia's proposed amendments to the Local Government Act 1995 will exempt miscellaneous licence land from local government rates, safeguarding mining jobs and ensuring financial clarity for councils.

On August 2, 2025, the Western Australian (WA) State Government unveiled amendments to the Local Government Act 1995, set to be tabled in Parliament, clarifying that land held under miscellaneous licences is exempt from local government rates. The move reverses a Supreme Court of Western Australia ruling that permitted councils to impose rates on such land, which risked millions in additional costs for the mining sector. The reforms aim to protect approximately 150,000 jobs in WA's \$250 billion mining industry while ensuring

financial predictability for local governments. The government also committed to partnering with councils to enhance long-term financial sustainability.

The Supreme Court's decision had alarmed the mining sector, a cornerstone of WA's economy, prompting urgent calls from the Chamber of Minerals and Energy of Western Australia (CME) to restore the status quo. Local Government and Acting Mines and Petroleum Minister Hannah Beazley underscored the reforms' importance, stating, "These changes keep WA's economy strong and protect quality jobs." The amendments aim to shield smaller exploration firms from prohibitive rate hikes, fostering continued investment in mining, which accounts for 40% of the state's export revenue, according to the Department of Mines, Industry Regulation and Safety (DMIRS).

The WA Local Government Association (WALGA), representing 139 councils, endorsed the reforms for providing budget certainty, as rates constitute 40% of local government revenue. WALGA President Karen Chappel noted, "This clarity prevents disruptive revenue spikes that complicate financial planning." The government plans to explore alternative funding, such as state grants, to support rural shires reliant on rates, ensuring they can maintain services like roads and community facilities.

Critics, including Shadow Minister for Local Government Colin de Grussa, argue the reforms fail to address broader funding gaps for regional councils, potentially straining their ability to deliver services. The Opposition calls for comprehensive tax reform to complement the changes. With WA's \$8.2 billion surplus, the reforms align with economic priorities to maintain competitiveness. The Department of Local Government, Sport and Cultural Industries (DLGSC) will release consultation details, with the legislation expected to pass by December 2025, reinforcing WA's position as an economic powerhouse.