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Date of submission: Friday, July 31, 2015

Submission: The City of Sydney local government area is unique, which is recognised by it having its own Act, including special provisions for compulsory voting by non-residential (business) electors. It is Australia's economic engine room and only global city, contributing around 7% of national GDP and 25% of state GDP.

Unlike some other metropolitan Council areas, which could benefit from the scale and capacity that would come with amalgamations, the City of Sydney's unique circumstances warrant special consideration.

The City of Sydney could be better served by a Council with smaller boundaries that reflect the dominance of the Central Business District and immediate surrounds in both its rates base and significance as our iconic national and international commercial and visitor destination.

Such a Council area could arguably be bounded by the Harbour to the north; Wattle and Abercrombie streets to the west; Cleveland Street to the south; South Dowling and Boundary streets to the east, and along the existing border to the Harbour at Potts Point.

A smaller City of Sydney would have scale, servicing around 1.1 million business owners and occupiers, workers, students, tourists, visitors and residents daily.

It would have capacity, based on its existing and continuing strong rates revenue stream. Businesses are expected to contribute 76.5% of the City's total rates revenue of \$264 million in the 2015-2016 financial year. Rates paid by businesses in the CBD are expected to be \$137 million or 52% of total revenue, with other businesses contributing \$65 million.

The wealth provided by its business ratepayers has enabled the City of Sydney to build significant cash reserves, currently totalling \$625 million, underpinning planned infrastructure investment of \$1.95 billion over the next 10 years, and effectively subsidising its residents, who mostly live in suburbs closer to its southern and western boundaries. The City's strong financial position has also allowed it to remain debt free.

A more compact Council area could better serve its community by being sharply focused on the City of Sydney's role as Australia's global city, financial capital and gateway to the world. It would undoubtedly be more responsive to its core constituency in the business sector, and would be better placed to develop Sydney's Cultural Ribbon, a priority of the State Government's Plan for Growing Sydney.

A smaller City of Sydney would retain around 70,000 local residents, ensuring it remained activated and vibrant seven days a week.

It would also enjoy new revenue streams from Barangaroo, which is expected to host 24,000 workers and 33,000 visitors daily as well as at least 3,000 residents, and from the northern section of the Central to Eveleigh Corridor. In addition, its rates income would grow as improved government for the CBD and surround is likely to attract new business and residential ratepayers.

Another positive consequence of a smaller City of Sydney would be the redistribution of urban growth centres and residential ratepayers at the borders of the existing local government area into adjoining Councils which are currently struggling to achieve scale and capacity.