

Further to our previous submission from Radio Northern Beaches (RNB) as the owner of our own transmission tower we are against the removal of the community group rebate because:

non transparent: 'market based' undermines 'public good'

I find the draft recommendations as they bear on RNB lacking transparency and disingenuous not to say pernicious. using a market based approach they undermine the rationale underlying notions of both public goods in the case of crown land ownership and community value in the case of community radio.

paradox: rents to fall overall but..

Overall land revenues to state agencies appear set to fall under the draft recommendations. however, i cannot readily determine the impact these draft recommendations will have specifically on RNB. on the one hand it appears that the nominal market rent for the land may decrease being presumably in a high/medium rent category and the rebate will be removed. the net effect appears to be a likely huge increase in rent payable that our revenue base will not sustain.

disingenuous: rebates replaced by direct subsidies

The draft recommendation that these rebates be replaced by direct government subsidies has to be a joke. community radio is supported directly financially by the federal government. all agencies are subject to ongoing budget cutbacks as no doubt is the community radio program. substantially increasing federal subsidies to go into state government coffers is not going to happen. and what is the prospect if any that the state government will on the one hand collect more rent from community radio on the one hand only to pass it back by a direct subsidy? not much i would have thought.

cui bono: who benefits?

As for the net impact of the aggregate draft recommendations on state government I am confused. it appears that overall the rentals will decrease yet for currently rebated community organisations it will increase. who exactly will benefit from the overall lower rents and lower state land revenues? if not community organisations then private commercial interests. the logic from a public policy perspective eludes me. is this just muddled and blinkered ideological thinking by IPART?

opportunity cost? public is not private land

The IPART analysis provides estimate of a market based rental value of crown land on a per square metre basis benchmarked it seems against land rentals for privately owned land. this is a highly dubious approach since the purpose and

objectives of government holding public land in the name of the community is in no way commensurate or comparable to that for privately held land.

\$30,000 a square metre pa: where?

In any event, I understand we occupy only one square metre and even that area is shared by a commercial telecom operator. so how are we likely to be levied around \$30,000 pa? on my rough figuring residential land in affluent Sydney suburbs costs around \$2,000 a square metre; \$200 per square metre a year rental would be a good 10% return in my book.

'revenue foregone': undermines 'public good'

As a matter of fact as well, the whole premise of this 'opportunity cost' or revenue foregone on public assets both undermines the continued existence of publicly held land and is designed to promote the further commercial development. the 'revenue foregone' is not a legitimate construct in these circumstances to justify a recommendation to increase the rentals on public land. let alone for community use purposes. it is also just an undisguised grab for money at the expense of the 'public good'.

off-handed: 'ability to pay'

The 'ability to pay' criterion is off-handedly referred to by IPART but not addressed realistically other than to dismiss it by recommending replacement of rebates by new and substantial government subsidies to community radio such as RNB. the increasing reality pressing on the potential revenue base for community radio is the impact of social media digital technology.

digital platforms: tenuous sponsorships

Local small business sponsorship is the major source of revenue for ongoing operations of rnb that operates as 100% volunteers with total annual budget \$34,000. platforms such as facebook that provide highly targeted and cheap advertising channels undermine the value proposition of even modest business sponsorship of community radio serving a local community. increasing sponsorship revenue is increasingly tenuous except by appealing to sponsors sense of community.

conclusion: unconvincing, tendentious and disingenuous

As per my observations above on that draft recommendations, I find the IPART report unconvincingly argued or analysed on a number of levels. in particular its adoption of a market based, opportunity cost, approach to setting land rentals by equating public with private ownership and purpose is tendentious and pernicious of the public good. on the other in recommending direct subsidies to

replace current rebates for community not for profits like RNB is totally disingenuous and will not be adopted.

Regards,

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Radio Northern Beaches

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