

St George Amateur Radio Society Inc.

Contact: Greg Bain
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Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Attention: Tribunal Members

RE: Rental arrangement for communication towers on Crown lands - Draft Report - July 2019

We refer to your draft report, Rental arrangement for communication towers on Crown lands - Draft Report, issued July 2019.

First, thank you for allowing our representative Ken Rayner to attend the public hearing on Monday, 22 July 2019. We note that we weren't at the 'table' in the transcript and we were recorded as being in the 'audience'. As one of the user groups most negatively affected by the proposed changes by IPART, I trust our comments were given equal weight to those presented by users present at the 'table'.

As mentioned in our previous submission, The Mt Bindo Facility that we have on Crown Land is operated by St George Amateur Radio Society Inc (SGARS), a non-profit volunteer community organisation.

The Mt Bindo Facility is operated in accordance with the radio licence issued by ACMA which specifies that it must be operated at no-charge.

Accordingly, the facility is operated by a volunteer, non-profit organisation, solely operating within amateur radio frequency bands which are allocated by ACMA specifically for non-commercial purposes and under a licence issued by ACMA which expressly forbids usage charges or commercial use.

The site provides coverage for amateur radio users across the Sydney basin, Lithgow, the Megalong Valley and to regional areas from the Victorian border to Coffs Harbour and west of Orange.

The site is used for community communication purposes, including training of new operators in the disciplined and technical use of radiocommunications equipment. The site is also used in emergency situations, including bushfire and search and rescue, and has been accessed by organisations such as Search and Rescue,

Forests NSW, and the NSW Rural Fire Service in association with licenced amateur radio operators, as well as the specialist emergency broadcast arm of amateur radio known as the national Wireless Institute Civil Emergency Network (WICEN).

Points we raise for further consideration by IPART:

Section 3.1 - Decide on appropriate basis for setting rents:

There will be cases, such as ours, where the Crown receives a financial benefit (albeit small) just by having us there. If the costs were to increase significantly, the likely impact is that entities such as ours will be forced to vacate and this will directly result in a loss of revenue for the Crown. This would appear to fail the test discussed in Section 3.1 which states "Setting rents to reflect economically efficient prices, defined as prices that would leave both the buyer and the seller better off than if they didn't make the transaction" and "Setting rents to reflect the unimproved land value of the site".

Transitional arrangements:

Section 3.3 (page 24 of 95) states that IPART "establish any transitional arrangement if required" however we note that no transition arrangements have been proposed for 'Community Groups' which will be most negatively impacted by the recommendations contained within the draft report.

Draft Recommendations:

The recommendation for the removal of the rebate and to instigate some form of grant provides no certainty. The recommendation isn't tied to the change in charging mechanism. As a minimum, recommendations 18 and 19 should be removed and form a sub-recommendation (a) and (b) to recommendation 16 to be effectively bound to recommendation 16.

Failure to properly consider licence holders:

The draft report appears to consider all rents to be under lease agreements. Such lease agreements give the leasee a vested interest (by means of exclusive access) in the actual land as well as the ability to sub-let (and therefore generate a derivative income). In cases such as ours and those community groups likely to be similar to ours, our agreement with the Crown is in the form of a 'licence'. A licence gives us the right to (non-exclusively) occupy and no rights to sub-let. As the draft stands, in particular where we are the primary licensee, we are being asked to pay 'full freight' for the use of the land however any co-user permitted to use the land (by the Crown) would be required to only pay a 'minimum annual rent to occupy'. This would effectively allow the Crown to 'double-dip' on recovery of rent on the actual land occupied without providing any benefit to the primary licensee. This appears inequitable and not transparent. The discussion in section 7.3.1 (page 60 of 95) fundamentally fails to address 'licence agreements' which do not permit sub-letting by the (primary) licensee. The discussion in Section 10.3.3 (page 82 of 95) which states

"In some cases, these users may be able to defray these higher rents with income from co-users" which may be true under a lease agreement, is not the case under existing licence agreements.

Conclusion:

Amateur Radio provides significant community benefits during emergencies, in experimentation and is often the first point of contact to young prospective users of the radio frequency spectrum by the provision of disciplined training.

The Mt Bindo facility repeater system is vital to expanding the disciplined and technical reach of radio experimenters, operators and trainers.

SGARS are responsible for a significant quantum of costs and fees associated with the Mt Bindo Facility.

These costs have already stretched the ability of the Club to fund therefore any increase in cost is unlikely to be reasonably absorbed into the Club's limited finances.

SGARS is most concerned that an increase in Licence Fees to occupy the Mt Bindo Facility site could result in the loss of this facility from the Sydney-Country metropolitan linking network.

We sincerely request that the following be considered:

That the current rebate level for community groups such as ours is maintained.

Consider that 'community groups' are only required to pay the 'minimum annual rent to occupy' which distinguishes them from other users as specifically outlined in Section 10.3.3. Section 10.3.3 states "community groups do not generate income from their use of communication tower sites" and "This places these groups in a different position to commercial users of communication tower sites." This position is further supported by footnote 43 (page 36 of 95) which concluded that "community groups that do not generate income from their use of communications tower site would not be relevant comparators."

Should you require further information, please do not hesitate to contact me.

Yours Faithfully,



Greg Bain
Secretary – St George Amateur Radio Society Inc.