



UNIVERSITY
OF WOLLONGONG
AUSTRALIA

13 May 2016

Review of Local Government Rating System
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

To Whom It May Concern,

University of Wollongong Submission to the Review of Local Government Rating Systems

Currently Section 556 of the Local Government Act 1993 (LG Act) exempts Universities from all rates other than water and sewerage charges. As stated in the Issues Paper, *'Rate exemptions can have a positive or a negative impact on economic efficiency. For example, exemptions that result in larger spending on goods and services that produce large net social benefits may increase economic efficiency. This could include the exemptions provided to some education institutions and hospitals.'*

University of Wollongong (UOW) comprehensively meets the criteria of providing a large net social benefit and subsequent increase in economic efficiency through its economic and social contributions as detailed in the UOW Report ['Leading locally, Competing Globally'](#). UOW's total direct, indirect and induced economic contribution to Gross Domestic Product in 2011 was \$1.12 billion. The various activities related to UOW's operations help generate \$2 billion in gross output annually. UOW's economic footprint also includes almost 8,000 full time jobs and \$607 million in house hold income. In just the last 10 years, the proportion of the Illawarra community with a University degree has doubled.

UOW graduates also generate well over a billion dollars annually through earnings premiums and extra taxes; as well as direct student expenditure of \$364 million in the local economy. These benefits spread throughout NSW and Australia, but the major impacts are in the University's home city of Wollongong.

The University is confident in its ability to continue to provide substantial public benefits for the local community into the future. Therefore we support the continuance of the current exemptions for universities in any reformed framework for local government rating in NSW.

Yours sincerely,

Damien Israel
Chief Finance Officer

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