

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

PUBLIC WORKSHOP

REVIEW OF REVENUE FRAMEWORK FOR LOCAL GOVERNMENT AND
CERTAIN AGENCIES

Tribunal Members

Dr Michael Keating AC, Chairman
Mr James Cox
Ms Sibylle Krieger

Held at the offices of IPART,
Level 8, 1 Market Street, Sydney, NSW, 2000

On

Wednesday, 26 November 2008, at 1.45pm
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1 THE CHAIRMAN: We might make a start. I would like to
2 welcome you to this public workshop being conducted by the
3 Independent Pricing and Regulatory Tribunal for a review of
4 the revenue framework for local government.
5
6 I should begin by introducing ourselves for those of
7 you who don't know us. I am Michael Keating and I am the
8 Chairman of the tribunal. With me today are my fellow
9 members of the tribunal, Mr Jim Cox, on my right, who is
10 also the CEO of IPART, and Ms Sibylle Krieger on my left.
11
12 As no doubt many of you will recall, the former
13 Premier requested that IPART undertake the review of the
14 revenue framework for local government and in fact the
15 Premier gave the review three terms of reference and the
16 workshop today is addressing the third term of reference,
17 which requires IPART to investigate and make
18 recommendations on a framework for setting the charges
19 levied by certain public authorities such as the Sydney
20 Harbour Foreshore Authority, the Redfern Waterloo
21 Authority, the Sydney Olympic Park Authority and the
22 Growth Centres Commission to enable those authorities to
23 recover the costs for provision of services that are normally
24 provided by local government.
25
26 In fact, the issues relating to the Growth Centres
27 Commission are different to those of the other three
28 authorities, the Sydney Harbour Foreshore, Sydney Olympic
29 Park and Redfern Waterloo and so it is proposed that this
30 workshop will not address the issues related to the
31 Growth Centres Commission, we will just focus on the other
32 three authorities today.
33
34 The workshop is part of the tribunal's public
35 consultation process and in fact it concludes this phase of
36 our consultation and follows workshops held in Sydney and a
37 number of others, I believe six others, in regional centres
38 over the past seven weeks.
39
40 Following the release of the issues paper, which was
41 back in July, IPART has now received 64 submissions and
42 these have been placed on the IPART website and are
43 available for viewing on that website.
44
45 I would like to record IPART's appreciation of those
46 organisations who have taken the time to make a submission.
47 Indeed, six of those submissions did address the third term

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1 of reference which we are going to discuss today.
2
3 In considering the arrangement for the three
4 authorities, I will call them SHFA, SOPA and the RWA, we
5 think the key questions for IPART are: number 1, what are
6 the respective roles of the authorities and the councils?
7 How are those roles defined; and are they clearly defined?
8 Number 2: what costs the authorities and the councils need
9 to recover? What are the arrangements for financing the
10 authorities? Are these arrangements adequate to enable the
11 authorities and councils to recover the costs of providing
12 their respective services. Number 3: are there additional
13 costs arising from the authorities or the properties within
14 their areas that the councils need to recover? Number 4:
15 what regulatory arrangements need to be put in place to
16 enable the cost recovery to occur?
17
18 These issues will form the basis of the two issues for
19 our workshop today. The issues in relation to the
20 authorities have a particular interest to a small number of
21 stakeholders, certainly not the 152 councils, most of whom
22 are not affected by the authorities, but notwithstanding
23 the small number of stakeholders it is clearly important to
24 the people concerned who are participating in the workshop,
25 and I would like to thank you for your participation here
26 today.
27
28 I don't think I need to add this but IPART does
29 consider these workshops to be a very important part of our
30 investigation.
31
32 From the submissions we have received I get the
33 impression that there is probably some disagreement on some
34 of the issues. So as part of the workshop today I would
35 like to see how much common ground we can achieve on
36 these issues where the points of difference are, if there are
37 continuing points of difference.
38
39 I now need to say a few words about how the workshop
40 will be conducted. Prior to the workshop, we circulated a
41 paper to assist discussion, which I think you all got. You
42 also have an agenda which indicates each discussion topic
43 or session for the workshop. These sessions are intended
44 to focus on the major issues that were included in the
45 submissions and where IPART believes it would benefit from
46 hearing more from stakeholders.
47

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1 The sessions are in effect intended to provide IPART
2 with information that we expect will assist us in reaching
3 our deliberations.
4
5 We are aware that the Minister for Planning has
6 recently announced a number of changes that will impact on
7 the authorities and we would be particularly interested to
8 hear your views on how these changes will impact on the
9 authorities and their interactions with the councils.
10
11 At the outset of each session today Michael Seery, who
12 is on my extreme right, from our secretariat will make a
13 brief presentation to introduce each item and he will pose
14 a series of questions and each panel member will then be
15 invited to express his or her views on the issues raised.
16
17 After each introductory presentation I will ask the
18 participants around the table to respond to the questions
19 raised and at the conclusion of each session I will make a
20 short period of time available for anybody else to express
21 their views and opinions on those issues.
22
23 As you will have probably noted already, IPART is
24 getting a transcript made of today's proceedings and this
25 transcript will be available from IPART's website within
26 the next week. For the benefit of the transcribers I ask
27 that you use the microphones and speak clearly.
28
29 Finally, I should point out that while IPART is to
30 provide a draft report to the Minister for Local Government
31 by May of next year, for very good reasons we have not yet
32 determined our position on the issues to be raised at
33 today's hearing. Indeed, that is why we are holding the
34 hearing, so we are better informed, and the consequence of
35 that is that we will not give our views on any particular
36 issues.
37
38 I now commence by inviting each participant at the
39 table to introduce themselves for the record by stating
40 their name and the organisation that they represent.
41
42 MR DOMM: Robert Domm, and I am the chief executive
43 officer of the Redfern Waterloo Authority and also CEO of
44 the Sydney Harbour Foreshore Authority.
45
46 MR TZORTZIS: Arthur Tzortzis Sydney Harbour Foreshore
47 Authority, I am the financial controller.

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1
2 MR WHITWORTH: Brett Whitworth, from the Department of
3 Planning, director of regional coordination but also
4 involved with the current review and implementation of the
5 levies planning reforms.
6
7 MR BURGESS: John Burgess, general manager, Auburn
8 Council.
9
10 MS BARONE: Monica Barone, CEO, City of Sydney.
11
12 MR McBRIDE: Shaun McBride, manager, finance
13 infrastructure and planning, Local Government Shires
14 Associations.
15
16 MS FORSYTHE: Patricia Forsythe, executive director,
17 Sydney Chamber of Commerce.
18
19 SESSION 1: ROLES OF AUTHORITIES AND COUNCILS
20 AND HOW THEY ARE FUNDED
21
22 MR SEERY: The presentations today are intended to
23 highlight the key issues in relation to the authorities
24 that IPART will seek to resolve during this review.
25
26 The issues being discussed reflect comments in the
27 submissions from councils, the Department of Planning and
28 the authorities. The discussion paper that we circulated
29 prior to the workshop attempted to summarise these
30 positions and I thank those organisations that gave us some
31 feedback on the drafts that were circulated initially.
32
33 I sent out revised copies to everybody yesterday.
34 They still may not be perfect, so if you have any comments
35 you would like to make about what we have said in those
36 papers, either pass them back to us via email or refer to
37 them in passing today.
38
39 During the presentations today I won't restate the
40 positions that have been put forward in the submissions or
41 try to summarise the discussion paper but in relation to
42 the third term of reference, the key issues raised in the
43 submissions relate to the role and functions of the
44 authorities and councils and whether a regulatory framework
45 could enable the agencies to share general rates revenue
46 with the councils, allowing the agencies to recover costs
47 of local government services that they may provide.

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1
2 The two sessions today address the two key issues,
3 what are the respective roles of the authorities and
4 councils and how are they funded, this is the first
5 session. And the second session will deal with the
6 regulatory framework.
7
8 The IPART issues paper identified a range of common
9 revenue and service activities across the authorities.
10 These activities were then repeated in table 1 of our
11 discussion paper. IPART would like to get a clear
12 understanding of the respective roles of the authorities
13 and councils in these areas and the current arrangements
14 for the payment of rates and any financial transfers
15 between the authorities and councils.
16
17 As the Chairman mentioned, the submissions suggested
18 that there are differing views on the roles and
19 responsibilities and arrangements for funding the
20 authorities.
21
22 The discussion points for this particular session:
23 Are what are the respective roles of the authorities and
24 councils? What services do the authorities and councils
25 provide? Do the councils' services differ to those
26 provided to other areas? What costs do the authorities and
27 councils incur in providing services? How are these
28 funded? What are the implications of the minister's recent
29 changes for authorities on their functions and role and
30 their interaction with councils? What are the implications
31 of the establishment of a new body for Barangaroo?
32
33 THE CHAIRMAN: I would like to start with the authorities
34 and then go to the councils, so I will start with Sydney
35 Harbour Foreshore.
36
37 MR DOMM: Addressing those discussion points?
38
39 THE CHAIRMAN: Yes. We don't want to constrain what
40 you want to say, but they are the issues we would like
41 addressed.
42
43 MR DOMM: With your leave, I might cross over and speak
44 for RWA in parts because the Redfern Waterloo Authority was
45 modelled on the Sydney Harbour Foreshore Authority, or its
46 legislation was, and the key aspects of what it does are
47 very similar.

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1
2 THE CHAIRMAN: As long as you make it clear, particularly
3 where there are points of difference.
4
5 MR DOMM: I will make it clear. In the sense of
6 development and planning, up until recently both SHFA and
7 RWA had a role to exercise planning functions in terms of
8 planning assessment and master planning. With the mini
9 budget, the role of planning assessment has transferred
10 from SHFA, or will transfer at the end of this month, to
11 the Department of Planning.
12
13 It is proposed that minor development applications
14 will be delegated to the City of Sydney. As a result of
15 the mini-budget, there has been a divergence from SHFA and
16 the RWA in respect of planning assessment. SHFA, of
17 course, will continue to retain a master planning role, for
18 want of a better term, and the Redfern Waterloo Authority
19 will continue to maintain that as well as its planning
20 assessment functions.
21
22 The RWA only determines development applications with
23 a capital development cost of less than \$5m; whereas the
24 Sydney Harbour Foreshore Authority used to determine
25 matters of a greater amount. I hope I have made that clear
26 enough.
27
28 THE CHAIRMAN: Thank you.
29
30 MR DOMM: Both organisations do have a role in trying to
31 facilitate growth in the development through value adding
32 properties. The Redfern Waterloo Authority owns only one
33 property, which is the Australian Technology Park. Under
34 the mini-budget, this has been slated to be sold, although
35 on a 99-year lease. Over the course of the next couple of
36 years, the only property that the RWA has will be put to
37 market and a 99-year lease offered.
38
39 To the extent that the submission we made earlier
40 dealt with some issues relating to the ATP, that will no
41 longer be relevant moving forwards for the Redfern Waterloo
42 Authority.
43
44 I might explain that the RWA is a statutory authority
45 and the ATP is a company. It is 100 per cent owned and
46 controlled by the Redfern Waterloo Authority. As well as
47 being the CEO of the RWA, I am also a managing director of

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1 ATP. They are quite distinct organisations, both legally
2 and operationally, but there is a significant overlap in
3 that the ATP is a major asset for the RWA in driving the
4 urban renewal project and getting investment into jobs and
5 urban renewal. That will be disposed of in a couple of
6 years, but that will lead to a development of that site
7 which we are working on at the moment. In a sense, that
8 sale is the natural progression of finalising the
9 development of the park. Under the RWA stewardship over
10 the last three and half years, we have seen the park more
11 than double in terms of the development of floor space.
12
13 The Sydney Harbour Foreshore Authority, of course,
14 owns a lot of properties, commercial assets, but the bulk
15 of those assets in Darling Harbour are slated to be sold by
16 way of 99-year leases under the mini-budget. It remains to
17 be seen what happens to other assets that the Sydney
18 Harbour Foreshore Authority owns. Some assets it will
19 retain. The Sydney Entertainment Centre and the Sydney
20 Convention and Exhibition Centre will be retained by the
21 Sydney Harbour Foreshore Authority. Of course, it will
22 continue to have the place-management role in looking after
23 the public domain, parks and so on, that it currently has.
24
25 Because the RWA doesn't own assets other than the ATP,
26 it does not have such a major public domain role. As I
27 have indicated, its present role will disappear in a couple
28 of years time. The RWA is concept planning and putting to
29 market surplus lands within the Redfern Waterloo area. In
30 that sense it plays a role similar to the role that the
31 Sydney Harbour Foreshore Authority used to play in the past
32 before it reached the peak of its development role with the
33 surplus land assets.
34
35 What SHFA tends to do these days is add value to
36 existing assets or enter into arrangements with the private
37 sector, as in Darling Wharf in Darling Harbour, in the
38 developments of sites rather than take a surplus site
39 itself and try to develop it itself. So in the planning
40 and the development and land ownership sense, they are the
41 major roles and they are some of the differences.
42
43 The Redfern Waterloo Authority also has a very active
44 role in employment and training schemes leveraging off the
45 developments which it is facilitating. It has also played
46 a major role in trying to facilitate reform of the delivery
47 of human services. Certainly in my time, I don't believe

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1 that the Sydney Harbour Foreshore Authority has undertaken
2 that role. It doesn't have the same social focus as the
3 RWA simply because the Redfern Waterloo Authority was sent
4 into an area to address all of those issues, not just the
5 planning and development side.
6
7 That is just a broad overview. Of course, the Sydney
8 Harbour Foreshore Authority, similar to the City of Sydney,
9 puts on events. It has a very active marketing and events
10 capability, and it works very closely with the City of
11 Sydney on a lot of these things. It interacts with a lot
12 of major events like New Year's Eve.
13
14 The Sydney Harbour Foreshore Authority has many
15 characteristics which are similar to a council; whereas I
16 don't think the Redfern Waterloo Authority has all that
17 many characteristics that are similar to a council. Some
18 councils, as is the case with the City of Sydney, have an
19 active social role in terms of trying to facilitate
20 employment and human services, so there is an overlap
21 there.
22
23 One thing I might say with respect to the roundtable
24 notes is that the Redfern Waterloo Authority's role is not
25 limited to surplus government-owned land. Under its
26 legislation, its role is defined by its operational area,
27 which is a much bigger area. It is just that we have
28 nominated certain sites that the government has deemed to
29 be "State significant". On those sites, the council is no
30 longer the consent authority; the Minister For Planning is.
31 The Redfern Waterloo Authority works up proposals, master
32 planning proposals, to see that those sites get developed.
33 So, it is only the planning function and the development
34 function which is limited on those sites. All the other
35 things it does are across the whole operational area.
36
37 MR TZORTZIS: The only point I would like to add is that as
38 an authority, there are two areas in terms of public domain
39 and in terms of property management. The funding we get
40 from our property management is used to fund the public
41 domain services. There is only a minor surplus which gets
42 transferred to treasury as a dividend. Essentially we are
43 currently self-funded; however, that is under review and it
44 most likely will not be in existence for much longer.
45
46 The costs that the authorities incur for the public
47 domain are quite significant. We have quite a vast and

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1 diverse set of assets and infrastructure. We have the
2 Pyrmont Bridge, which I think is the largest heritage
3 bridge in Australia. There are other types of public
4 domain which are quite unique. They involve quite a bit of
5 expenditure. Although they are typical local government
6 type services, they require extra maintenance and a higher
7 degree of level of service, particularly, given that the
8 two main precincts we look after - The Rocks and Darling
9 Harbour - are two key tourists precincts. Given their high
10 profile, the public expects a high degree of security and a
11 high degree of cleaning - so those are increased costs that
12 we incur. That's about it.

13
14 MR DOMM: Mr Tzortzis has indicated that SHFA's funding
15 derives from the revenues it generates from its assets.
16 The Redfern Waterloo Authority receives funding from the
17 treasury under the recurrent fund, in the current financial
18 year to the tune of \$5m, and the Australian Technology Park
19 funds its own operation. It is a company that makes a
20 profit. It funds all of its operations including its
21 development role. So all the costs with building the
22 infrastructure and facilitating development, it funds
23 itself. It is currently making a net operating profit of
24 about \$6m a year. It makes enough money to fund those
25 things and it also make a reasonable profit to reinvest in
26 the future development of the park.

27
28 As to the final point where you talk about the
29 implications for establishing a new body for Barangaroo, it
30 is probably more a matter for this tribunal, I suspect. At
31 the moment, you have SOPA, SHFA and RWA. You might
32 like to add BDA, because effectively that will be a new
33 authority which will impose and collect the levies that SHFA
34 would have collected on that site. It will be responsible for
35 the delivery of public domain services and roads and
36 whatever until such time as things can be handed back to
37 the council. Everything you said about SHFA in respect of
38 Barangaroo will apply to the BDA. That will be a new
39 authority that will once again have relevance to this
40 tribunal.

41
42 What are the implications of the recent changes? With
43 the sale of APT, the removal of planning and assessment
44 functions from SHFA and the handing over of responsibility
45 for Barangaroo to the new authority, that authority will
46 therefore incur all the costs, provide the services and
47 impose and collect the levies from development on that

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1 site.

2
3 THE CHAIRMAN: I had the impression that we were asked to
4 look at this term of reference on the basis that there was
5 some overlap of services between what authorities did and
6 what councils did, and that councils receive rates but
7 authorities don't get rate revenue. That implicitly raises
8 at least the question as to whether, in an area that has
9 been receiving what I'll call urban services of a
10 council-type nature, that can or should be, in effect,
11 cross-subsidised. That's what I interpret this term of
12 reference as being about. That presumes that, in fact,
13 there is a significant overlap of services. I guess it
14 also presumes that that would continue if there were such
15 an overlap rather than a clean-lines division. I just
16 wonder if you can respond on that. Maybe the underlying
17 presumption is wrong.

18
19 MR DOMM: It is absolutely right. It is more of an issue
20 for the Sydney Harbour Foreshore Authority than it is for
21 the Redfern Waterloo Authority.

22
23 THE CHAIRMAN: I thought that might be the case

24
25 MR DOMM: There are significant overlaps. Just as a city
26 council derives its revenues from rates and property income
27 and other forms of income, so does the Sydney Harbour
28 Foreshore Authority derive its income from assets and
29 development contributions, but it doesn't have a rates
30 capacity. It does own roads. If does own public spaces,
31 which is exactly the same for a council, but its only
32 capacity to manage those spaces and roads and maintain them
33 is the income that it derives from its commercial assets;
34 whereas a council has a rates base which gives it a fairly
35 certain form of return.

36
37 With the changes that have been announced in the
38 mini-budget with the sale of commercial assets by the
39 Sydney Harbour Foreshore Authority, and therefore the loss
40 of that revenue, the problem, I guess in a sense, becomes
41 more acute. We won't have anywhere near the same amount
42 of revenue from commercial assets and we still won't have any
43 rates revenue, but we still have the obligation to manage
44 the places and maintain the public domain and roads and so
45 on. In that sense, the problem has been made worse by the
46 recent change.

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1 THE CHAIRMAN: How significant will the problem be in
2 advance? As of a week or two ago, I have the sense from
3 what you have said that you were covering the costs from
4 your commercial --
5
6 MR DOMM: In about two years time with the announced
7 disposal of the Darling Harbour assets, our revenues will
8 diminish by about \$24m a year.
9
10 THE CHAIRMAN: We got our terms of reference before
11 there
12 was any knowledge, by us at least, that the government was
13 going to make the changes announced in the mini-budget. If
14 we had held this hearing two weeks ago and not this week,
15 would there have been pressure for access to government
16 revenue two weeks ago?
17
18 MR DOMM: It is probably better described as an equity
19 issue rather than pressure. If we are expected or required
20 to perform certain functions that a council would normally
21 do, and they derive rate revenue to fund that, but we don't
22 have that revenue, then that is an issue. If the council
23 in fact derives the rates revenue from some of these areas,
24 but doesn't provide some of the services, then there is the
25 issue of equity, firstly.
26
27 Secondly, the issue of pressure, as I have indicated,
28 will exacerbate over time as our revenue base diminishes.
29
30 THE CHAIRMAN: One final question from me: your long-
31 term tenants, if that is the phrase, the people who in fact
32 supply your commercial revenue who are on long term
33 leases - some of them are on short term leases - do they
34 pay rates?
35
36 MR TZORTZIS: They do, in effect, but that has been
37 incorporated within the rental revenue that we receive. If
38 they pay rent, we reduce the rental component. There are
39 some tenants, depending on their type of lease for whom we
40 pay directly to the council as opposed to the tenant paying
41 directly with the rent adjusted accordingly.
42
43 THE CHAIRMAN: So you, in effect, collect through the
44 lease payment the equivalent of a rate which you then pass
45 to the council?
46
47 MR TZORTZIS: That's correct.

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1 THE CHAIRMAN: Thank you.
2
3 MR COX: I might follow up something Mr Tzortzis said along
4 the lines that you will be self-funding this year but not
5 subsequently. Just give me an idea of what your sources of
6 revenue are, how much they amount to and what additional
7 sources of revenue you may have in the future other than
8 perhaps rates. I am unclear about what the actual position
9 is.
10
11 MR TZORTZIS: The asset disposals would have
12 approximately
13 a \$24m-\$25m impact on our revenue sources. Our pure public
14 domain expenditure can be in the range of \$12m per year.
15 Obviously in terms of that \$25m and what part of that was
16 used for servicing the public domain, that \$12m figure can
17 vary depending on the year. That is a pure operating
18 expenditure. There is also capital expenditure that can
19 occur in the precinct with regard to various upgrades.
20 That can vary vastly from year to year. In some years it
21 can be very minor; in other years it can be bigger and it
22 can be up to \$20m.
23
24 MR COX: On the face of it, you have \$24m of revenue and
25 \$12m operating expenditure, plus a varying amount of capex?
26
27 MR DOMM: The total revenue is \$69m and the \$24m figure is
28 what we will lose as a result of the first tranche of asset
29 disposal.
30
31 MR COX: Perhaps you could give us a summary of income
32 and expenditure so we can have some understanding of what
33 the impact might be.
34
35 MR DOMM: It is about a third.
36
37 THE CHAIRMAN: I'd like to hear from SOPA. Perhaps you
38 could introduce yourself, for the record.
39
40 MR HUBBLE: Nick Hubble from the Sydney Olympic Park
41 Authority, general manager, Commercial & Corporate.
42
43 THE CHAIRMAN: We would like you to talk to these
44 questions.
45
46 MR HUBBLE: The Sydney Olympic Park Authority was
47 established under the Sydney Olympic Park Authority Act of
2001. The Act sets out the objectives of the authority,

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1 and they are quite clear. Part of that is maintaining the
2 significant investment that the government made in the
3 Sydney Olympic Park. There is about \$2bn worth of assets
4 so the core function of SOPA is to maintain those assets.

5
6 Another key function is to develop the park, increase
7 visitation. Our Act actually talks about the areas in
8 which the authority will focus in terms of the economic
9 development of the park. That includes, obviously, the
10 sporting area, the education industry, and cultural
11 services and, I guess, maintaining the precinct as the
12 premier major events precinct in New South Wales.

13
14 Under the Act and the detailed plan of management, the
15 authority manages 430 hectares of parklands, and they are
16 expensive parklands. There are a number of legislative
17 requirements, such as looking after that famous frog in the
18 precinct, and there are some other flora and fauna that are
19 quite unique within the park.

20
21 We also are responsible for public transport and the
22 traffic management within the Sydney Olympic Park area and
23 also maintaining arrangements with the Olympic bodies such
24 as the AOC and the IOC.

25
26 In terms of our function, obviously maintenance plays
27 a big part of what we do. Table 3 of the report details
28 what those services are - areas that you would call
29 traditional local government services such as road
30 maintenance, footpath maintenance, street cleaning, public
31 facilities management and cleaning and street lighting.

32
33 Because of the nature of the park, one of the major
34 areas and activities is security. We have quite an
35 extensive security regime which is needed especially for
36 major events. It goes from a range of services that we
37 have operating throughout the park and there is also
38 significant CCTV coverage within the precinct. Those are
39 the traditional services that I think many local government
40 organisations perform.

41
42 Then there is our management responsibility. We have
43 major venues such as the ANZ stadium and the Acer arena,
44 and the government-owned sports venues, such as the
45 athletics centre, the aquatic centre, the hockey centre,
46 and there are many more. In a snapshot, those are our
47 objectives and the functions we actually perform.

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1
2 From a financial overview, we are funded by the New
3 South Wales government. We are funded for about \$36m and
4 we generate about \$34m ourselves. The money we generate
5 comes from the areas of car parking and leases and
6 licences. We have been on an ongoing regime of reduction
7 of funding from the treasury for some time and it plans to
8 continue that.

9
10 One of the interesting aspects in the context of this
11 discussion is that, at the moment, the authority or the
12 park doesn't not have residents within its boundaries.
13 That is something that will change substantially. We will
14 have our first residential development happening in the
15 park next year. We have recently released a master plan -
16 Master Plan 2030. That looks at increasing the development
17 of the park from the existing 250,000 square metres of
18 gross floor area to about 1.2 million. That is quite a
19 substantial increase in the development yield within the
20 park's boundary.

21
22 With that development, there will be 20,000 workers
23 and 12,000 to 15,000 residents. The park is undergoing
24 substantial change, and particularly the inflow of
25 residents into the park is quite a significant matter for
26 the authority.

27
28 At the moment in terms of local government rates or
29 revenue regime, Auburn Council, which is the local
30 authority, collects rates from all the tenants except for
31 the properties that we own and don't lease out.

32
33 As to the services we provide, we think there are a
34 number of things that we do which would typically be local
35 government services. The caveat that we have always put
36 over this is that Sydney Olympic Park is a regional
37 facility. A lot of the services that we perform would be
38 above the baseline services that councils would normally
39 perform. There is no suggestion by the authority that
40 Auburn Council should pay for those additional services.
41 Local authorities are not geared up to fund regional
42 facilities. We are certainly not suggesting that, but we
43 think there is a potential for partial recovery of the
44 rates that are collected within the authority's boundaries
45 that we could reasonably seek to recover.

46
47 THE CHAIRMAN: As the residents come on board, and I take

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1 it they will pay rates --
2
3 MR HUBBLE: Yes.
4
5 THE CHAIRMAN: -- will they be directly collected by
6 Auburn City Council or will they be collected by you to be
7 passed on to the council?
8
9 MR HUBBLE: They will be directly collected by the Auburn
10 Council.
11
12 THE CHAIRMAN: So they get to get a significant increase
13 in their rates base?
14
15 MR HUBBLE: Yes.
16
17 THE CHAIRMAN: This partial sharing of costs, how do you
18 envisage that?
19
20 MR HUBBLE: It is not a simple issue and we think it would
21 require some independent assessment. Potentially there
22 could be an agreement in place before an independent
23 assessment. Ultimately, there needs to be some sort of
24 mechanism where someone can independently stand back and
25 say, "This is a fair thing." That is the regime that we
26 put in our submission. There would be an amendment to the
27 Local Government Act that would allow a recovery of a
28 proportion of rates revenue by authorities such as
29 ourselves. That amount would be determined by an
30 independent expert.
31
32 THE CHAIRMAN: As it presently stands, you have no
33 residents.
34
35 MR HUBBLE: That's right.
36
37 THE CHAIRMAN: And it is a regional facility.
38
39 MR HUBBLE: We do have commercial tenants, though, who
40 pay rates.
41
42 THE CHAIRMAN: But in terms of residents, there are no
43 residents now.
44
45 MR HUBBLE: That's right.
46
47 THE CHAIRMAN: It is a regional facility.

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1
2 MR HUBBLE: Yes.
3
4 THE CHAIRMAN: A rent sharing arrangement would suggest
5 that ratepayers --
6
7 MR HUBBLE: A rates sharing arrangement?
8
9 THE CHAIRMAN: A rates sharing arrangement would
10 suggest that Auburn ratepayers get a somewhat higher benefit
11 than anybody else in the city.
12
13 MR HUBBLE: I think it is a pretty reasonable argument
14 that there is benefit to the ratepayers of Auburn. What we
15 are actually seeking here is a percentage of the rates
16 collected within our area.
17
18 THE CHAIRMAN: I appreciate that, but I am just trying to
19 understand why you think your residents get a somewhat
20 higher benefit than people anywhere else in the city.
21
22 MR HUBBLE: They're closer, so they're more inclined to
23 use the facilities. However that is not the argument; the
24 argument is that we are performing the service and the
25 Auburn Council is collecting from everyone basically.
26
27 THE CHAIRMAN: I'm still not clear why you think that
28 being closer there is a higher benefit. You can get there
29 pretty quickly by train.
30
31 MR HUBBLE: As I said, that is not our argument. If the
32 proposition is do the residents of places like Auburn and
33 Canada Bay use the facilities at the Sydney Olympic Park
34 more often than others in the rest of Sydney, I would say
35 they do.
36
37 THE CHAIRMAN: And you have evidence of that?
38
39 MR HUBBLE: Yes.
40
41 THE CHAIRMAN: That Auburn residents use it
42 proportionately more than other residents?
43
44 MR HUBBLE: Yes. Remember we have extensive parkland
45 and there are cyclepaths that lead directly into the suburbs of
46 Auburn Council. I don't think that Auburn Council would
47 debate that their residents use the park in a higher

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1 proportion than other local council residents.
2
3 THE CHAIRMAN: If you accept the argument in principle,
4 there is still the question that we could be putting in
5 place significant machinery to pursue a fairly small sum of
6 money.
7
8 MR HUBBLE: That may be the case but presently we don't
9 know.
10
11 THE CHAIRMAN: I thought you may have a view.
12
13 MR HUBBLE: We believe that we would spend in the order
14 of
15 about \$3.2m on particular services that you can reasonably
16 attribute back to council that would be the typical things
17 of a local council, things that you could potentially
18 separate from us, being major events and a regional
19 facility.
20
21 MR COX: If I may, I just wanted to ask you to talk about
22 an independent person deciding what should be collected
23 from residents and paid to the particular authority. Can
24 you describe the sort of criteria you think should be taken
25 into account in this process, what is relevant here?
26
27 MR HUBBLE: I could not give you a detailed analysis of
28 that but I think the sorts of things that you would be
29 looking at would be, and I will use a specific example of
30 the authority, where we have a private road where we have
31 commercial tenants who pay rates to the local authority,
32 that road needs to be maintained, footpaths need to be
33 maintained and I don't think those facilities are in any
34 way in connection to regional facilities, they are places
35 of employment and those sorts of services could be
36 reasonably recovered.
37
38 MR COX: The idea is the independent expert will work out
39 what you spend on local government type functions and then
40 you recover that expenditure?
41
42 MR HUBBLE: Yes.
43
44 MR COX: That is the position?
45
46 MR HUBBLE: Yes.
47
48 MS KRIEGER: A point of clarification: the residential

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1 developments that you are talking about, will they involve
2 the sale of properties to the residents or will those
3 residents be tenants of SOPA with the same private road
4 maintenance facilities that you are talking about with the
5 commercial tenants?
6
7 MR HUBBLE: Like freehold owners.
8
9 MS KRIEGER: So will you be supplying any services into
10 that area after that development is for sale?
11
12 MR HUBBLE: Into that development, no.
13
14 MS KRIEGER: What I mean is, will you be providing the
15 services that you currently provide, maintenance, footpath
16 maintenance, any of those other local government type
17 services after the sale or will they then form part of
18 Auburn Council?
19
20 MR HUBBLE: We will continue to perform the services
21 outside of the development, like maintaining the footpaths
22 and the roads and street lighting and that sort of thing.
23 We will continue to do that.
24
25 THE CHAIRMAN: I thought we might ask the councils,
26 Sydney
27 and Auburn, to comment.
28
29 MS BARONE: I think it is interesting to listen to some of
30 the comments and I would just like to focus on one to
31 begin. I am less than familiar with SOPA, much more
32 familiar with Redfern Waterloo and SHFA, but all three have
33 said that these are the sorts of things that councils
34 normally do and it really begs the question, why don't we
35 let the councils do it.
36
37 We already have 152 councils in New South Wales and
38 that is hard enough. What you are proposing here is
39 actually kind of setting up three, and if we set up
40 Barangaroo maybe four, other little councils, so let's just
41 focus on what is a council and what is an authority.
42
43 A council is a democratically elected body, it is a
44 tier of government and it has a responsibility to do the
45 things that are in the Local Government Act to do and it
46 receives the rates in order to deliver those services.
47
48 One difference, a particular difference, is that it

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1 has a different kind of accountability to the community.
2 It has to put its budget together. That has to be publicly
3 exhibited. People can comment on it. And all of the money
4 that it makes goes back to the council - back to the people
5 who pay those rates. We have already heard, and I know
6 that it is changing for SHFA, but that in previous years,
7 and probably again this year, SHFA returns its profit to
8 the state government. The money has not gone back to the
9 people who live in that area. They have been able to
10 return some surplus to the government.

11
12 MR DOMM: All the profit is reinvested, \$3m a year
13 dividends, in the state.

14
15 MS BARONE: Nevertheless, the accountability is to the
16 state government, not necessarily to the people in that
17 area, and there are not the same kinds of interaction with
18 the residents and the community that the local government
19 needs to give.

20
21 When I think of the authorities, my view of them is,
22 and my understanding is, that they are set up for
23 particular reasons. They are set up largely to manage, I
24 think SHFA is a little different here, but the ones we deal
25 with, are to manage properties and develop properties owned
26 by the government, or to manage property that is already
27 developed and be property owners and be managers of that
28 property. So they have a particular role to play,
29 especially when they are developing properties, but that
30 role should end when that has occurred.

31
32 If, in the case of SHFA, they no longer will have
33 Barangaroo and a number of their assets are sold, why have
34 them at all? Why can't the role of looking after the
35 streets and looking after the cleansing and all of those
36 things, be returned to local government? That is what
37 local government's role is. That is what we are there to
38 do.

39
40 Let me make another point. There are other property
41 owners within the City of Sydney who just don't happen to
42 be the Government ones, don't have an authority. The
43 Carlton United Brewery site will have about 300,000 square
44 metres of property on it. Barangaroo is about the same
45 size. Are Frasers, the property owners in Singapore, going
46 to be able to take a portion of the rates like this
47 authority will be able to do? No, they won't. They will

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1 develop the property just like these other property
2 developers, the authorities are doing, and some of those
3 assets will be returned to the council, just like happens
4 with these authorities, some will be managed because if
5 Frasers continue to own a certain amount of commercial
6 property in the CBD site what they will do, because they
7 are property managers of large sites, they will always have
8 a role in promoting those commercial properties or
9 promoting the activities, looking after the amenities.

10
11 This happens on lots of sites within the city already
12 but they are not getting the advantage - or are we going to
13 give them also the advantage of taking a portion of the
14 rates in order to do the things that they need to do? By
15 doing this their goes your level playing field. The point
16 of that is, whether it is government or private developers,
17 they ought be able to operate at a similar level.

18
19 Then I want to talk about this question of overlap
20 because what has come out is the things that the
21 authorities do that might be called things that councils
22 do. That is fine. But it is as though those people in
23 those areas only are in those areas. It is as though they
24 just live within the boundaries of those areas and don't
25 use any of the services, other services, provided within
26 the area. It is like saying, do more residents use the
27 park, but are you telling me no one in the park wanders
28 into Auburn to shop or do something or walk on the footpath
29 there? Of course they do. So we have a whole lot of
30 things that we do in those areas that do overlap that we
31 are paying for.

32
33 Will you be building libraries and child care centres?
34 Do your safe city teams - my safe city teams go into these
35 areas and supports the things that happen there. We
36 provide all the community services. People can wander out
37 of there and use the library or other services. There is
38 about \$4.5m worth of services within or in very close
39 proximity to those authorities that are used by those
40 areas.

41
42 So I guess I just really want to go back to first
43 principles here. You already have local government to do
44 this. If you set up authorities, you set them up for a
45 reason, they are set up for a reason and they should have a
46 lifetime to achieve the things, a particular length of life
47 to achieve that, but don't confuse that with what your

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1 local government is there to do. And don't create more
2 local government.

3
4 THE CHAIRMAN: I have to say that our terms of reference
5 don't extend to whether we should have 152 plus three or
6 four quasi local government authorities. I don't think it
7 extends to that. We have to operate on the basis that
8 these authorities, or some of them, have a continuing
9 status. In the case of RWA, as I understand Mr Domm's
10 remarks, there may be a question that the lifetime is
11 finite.

12
13 MR DOMM: Absolutely.

14
15 THE CHAIRMAN: Which comes to your point about that. If
16 I can take SOPA, for example, I could imagine in a sense it
17 is not just a state concern but a national concern, and the
18 government, or governments, might want to see it managed
19 other than by Auburn City Council forever, with no
20 disrespect to Auburn City Council.

21
22 MR BURGESS: If you read our 2030 vision, we don't agree.

23
24 THE CHAIRMAN: Perhaps I had better read it. I could
25 imagine nevertheless that governments might well say that
26 they want to manage that prestigious site as a state and
27 national facility.

28
29 MR HUBBLE: On that point, yes, the major events capacity
30 of the park is quite a unique thing, it is something that
31 the state government would want to retain. And the
32 affected parklands, it is a bit rich asking the ratepayers
33 of Auburn to fund our 400 hectares of parklands, but there
34 might be certain sections of the park that could be
35 maintained by local government.

36
37 THE CHAIRMAN: I just want to register that we don't have
38 the licence of saying how those authorities' positions
39 should be determined. Something you said was that the
40 residents, future tenants, indeed present tenants of the
41 Sydney Harbour Foreshore Authority or Olympic Park do use
42 facilities elsewhere and it is only right that they pay for
43 those facilities. However, the proposition put forward, as
44 I understood it was, that it would only be a share of what
45 I will call their rates that would flow back to the
46 authority, that any money that flowed back would only be a
47 proportion. Indeed, I raised the question whether it would

1 be a very significant proportion. I do not think the
2 proposition was that all the rates paid by those people, or
3 effectively paid by those people, would be retained by the
4 authority.

5
6 We might move to Auburn now.

7
8 MR BURGESS: Thank you. I do share a lot of Monica's
9 comments in that they are realistic, although they are
10 outside of the brief of IPART. I believe that a decision
11 by IPART cannot be taken ignoring the issues raised in that
12 regard.

13
14 Can I raise a more fundamental question and that is
15 that SOPA was recently set up to undertake a certain
16 function with a certain purpose and within a certain
17 boundary. Within that boundary and outside of that
18 boundary they act as an ordinary developer, they prepare
19 the land, they sell the land and they then cease to provide
20 local government services. Apart from maintaining their
21 own roads, their own infrastructure, their own landscaping,
22 to a standard that welcomes people to the park, beyond
23 that, to get into the park, how do you get there? You have
24 to go through you Auburn, you have to go through state
25 roads, you have to go through wherever it might be to
26 access the park. There is no accounting for what that
27 costs the community of Auburn. We have certainly done
28 some rough sums but they are rougher than rough.

29
30 I can tell you that we are the local authority, we
31 stand ready as the local authority in our future planning
32 to deliver all the local authority services in the Sydney
33 Olympic Park. We already do that. When they hold V8 races
34 there next year, who will get the complaints? Auburn
35 council and John Burgess. Why will my phone ring off the
36 hook? Because they will not answer theirs. The residents
37 see us as the local authority.

38
39 We have a very good working relationship with that
40 authority. We share a lot of things together. We do a lot
41 of promotional issues together. But the park is a state
42 asset, it is not a local or a regional asset. It is used
43 by a lot of people from all over Sydney. People come there
44 by the car loads. They ride their bikes to enjoy the
45 parklands. There is no argument about that. It is, in my
46 mind, an asset that the state has created that the state
47 should maintain. There should be no flick passing of that

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1 responsibility.

2
3 In terms of the local developer, using the same argument
4 that Sydney Olympic Park is suggesting, should I go to
5 the immediate neighbour next door, Macquarie Goodman,
6 who are going to provide similar developments on a similar
7 scale, and say to them that if they maintain some of their
8 roads or some of their buildings to a higher standard to
9 attract a better occupant, we will give them some of the
10 rates back? I don't think so.

11
12 The fundamental issue for IPART to resolve in its mind
13 is what is the key roles of the authorities and the
14 councils. The key role for Sydney Olympic Park is to
15 manage and maintain and develop those assets and the assets
16 within the park. From that point on they are a developer.
17 The council's role is to provide those local services, to
18 provide those to the same level to every resident, no
19 matter where they are.

20
21 Auburn is significantly disadvantaged in this current
22 context in terms of its population, in terms of its
23 financials, in terms of the legacy that we have been left
24 as a result of the construction of the Sydney Olympic Park
25 and the promises made by successive governments. If they
26 give me a cheque for \$20m, I will walk away and not
27 complain. But we have been the poor cousin in the whole
28 process.

29
30 I don't believe it is appropriate that the authorities
31 now, in a cash squeeze coming from the states, should be
32 putting their hands out to the councils saying, we want
33 part of your rates because we acted as developer and we
34 sold that land.

35
36 In terms of the park itself, where there are common
37 overlaps, I agree with Mr Hubble's comment that there are
38 areas where we can come to some common arrangements and
39 that makes a whole lot of sense. The CEO and I have
40 already discussed some of those processes. It makes
41 practical sense. But it does not make practical sense if
42 we have to provide libraries, child care centres and all of
43 the other local facilities and services, social services,
44 and back up a range of security services with the services
45 that already exist within Auburn. I don't see why we
46 should subsidise the Government.

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1 THE CHAIRMAN: Can I just clarify a couple of points.
2 When you talk about coming to an arrangement with Sydney
3 Olympic Park, that is a arrangement in terms of who does
4 what, not who pays, is that a fair --

5
6 MR BURGESS: It could be a combination of both. Let's
7 take a very simple example, which might be mowing, where
8 mowing starts and it stops at the boundary of the Sydney
9 Olympic Park under their contract, we go to the boundary, a
10 different contractor. That does not make a lot of
11 commonsense in my book. It also does not make a lot of
12 sense if there are some road infrastructure assets that are
13 used by both authorities, that we don't look at some cost
14 sharing regimes and do some practical work. That is where
15 I think the advantages are.

16
17 THE CHAIRMAN: So you can work out practically how you
18 share the work but you don't want to share the rate
19 revenue? If you had a contract, you would each pay your
20 respective share of the contract?

21
22 MR BURGESS: Yes.

23
24 THE CHAIRMAN: I just wanted to be clear on that. The
25 other point I wanted to clarify is you have pointed to the
26 additional costs to Auburn of visitors that are now
27 attracted to Sydney Olympic Park from outside Auburn. Is
28 it the implicit assumption that the cost of those visitors
29 to Auburn is roughly equivalent to the cost savings to
30 Auburn of whatever Sydney Olympic Park does in terms of its
31 tenants and road provision?

32
33 MR BURGESS: I don't think it is fair to make that
34 assumption. That needs to be tested. As an example, for a
35 major event, people park within Auburn. They cause all
36 sorts of traffic problems, they cause all sorts of policing
37 problems and they leave all sorts of litter. Again, we are
38 the people who receive the calls after a major event,
39 particularly if it is a Bulldogs game and everyone uses
40 laneways and alleys to get wherever they are going. So if
41 Nick says it is \$3.2m they are spending, I challenge that.
42 Again, if I said it was costing us \$3.2m, I would expect
43 him to challenge that. I don't think it is quid pro quo.

44
45 THE CHAIRMAN: You don't think off the top of your head it
46 is the same, that we need to test it?

47

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1 MR BURGESS: You need to test that.

2
3 THE CHAIRMAN: We may need to.

4
5 MR COX: Mr Hubble said that the park authority provides
6 things like footpaths, roads and street lighting within the
7 relevant area. I just wanted to confirm that that is your
8 understanding as well?

9
10 MR BURGESS: It provides the same streetlights in the
11 Sydney Olympic Park Act proclaimed area as Auburn Council
12 does for the rest of its residents within Auburn.

13
14 THE CHAIRMAN: We might get the remaining people at the
15 table to comment.

16
17 MS FORSYTHE: Thank you for the invitation to participate
18 in this IPART inquiry. If I can just say by way of
19 introduction, the Sydney Chamber of Commerce represents
20 approximately 150 members drawn from major corporations
21 across the Sydney basin but principally in the CBD and
22 surrounding areas but includes amongst its members a
23 number of New South Wales government departments,
24 government corporations and government authorities, and
25 certainly we include amongst those SHFA, SOPA, the
26 Parklands Foundation and groups associated with them. In
27 fact, we benefit from the advice that they are able to give to
28 members and information they are able to share about
29 activities and directions.

30
31 We also work quite closely with the Sydney City
32 Council and its planning directions, its 2030 plan, and we
33 have been an adviser to and part of a number of discussions
34 with the NSW Department of Planning about its metropolitan
35 strategy. They are all issues of great interest to Sydney
36 Chamber of Commerce members.

37
38 Our mission statement is around Sydney's
39 competitiveness as a global city and we have taken that as
40 a strong area in terms of our public policy advocacy in
41 recent years. As part of that, we embarked on some
42 projects 12 to 18 months ago as one of our key policy
43 planks to look at Sydney's governance and last year we
44 commissioned a paper by Professor Ed Blakely, professor of
45 urban planning at Sydney University, a benchmark study
46 comparing Sydney with global cities around the world, and
47 it basically concluded that Sydney was over governed by the

1 standards of other global cities.

2
3 Most recently we have released a paper which was
4 prepared by KPMG on Sydney's governance and particularly it
5 looked across the 41 councils that largely make up the
6 Sydney basin. It looked at efficiencies and drew the
7 conclusion that a more efficient structure would be larger
8 councils. Sitting behind it was the view of some of our
9 members that there is a lack of clarity often between some
10 government departments and the role of authorities, that
11 externally if we are driving investment into Sydney from
12 overseas that there is a myriad of authorities and layers
13 of planning and that it makes for a difficult environment
14 in which to attract businesses to locate here and that a
15 number of our key infrastructure groups, I will use Sydney
16 Airport as an example, has three separate local government
17 authorities that border it, so they are the sort of issues
18 that have been driving our agenda.

19
20 We certainly haven't framed it in the context of your
21 particular questions but we are pleased that you have
22 invited us to participate today.

23
24 I guess the only comments I would like to make,
25 because I don't wish to be critical of our authorities, but
26 you would draw the conclusion from the reports that we have
27 released in the last 18 months that the direction that the
28 chamber would be advocating would in general be fewer
29 councils across a greater area, and so when we hear the
30 notion of the Sydney Olympic Park Authority being described
31 in terms of a regional facility, we certainly agree with
32 that, and that there may well be many ways of looking at
33 its place within the regional community but one might be
34 that you would see not as its local authority a
35 neighbouring Auburn Council but a much broader council of
36 which it would be a key element.

37
38 That is a conclusion that emerged through the KPMG
39 report about the figure of 10 possible regions across
40 Sydney.

41
42 Beyond that, for us it is about developing simplicity.
43 We certainly believe in an important strategic role for
44 local councils. That is one of the key areas that we have
45 regional planning in now, one of the key features of
46 Sydney's metropolitan strategy, but has a lack of
47 ownership, and that is because of the local authorities.

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1 So either you might shift the long-term planning
2 relationship or you might actually shift the local
3 government framework.

4
5 In addition, I have to say that we are strong
6 advocates for the development of the Barangaroo area. We
7 were surprised by the announcement of the creation of a
8 separate Barangaroo Authority given the long history of the
9 SHFA as a place manager and a developer of the area. We
10 will seek to draw those conclusions or make submissions
11 about that to the Government at the appropriate time. We
12 have not yet had consultations with the Minister as to what
13 the goals might be.

14
15 THE CHAIRMAN: Thank you. You will appreciate that it is
16 beyond our terms of reference to reduce the number of
17 councils.

18
19 MS FORSYTHE: Yes.

20
21 THE CHAIRMAN: But thank you for that. Mr McBride?

22
23 MR McBRIDE: Thank you. We would firstly just endorse the
24 comments of Sydney City and Auburn councils. They are the
25 views we reflected in our original submission. We fully
26 endorse the views that were presented and I do agree that
27 the views expressed need to be taken into account, even if
28 they are technically outside the terms of reference.

29
30 One of the points we have made in our submission - I
31 think we appear to be circling around again - is that rates
32 are a form of taxation and not a fee-for-service. It is
33 like a land tax, the taxpayer is not entitled to a specific
34 service in relation to that tax paid, it goes to councils
35 to be generally spent on priorities, unlike user fees and
36 charges like domestic waste charges and trade waste charges
37 which are fees for services. That needs to be carefully
38 considered when looking at the question of rates. There is
39 a tendency to see them as a specific fee-for-service and
40 that is not the case.

41
42 Yes, we would question whether we need some of these
43 authorities, particularly after their assets are going to
44 be divested in the next couple of years, and what the
45 relevance of those authorities are after that fact. At
46 that stage it would be appropriate that those facilities or
47 those areas move back under council control.

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1
2 Similarly, once an area becomes residential, from a
3 local government perspective we find it odd and
4 inappropriate that the residents in those areas don't have
5 any global democratic representation. They don't have an
6 elected council. In fact, they are governed by a
7 corporation which is not accountable to the citizens in
8 that areas, so I think it is problematic once some of these
9 areas become residential. It is a slightly different
10 situation when they are primarily commercial.

11
12 We also look at these sites or these arrangements as
13 monopoly arrangements, with the organisations managing
14 sites as a single entity with commercial objectives, so
15 while there is public domain aspects, the public domain
16 aspects are really enhancing the commercial potential and
17 commercial attractiveness of those sites, so it is not a
18 separate public domain function.

19
20 I think in our submission we drew the parallel with
21 sites like Darling Harbour with that of say a Westfield
22 shopping mall. A Westfield shopping mall has large areas
23 of what legally could be considered public domain, inside
24 between the shops, it has lighting, public seating, public
25 entertainment at times and things like that, all part of
26 public domain functions and that Westfield wouldn't expect
27 council to pay for the lighting or emptying the bins or
28 cleaning the toilets or whatever within that mall concept.
29 Some of these sites could be viewed as malls without walls,
30 that type of thing, so we don't really see a big difference
31 there. It is like facilities provided by a body corporate
32 in a large development, they are part and parcel of that
33 development.

34
35 Another aspect would be that the development
36 authorities have the opportunity to cover their expenses or
37 their outlays for what might be considered public domain
38 with rents. Council does not have that option of accessing
39 those rents to provide those services but the authorities
40 have rents to offset their costs.

41
42 There would be a potential for the authorities to actually
43 be double-dipping from the tenants, or later on freehold
44 landowners, by including the costs in their rents but then
45 also deriving a share of council rates at the same time.
46 We would be concerned about that as well. Basically, we
47 oppose in principle and for practical reasons any move

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1 towards allocating a share of council rates to these
2 authorities for those purposes.
3
4 THE CHAIRMAN: Last but not least, Mr Whitworth?
5
6 MR WHITWORTH: Thank you, Mr Chair, we are probably the
7 least in this circumstance, I suppose, in that the
8 department's role particularly in this phase of the inquiry
9 is to assist the tribunal to understand any of the
10 development levy implications. We have no particular issue
11 about the rate processes and the services. I think those
12 are matters between the councils and the respective
13 authorities.
14
15 As I said, our role here today is to help the inquiry
16 to understand the development levy implications and any
17 other of the broader issues about planning for Sydney and
18 the region.
19
20 THE CHAIRMAN: They may not have arisen as yet. I
21 wonder, however, if you could just say a few words about the
22 arrangements for Barangaroo, particularly in the context of
23 discussion we have had.
24
25 MR WHITWORTH: I would have to take those questions on
26 notice. I don't know that they are necessarily questions
27 for the department; they are more questions for the SHFA in
28 terms of the transfer. There was obviously the
29 announcement from the minister a couple of weeks ago, but I
30 don't know of any detailed arrangements. That is not part
31 of the functional area of the department that I am involved
32 in.
33
34 THE CHAIRMAN: But would it be fair to say that the new
35 authority will do what the old authority was doing
36 basically?
37
38 MR WHITWORTH: Once again I'd have to take that on
39 notice and refer you back to what is in the minister's press
40 release.
41
42 THE CHAIRMAN: We will pursue that. Having gone around
43 the table, is there anybody else who would like to make a
44 comment or ask a question? Do any of the organisations'
45 representatives want to ask a question? As there are no
46 questions, Michael, we might go to the second session.
47

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1 SESSION 2: OPTIONS FOR A REGULATORY FRAMEWORK
2
3 MR SEERY: In the second session, we will probably
4 address in detail some of the comments made earlier by
5 Mr Hubble regarding the attribution of some of the rates
6 from the council to the authority. Basically, these are
7 the options for the revenue framework. An important aspect
8 of the proposed framework for revenue would be that it
9 should enable the efficient and effective provision of
10 local government services. The developed framework would
11 also need to consider cost recovery issues where the
12 authorities provide local government-type services.
13
14 In our discussion paper, we listed three options.
15 This is not an exhaustive list and they are not necessarily
16 the only options available, but they were meant as a
17 starting point for discussion. The first option is
18 arrangements which would enable both councils and the
19 authorities to collect rates revenue for services provided.
20
21 The second option is arrangements that enable the
22 authorities to claim compensation or a proportion of a
23 council's general rate base for the local government
24 services provided. The third option is a memorandum of
25 understanding between the councils and corresponding
26 authorities that documents service responsibilities and
27 funding agreements.
28
29 The discussion points for this session are: would a
30 common regulatory framework facilitate consistency in the
31 levying of charges by authorities that provide services
32 akin to those provided by local government, and which of
33 the options or any alternatives would be feasible for the
34 authorities and councils?
35
36 THE CHAIRMAN: I have a sense that the councils might
37 have a fourth option, which is the status quo.
38
39 MS BARONE: Yes.
40
41 THE CHAIRMAN: Perhaps I should let the councils speak
42 for themselves.
43
44 MR BURGESS: From my perspective I would reject the
45 discussion points and suggestions outright. To me to
46 provide another level of authority or to provide anyone
47 else the same opportunity to levy charges to businesses and

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1 to individuals is ludicrous. It is not local government to
2 get rid of locals.

3
4 THE CHAIRMAN: Do you have a similar view?

5
6 MS BARONE: Absolutely.

7
8 THE CHAIRMAN: And Mr McBride also?

9
10 MR McBRIDE: Yes, I agree.

11
12 MR BURGESS: Unless you can persuade someone to give us
13 a full share of GST, then we can get rid of all rates.

14
15 THE CHAIRMAN: Let us hear from the authorities. We
16 might start with RWA.

17
18 MR DOMM: As far as the RWA is concerned a common
19 regulatory framework is not really relevant in the sense
20 that we have a couple of contribution plans which are
21 location specific to the Redfern Waterloo area. They would
22 not be relevant to anywhere else. They apply to
23 developments that are being generated mainly on surplus
24 government sites and other lands.

25
26 In the SHFA area, we agree with the Sydney Olympic
27 Park Authority that what is needed is a simple mechanism,
28 whereby an independent person would determine the amount
29 of services the authorities provide in an area where a council
30 collects rates to provide those services. Therefore you
31 could have an independent, impartial and objective
32 assessment of what is an equitable arrangement.

33
34 I would like to make the point that we tend to get caught
35 up too much in state government and local government
36 and democratically elected councils, as if the state
37 government was somehow not democratically elected. We
38 should focus on is the local community and that rates or
39 revenues derived by the Sydney Olympic Park Authority, or
40 whatever, should be applied to providing services and
41 facilities for the local community.

42
43 If we have to expend money on services that ordinarily
44 would be performed by local government, but for whatever
45 reason they are not, whether it be by way of government
46 decision or reluctance on the part of the councils or
47 whatever, then that is less money that can be provided for

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1 other things.

2
3 The ratepayers should get a look in in this
4 discussion. They are the ones who pay the money and they
5 expect to see a just and equitable outcome for the rates
6 that they pay. Our position is a very simple one; if there
7 is an overlap, for whatever reason, it is not up to people
8 to say there necessarily should not be one if those are not
9 the terms of reference. If the government has decided, for
10 example, that the Sydney Olympic Park Authority or SHFA
11 has a role it can play, if the democratically elected
12 government has decided that and created legislation to that
13 effect and therefore there is an overlap of functions, and
14 the council collects rates to perform those functions but
15 doesn't form those functions, then I think it is only fair
16 to the ratepayers that the party providing the services is
17 able to provide a portion of those funds to the ratepayers,
18 for the ratepayers' benefit, in whatever way it is
19 considered appropriate.

20
21 That is my simple view. You don't need to complicate
22 this at all. It is a straightforward issue to me where
23 there is an overlap, for the reasons I have indicated,
24 where the council is collecting rates but not providing the
25 services.

26
27 I should make the point too that it is not always a
28 simple thing for statutory authorities to hand over roads
29 and other facilities once they are completed because quite
30 often councils won't accept them for whatever reasons they
31 deem as being relevant at the time. The history between
32 the City of Sydney and the Sydney Harbour Foreshore
33 Authority attests to that fact. We have been trying for
34 years to hand over roads and whatever and the council won't
35 take them. It's a bit trite to say, "We should have it
36 all" when often some things are not accepted.

37
38 The point is that there are a whole bunch of reasons
39 why there is an overlap. I think it is a very
40 straightforward issue. If you're collecting the rates,
41 you're collecting them from the community for a return to
42 the community in a proper pay. The party that has the
43 responsibility for providing those services or facilities
44 should have an equitable return or a proportion of those
45 rates that are collected.

46
47 MS BARONE: Shouldn't there be a process that determines

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1 the efficiencies of having such overlaps? Surely when you
2 have overlaps, you have a problem, haven't you? You have
3 public areas where things are happening and there might be
4 more efficient ways of doing it. Before you just accept
5 the overlap, shouldn't you interrogate what that overlap is
6 and ask whether that is the best and most efficient way to
7 run something? It might not be part of your terms of
8 reference, but I think it is something we should have an
9 answer to.

10
11 THE CHAIRMAN: Let us suppose, just hypothetically, that a
12 lawn-mower is owned by the relevant council and it mowed
13 everywhere, I think Mr Domm would then say, however, that
14 there would still be a question of how those costs were
15 shared.

16
17 MS BARONE: I understand and I think Mr Domm is quite
18 right in saying if these things came about in a particular
19 way, it is no fault of SHFA and it is no fault of the City
20 of Sydney. Nevertheless, it should be questioned. When
21 the City of Sydney has the kind of planning capacity it
22 has, why are there two other authorities to plan? Why are
23 there three lots of staff doing what one lot of staff can
24 do? If we are concerned about the community and the
25 ratepayers, we should be concerned about the efficiency of
26 the way we deliver things.

27
28 THE CHAIRMAN: I think your point is registered. I would
29 like to pursue a different line of questions with Mr Domm.
30 There are two points. If we are going to pursue your
31 proposal, I think we need better information on your
32 assessment of the amounts involved. I want to make that
33 point, and that applies equally to SOPA.

34
35 MR DOMM: We can do that.

36
37 THE CHAIRMAN: The second point is that you pointed to
38 the possibility of people in your area or SOPA's area, for that
39 matter, getting a surplus sum from the authority, but then
40 having to pay twice in a sense on your terms because they
41 pay rates to a council that doesn't provide the service and
42 then reflected in their rents to you, they pay for those
43 services.

44
45 MR DOMM: The rents are market based; they are not based
46 on the services we provide on the public domain. To use
47 the example that was given before, in Darling Harbour, from

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1 memory, we spent \$8.9m - close to \$9m - a year on assets
2 and facilities maintenance. In addition to that we spend
3 \$5m a year on marketing events to try to increase
4 participation and to increase business. That is \$14m we
5 spend just to make the precinct look good and to make it
6 work from a commercial perspective.

7
8 That is far more than Frank Lowy would spend in one of
9 the Westfield malls, I suggest. So it goes way beyond that
10 analogy. It is an obligation which the state accepts to
11 promote those precincts for the good of the state. For
12 example, the Sydney Convention and Exhibition Centre,
13 which we own, plays a really important role in bringing
14 people to Sydney and getting them to spend money in
15 Sydney. The economic benefits far outweigh the financial
16 benefits that accrue to us. Therefore there is a significant state
17 economic benefit in what we do. We spend significant
18 amounts of money, but we don't collect any portion of those
19 rates that are paid to the council for a lot of the things
20 that we do.

21
22 That is my point; there seems to be something wrong in
23 that system. It is not just a question of eradicating the
24 overlaps. As I said before, there are real reasons for
25 overlaps. The government, in the case of Redfern Waterloo,
26 for example, made a strategic decision. The parliament of
27 New South Wales made a strategic decision that what was
28 necessary to drive a program of urban renewal in a severely
29 disadvantaged part of Sydney was the creation of a special
30 purpose authority.

31
32 I think that was absolutely the right decision and the
33 results speak for themselves. In two and a half years
34 time, that authority will wind up, having done its job -
35 get in, do the job, and get out - then the council will be
36 back where it was before. I think that is critically
37 important. If the council had to sit around doing an LEP
38 for those sites, it would still be trying to finalise it;
39 whereas not only have we completed new planning controls,
40 but we have development happening on that site.

41
42 THE CHAIRMAN: I don't think Sydney City Council would
43 disagree with you in the case of Redfern.

44
45 MR DOMM: LEPs are a slow process.

46
47 THE CHAIRMAN: The issue I want to pursue is the point

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1 raised by Mr Burgess, and that is, at least in the case of
2 Auburn City Council, that there are significant costs in
3 the council of the creation of the Sydney Olympic Park
4 Authority that they would not have otherwise had.

5
6 If we are going to, if you like, track down the costs
7 to an authority that provides various facilities, is it not
8 fair that we should also track down the costs to the
9 council of the additional costs from out-of-area visitors
10 to the facility?

11
12 MR DOMM: Absolutely, I don't have a difficulty with that.

13
14 THE CHAIRMAN: That's what I wanted to find out.

15
16 MR HUBBLE: The only point I would raise is where do you
17 draw the line? In the situation of the Sydney Olympic
18 Park, yes, we had Auburn Council on one side but we had
19 Canada Bay and Strathfield also on the perimeter of the
20 park. Arguably all the westbound traffic coming to the
21 park is coming through Canada Bay and Strathfield, so where
22 do you draw the line?

23
24 The fundamental issue here is that the Auburn Council
25 collects the rates - that's the fundamental issue here -
26 whereas Canada Bay doesn't and Strathfield doesn't. That's
27 where I think there is an equity issue that needs to be
28 addressed.

29
30 THE CHAIRMAN: If they find out over there at Strathfield
31 that we are inquiring about Auburn City Council, we might
32 find out from Strathfield also.

33
34 MR BURGESS: With respect to Sydney Olympic Park and the
35 other authorities, Mr Domm hit the nail on the head, they
36 are there for a significant reason. If Sydney Olympic Park
37 acts as a developer, like any other developer in the
38 marketplace, and they sell land and they get a profit from
39 the sale of that land, that is the nature of the game. The
40 council then collects the rates and pays and provides the
41 services. Why, because they have the name "authority",
42 does that give them entitlement to anything that any other
43 developer in the same market place doesn't have except
44 statutory protection? We are prepared to sit here and
45 treat these authorities differently - I'm stunned.

46
47 MR HUBBLE: That is on the basis that we are developers.

1 As I mentioned in opening, we are a lot more than that. We
2 play a significant community role. We have facilities
3 which Auburn primary school uses. They use one of the best
4 swimming centres in the world. When they have their
5 athletics carnival, they run on one of the best athletics
6 tracks in the world. There is a lot that the authority
7 contributes to the council, from a community perspective,
8 so we are not a developer.

9
10 We have a very finite development program as an
11 authority. That will happen. When that development is
12 finished, Auburn Council will collect the rates, but we
13 will still continue to maintain the roads under the
14 existing regime.

15
16 Despite all this we have a very good relationship with
17 Auburn Council, so presumably we can come to some
18 understanding over time.

19
20 The discussion point here is what is the framework and
21 do you need a common regulatory framework? I guess my
22 answer to that would be yes you do. You need a regulatory
23 framework because if you were to leave it up to
24 organisations to come to some arrangement, I don't know
25 that we would get there.

26
27 THE CHAIRMAN: As I intimated earlier, our views might be
28 influenced by how big a nut it is we are trying to crack.
29 We would want information that substantiates what you think
30 the costs are. We might also ask Auburn City Council what
31 they think the additional costs to them are under the
32 present arrangement.

33
34 MR COX: I wanted to ask Mr Hubble about a point that I
35 think was made by Shaun McBride. The point was that you
36 should not think of rates as being a fee for a service but
37 as a form of general taxation levied on behalf of the
38 people, so to speak, from local government; so it is a
39 different category of funding. I would be interested in
40 your response to that.

41
42 MR HUBBLE: Fee for service in the context of local
43 government has a very different context to the general
44 rates and what is applicable out there in the general
45 market. In the whole notion of a rates regime, council
46 with its management plan says, "This is everything that we
47 are going to do. This is what we need. This is the

1 revenue that we need to perform those services."
2
3 I think it is semantics. I don't believe there is any
4 distinction between general rates and fee for service.
5 What we are talking about here is that we perform local
6 government services. We are looking for a reimbursement or
7 a compensation for what we provide on behalf of that local
8 authority, namely, services for which they are collecting
9 the general rates.

10
11 MR COX: At the end of the day, the point is you want
12 compensation. Is that what you are saying?

13
14 MR HUBBLE: Call it what you want, but there seems to a
15 disconnection where services are performed by authorities
16 such as ourselves and SHFA, but all the revenue is
17 collected by the local authority.

18
19 Just as a further point, Shaun discussed this issue of
20 elected representatives, and that is quite an important
21 point. In the case of the Sydney Olympic Park Authority,
22 our residents will have elected representatives from the
23 Auburn Council.

24
25 MR COX: Thank you.

26
27 THE CHAIRMAN: Can I pursue my colleague's question a
28 little bit further. What we have heard in the course of
29 this inquiry, and not necessarily today, is that, over
30 time, the range of functions of local government have
31 expanded well beyond what one might call the very
32 traditional ones of roads and waste removal. In that
33 context, I think I can see where Mr McBride is coming from.
34 He is saying local government has a broad range of
35 functions and you are filling in a couple of relatively
36 narrow ones.

37
38 MR HUBBLE: Narrow points?

39
40 THE CHAIRMAN: They may be expensive from your point
41 of view, but they are nothing like the totality of functions
42 of local government today.

43
44 MR HUBBLE: I guess you need to look at that in the
45 context of the services we have said we provide and what
46 the council provides. We will be responsible for the
47 provision of child care centres, community facilities.

1 That is in our contributions plan under our master plan.
2 We also cover a very broad spectrum of services.

3
4 It would be interesting to do a gap analysis between
5 what the council provides and we provide. I don't think
6 there is a point --

7
8 THE CHAIRMAN: So this table 3 then understates what you
9 are doing?

10
11 MR HUBBLE: Are you working on the amended copy?

12
13 THE CHAIRMAN: I am looking at the column headed "Local
14 government types of services provided by SOPA".

15
16 MR HUBBLE: I am sorry; I asked the question whether you
17 are working on the amended copy?

18
19 THE CHAIRMAN: Yes, I am.

20
21 MR HUBBLE: Because we did ask for some changes.

22
23 THE CHAIRMAN: I think I am.

24
25 MR SEERY: Yes.

26
27 THE CHAIRMAN: It refers infrastructure construction,
28 waste management, security, parks, utilities, natural and
29 cultural heritage. I don't see child care.

30
31 MR HUBBLE: But the second column is talking about the
32 services provided by SOPA.

33
34 THE CHAIRMAN: That is the one - "Local government types
35 of services".

36
37 MR HUBBLE: it refers to:

38
39 Infrastructure construction and maintenance
40 of:

41 -roads
42 -footpaths
43 -public domain
44 -parks --

45
46 THE CHAIRMAN: But there is no child care.

47

1 THE CHAIRMAN: No.
2
3 MR BURGESS: Nor should there be, because there isn't any.
4
5 MR HUBBLE: But there will be; it is in our plan.
6
7 MR BURGESS: You can't claim what you don't own.
8
9 MS KRIEGER: There has been discussion around the table
10 asking for a simple mechanism to govern this. If it is
11 capable of a simple mechanism, why haven't there been any
12 agreements between the authorities and the councils? Do
13 you have an example of an agreement that has been reached
14 and that seems to be working for at least part of what is
15 in issue here?
16
17 MR HUBBLE: We don't have any existing arrangements.
18 Why hasn't that happened? We have certainly spoken about
19 it. One of the issues that council has raised, and I quite
20 appreciate this, is that if the Sydney Olympic Park
21 Authority was to take a percentage of rates revenue, that
22 would affect their business planning. There obviously
23 needs to be a stage where that occurs. There are some
24 serious issues that would need to be addressed.
25
26 I don't think this thing can happen overnight. There
27 needs to be some consideration of the fact that council has
28 a long-term financial plan, like anybody else, and it would
29 need some time to adjust to the changes that would be made
30 to its revenue base. At the end of the day, you're not
31 going to get people putting their hands up voluntarily
32 without some significant pushing to forgo revenue.
33
34 MR BURGESS: Could I respond to that from the council's
35 perspective? There is a signed agreement, probably about
36 three or four years old, that talks about some common
37 issues and common interests. It doesn't address itself to
38 funding. Mr Hubble is right in terms of there having been
39 discussions, yes. I am pragmatic enough to accept that if
40 the government starts to bark at me, a time might come
41 where I am better off to go to the line under my own terms
42 than somebody else's. I guess that has been the basis of
43 formative discussions.
44
45 It is also fair to recognise that within the Sydney
46 Olympic Park operations they squirreled away about \$3.7m a
47 year in a thing called estate levies, which are in fact

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1 raised on property owners within the park, the businesses,
2 to contribute to the standard of care that they want to
3 display the park in. They are already cost shifting within
4 the park to those businesses. If they are now suggesting
5 that on top of the \$3.7m, they need another \$3.2m, which is
6 \$6.9m - almost \$7m - then I would require a fair amount of
7 quantification of the sort of money we are talking about.
8 I accept what the chair is suggesting; that exercise might
9 be worth doing.
10

11 In terms of the overall structure of Sydney Olympic
12 Park, I think they would be the first to acknowledge they
13 have no capacity to deliver on social issues at all. It
14 would be unwise for them to try to do so. In fact we have
15 had discussions about it and we did include in our social
16 plan the Sydney Olympic Park area, because it is silly to
17 exclude it. There are a number of other areas, cultural
18 planning and the like, where we have done the same thing.
19 There has been no objection to that process from either
20 authority.
21

22 I think to formalise something in a legislative context,
23 when it is working outside of that process, is something
24 that none of us need and it is something that the
25 authorities can come to some common terms about. I think
26 there may be some argy-bargy on the way but it is not
27 rocket science.
28

29 MS KRIEGER: Do I take it from what you say that you
30 accept that some of the things they do saves your council
31 money, but equally some of the things they do generates
32 costs for your council?
33

34 MR BURGESS: Absolutely. And, by the way, the only reason
35 Auburn Primary School goes down to Sydney Olympic Park is
36 that the Auburn swimming complex is 52-years-old and needs
37 bulldozing.
38

39 THE CHAIRMAN: I think you were also saying, I won't put
40 words in your mouth, but basically saying that some of the
41 functions of local government are a monopoly, such as the
42 social, cultural, childcare and so on.
43

44 MR BURGESS: The authorities are not --
45

46 THE CHAIRMAN: Yes, the authorities are not doing this
47 now, they are functions of a local council --

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1
2 MR BURGESS: That is right.
3
4 THE CHAIRMAN: -- and that the authorities should not move
5 into that area.
6
7 MR BURGESS: That is right. Conversely I'm suggesting, in
8 direct negative to what Mr Domm said, that the authorities
9 might be providing services that the local councils are not
10 providing that the communities want. I think you would be
11 lucky to find a council anywhere that is not providing
12 services. The community in fact is saying they want them
13 provided in this day and age. So there is a contra
14 argument to saying that an authority is providing services
15 that a council won't provide. I think that is a very, very
16 narrow argument in the current context.
17
18 THE CHAIRMAN: I do not think we can take it that much
19 further. Are there any comments from the floor?
20
21 MR CARTER: Bill Carter, financial manager, City of Sydney.
22 One of the things I would like to say is that councils
23 don't provide a finite level of services, what they do is
24 provide as much as they can with the money they have got.
25 So to understand that, if you argue that somebody is doing
26 something that you are doing now, therefore they should be
27 compensating for it, all you are doing is taking more money
28 out of the pie and there is less you can do.
29
30 The answer to that is you have to either charge
31 ratepayers more, because if we were to compensate SHFA, for
32 instance, it does not lessen all the things we are already
33 doing now. That needs to be understood because it is a
34 growing piece of pie.
35
36 The other thing is that the City of Sydney actually
37 spends a lot of money on state government services as well.
38 We spend millions of dollars each year doing the Crown
39 reserves, contributing to new year's eve and a whole host
40 of other issues, so to say that SHFA and the like are
41 performing functions that we should do and should be
42 compensated, there is a contrary argument that is not being
43 put. I understand it is not in the terms of reference but
44 it is a reality. So the problem with just dividing it up
45 like that and saying that service should stop there, the
46 only answer we have is that we don't want ratepayers' funds
47 stop contributing back to the state, so to use Robert's

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1 argument, everybody loses.
2
3 THE CHAIRMAN: Any other comments or questions?
4
5 In that case, I will bring this hearing to a close. I
6 think I could say that you have given us considerable food
7 for thought. We understand the issues better than we did
8 before.
9
10 One thing I foreshadowed was that we will want to come
11 back and get a better assessment of the amounts that are in
12 contention so that we can add that dimension to our
13 thinking, so we will pursue that with the authorities and
14 the councils separately. We would like to get a better
15 understanding of the amounts that are in contention. We
16 will probably ask each side to comment on the other side's
17 figures so we can get hopefully a sense really of the
18 magnitude, even if we don't get agreement on the
19 conclusions.
20
21 Then we will think about what we are going to say in
22 due course. I can't be more specific than that.
23
24 I do want to thank you all again for your
25 participation today. We appreciate the time and effort you
26 have put in. I am not sure we will get complete agreement
27 on this particular issue, there may be some disappointed
28 parties, maybe everybody will be disappointed, but I do
29 thank you for your assistance today.
30
31 AT 3.35PM THE TRIBUNAL ADJOURNED ACCORDINGLY
32
33
34
35
36
37
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39
40
41
42
43
44
45
46
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