

21 August 2023

The Hon. Ron Hoenig MP  
Minister for Local Government  
c/o Mr Brett Whitworth, Deputy Secretary  
The Office of Local Government  
5 O'Keefe Avenue  
Nowra NSW 2541

Dear Mr Whitworth,

## **Business Sydney response to the proposed amendments to the Non-Residential Electoral Franchise for the City of Sydney**

Business Sydney welcomes the opportunity to respond to the amendments to the non-residential election franchise in place for the City of Sydney. Business Sydney represents over 130 of Sydney's leading businesses and is part of NSW's peak business organisation, Business NSW that has almost 50,000 member businesses across NSW. We work with businesses spanning all industry sectors including small, medium, and large enterprises. Operating throughout a network in metropolitan and regional NSW, Business NSW represents the needs of business at a local, state, and federal level.

Businesses have been the lifeblood of the Sydney CBD for years and remain the dominant source of funding for City of Sydney. As shown in table 1, over the past 6 years Businesses have brought in \$1.33BN in rates compared to \$441M by residents. The idea that the current voting mechanism favours business is misleading when looking at the sheer revenue raised by them. Taxation without representation would be a poor outcome for our CBD. More innovative ideas and active business involvement is needed as the CBD looks to reimagine itself post-covid.

\$000's	Residential rates	Business rates
<b>2022</b>	\$81,864	\$232,832
<b>2021</b>	\$78,853	\$231,003
<b>2020</b>	\$74,956	\$228,830
<b>2019</b>	\$75,755	\$230,398
<b>2018</b>	\$66,687	\$197,163
<b>2017</b>	\$63,490	\$204,722
<b>Total</b>	<b>\$441,605</b>	<b>\$1,324,948</b>

*Table 1 - Rate base from 2017-2022 City of Sydney  
Source: City of Sydney financial statements*

We do note the current low voting numbers of businesses and believe more needs to be done to ensure that businesses are empowered to participate in the democratic process. We are just over a year away from the next council election and this will see more businesses vote and take an active interest in the success of the Sydney CBD and City of

Sydney more broadly. Businesses are the lifeblood of the CBD, bringing them in and empowering them to participate in the democratic mechanism of council only helps to ensure that everyone is working towards the same goals, whilst also reducing the cost of the administrative burden per vote.

Further, the work that the State Government is undertaking on creating Business Improvement districts (BIDs) seeks to empower businesses to take part in the decision making, not remove them. It would be problematic to take one democratic mechanism away as the Government looks to introduce another that also requires business buy-in and investment.

It is also important to note that Business NSW in early 2023 launched *Revaluing Sydney's CBD*, a report on recycling and repurposing existing commercial buildings in Sydney's CBD for mixed-use purposes, which would ultimately affect the number of non-residents available to vote in the City of Sydney CBD as well.

If you would like to discuss any of the points raised in this letter further, please contact Paul Nicolaou at [Paul.Nicolaou@businesssydney.com](mailto:Paul.Nicolaou@businesssydney.com).

Yours Sincerely,



**Paul Nicolaou**  
Executive Director  
Business Sydney