

Contact: Craig Katsoolis

1 June 2012

Doctor Warren Mundy
Commissioner of the Productivity Commission
PO.Box 1428
Canberra City ACT 2601

Dear Dr Mundy

Performance Benchmarking - The Role of Local Government as a Regulator

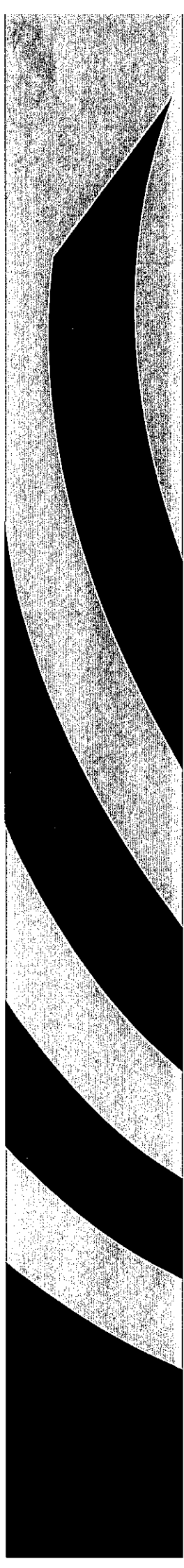
I refer to the email received from your office on 25 May 2012 advising that a submission had been received from the Mobile Carriers Forum in respect of the review undertaken by the Productivity Commission "Business Regulation Benchmarking: Role of Local Government as Regulator".

It is noted the Mobile Carriers Forum submission under the Contributions Capital Works makes the following reference to Wagga Wagga City Council.

Wagga Wagga Council – NSW: Also imposed a Section 94 levy – in this case on a base-station designed to bring mobile coverage to the tiny town of Mangoplah.

The following information is provided to correct and clarify the above comments:

- 1) Council applied, pursuant to its adopted Section 94A plan a 0.05% levy on this development. The cost of the development was \$150k and a levy of \$750 was applicable.
- 2) It should be noted that the Section 94A levies collected by Council are spent on projects such as local rural roads which includes Mangoplah the site of the new Optus installation.
- 3) Annually, Wagga Wagga City Council spends over \$3M on rural local roads maintenance and upgrades. The owner of the above mobile phone facility will make use of this road network to maintain its infrastructure.
- 4) It is noted that Optus is putting the case that it should not be subject to a Section 94A contribution as they submit the infrastructure they are providing represents a valuable community service.
- 5) Optus and other commercial carriers charge commercial rates for the use of their facilities/services and accordingly they are treated on the basis that they are a commercial enterprise installing infrastructure to increase their range of services they have to offer.



Wagga Wagga City Council submits that its Section 94A levy on the mobile phone carrier infrastructure is lawful, fair and reasonable.

Yours Sincerely

Phil Pinyon
General Manager