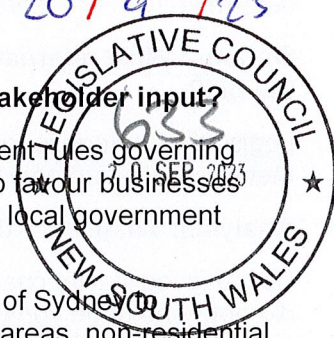


2019/23

CITY OF SYDNEY AMENDMENT BILL 2023



Need: Why is the policy needed based on factual evidence and stakeholder input?

The City of Sydney Amendment Bill 2023 is needed to amend the current rules governing non-residential elector voting in the City of Sydney that are weighted to favour businesses over residents, and to instead apply the voting rules that apply in other local government areas.

The *City of Sydney Act 1988* was amended in 2014 to require the City of Sydney to automatically enrol non-residential electors. In other local government areas, non-residential electors must apply to be enrolled. In the City of Sydney, where more than two natural persons are non-residential owners, ratepaying lessees or occupiers of rateable land, up to two of those persons are to be enrolled and where a corporation is an owner, lessee, or occupier of rateable land, two officers of the corporation are to be automatically enrolled. In other local government areas, only one person may be enrolled where there are multiple owners, ratepaying lessees or occupiers or on behalf of corporations. Unlike other local government areas, enrolled non-residential electors in the City of Sydney must vote at elections for the council.

The City of Sydney's non-residential elector franchise is highly contentious and has been criticised as being undemocratic and favouring the business vote. The City of Sydney has also raised concerns about the logistical and operational challenges involved in administering the non-residential elector franchise. This cost \$9.7 million to establish and approximately \$1 million per year to maintain.

Despite the vast cost and administrative complexity of the City of Sydney's non-residential elector franchise, it has failed to deliver its policy objectives.

While the 2014 amendments increased the enrolment of non-residential electors, a significant number of non-residential electors enrolled under the expanded franchise are not exercising their right to vote. At the 2021 election, of the 47,465 non-residential voters enrolled to vote, 18,501 (39%) were issued apparent failure to vote notices.

The Bill will amend the Act to ensure that non-residential electors in the City of Sydney are treated the same as those in other LGAs.

The Bill will also amend the Act to dissolve the Central Sydney Traffic and Transport Committee (**Committee**) as it does not currently meet and there are other appropriate forums for Transport for NSW and the City of Sydney to collaborate on traffic management issues.

Objectives: What is the policy's objective couched in terms of the public interest?

Democracy is based on the principle that everyone should have one, and not more than one vote.

Giving a certain group of electors two votes is unfair and undemocratic.

Corporations that own, lease or occupy rateable land in the City of Sydney can currently nominate two people to vote on their behalf. This is not the case in any other LGA. This skews the level of representation towards corporations rather than individuals, contrary to the principles of representative democracy.

There is a public interest in political equality. This means 'one vote, one value' and citizen control of government, expressed as the right of residents in a local government area to determine who will represent them.

Options: What alternative policies and mechanisms were considered in advance of the bill?

Legislative change is required in order to give effect to this policy and, therefore, no other mechanisms were able to be considered.

Analysis: What were the pros/cons and benefits/costs of each option considered?

Because legislative change is required to carry out this policy, the pros/cons of other options did not need to be considered. The Bill does not impose any appreciable cost or burden on the public or any group of the public.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

If passed, the Bill will commence on assent.

Schedule 1.3 of the Bill contains transitional provisions that:

- (a) make clear that, on the commencement of the proposed Act, the *Local Government Act 1993* applies to elections for the Council of the City of Sydney, and
- (b) dissolve the Central Sydney Traffic and Transport Committee and deal with the persons who were members of the Committee immediately before the dissolution.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

Consultation on reform to the non-residential elector franchise for the City of Sydney has been undertaken with a range of stakeholders including the City of Sydney, Local Government NSW and affected local members including the Members for Sydney, Newtown, Balmain, and Vacluse. Business and developer groups have also been consulted including, Business NSW, Business Sydney, Urban Taskforce Australia, the Property Council of Australia, the Urban Development Institute of Australia NSW, and the Committee for Sydney.

The City of Sydney supports the proposed reform, as does Local Government NSW. Removal of the Central Sydney Traffic and Transport Committee was requested and is supported by both Transport for NSW and City of Sydney.