



Gladstone Airport
**Public Benefit Assessment of the
Application of Competition Reforms**

**Information Paper for
Interested Stakeholders**

April, 2011

Public Benefit Assessment Submissions

(closing date 23 May 2011):

Public Benefit Assessment
Attention: Michael Shave, AEC Group Limited
PO Box 1679
Buderim QLD 4556
Phone: 0407 028 109
Fax: (07) 3831 3899
Email: michael@aecgrouppltd.com

Invitation for Public Submissions



Reform of Council's Airport Business Activity **COMMUNITY CONSULTATION INVITATION** **PUBLIC BENEFIT ASSESSMENT**

Gladstone Airport services the Gladstone region that comprises the former local government areas of Gladstone City, Miriam Vale and Calliope Shires.

The Airport caters primarily for business and leisure travellers and freight activities associated with the region's developed and emerging industries. Significant recent capital investment by Council into the airport runway and terminal infrastructure has resulted in the Airport now being considered a 'Type 2' significant business activity under relevant local government legislation and associated provisions. Council is now required to undertake a Public Benefit Assessment (PBA) to determine the most appropriate future business structure to apply to the Airport under National Competition Policy (NCP) reforms (and State Government legislation).

The objective of the PBA will be to decide which of the following structural reforms would produce the greatest net benefit to the community:

1. Implementation of a Full Cost Pricing Business Model;
2. Implementation of a Council Commercialised Business Model; and
3. Implementation of a Council-Owned Corporatised Entity Business Model.

A Stakeholder Information Paper detailing the issues associated with each business model is available and can be obtained from Council's website www.gladstonerc.qld.gov.au or by contacting Michael Shave on 0407 028 109 or via email at michael@aecgrouppltd.com.

Council is interested in obtaining submissions from all interested parties on the potential economic, social and environmental implications of the above business models by 23 May 2011. You may address your written comments to:

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Background to the Study

Need for the Public Benefit Assessment

Gladstone is located 550 kilometres north of Brisbane and services a regional population of approximately 52,000 persons. The Gladstone Airport is currently owned and operated by the Gladstone Regional Council, but was operated by the Gladstone-Calliope Aerodrome Board (a joint local government entity) prior to the 14 March 2008 local government amalgamations.

Significant recent capital investment by Council into the airport runway and terminal infrastructure has resulted in the Airport now being considered a 'Type 2' significant business activity under relevant local government legislation and associated provisions. As a result, Council is required to undertake a Public Benefit Assessment (PBA) to determine the most appropriate future business structure to apply to the Airport under National Competition Policy (NCP) reforms (and State Government legislation), taking into account the net benefits / costs from each available business structure.

The business structures under assessment include:

- Implementation of a Full Cost Pricing Business Model;
- Implementation of a Council Commercialised Business Model; and
- Implementation of a Council-Owned Corporatised Entity Business Model.

The PBA is being conducted independently by a consultant.

Background to National Competition Policy

NCP was adopted by the Council of Australian Governments (Commonwealth, States and Territories) in 1995 to improve the competitiveness of Australian industry. In Queensland, the State Government amended the *Local Government Act* to include provisions for facilitating the implementation of NCP to 'business activities' operated by Queensland local governments (such as water supply and sewerage, waste management and airports). NCP principles advocate the delivery of local government services based on commercial principles and methods designed to achieve better services and value for money for communities.

NCP is designed to make local government business activities more accountable for financial, pricing and other decisions, as well as to make the true costs and performance levels of these activities more transparent, in the hope of facilitating better decisions by managers, chief executive officers and Councils. Particular emphasis of the reforms is placed on 'significant business activities' as measured in terms of annual expenditure.

Essentially, the reforms are designed to ensure that, where appropriate, local government business activities set prices on the same basis as the private sector by making adjustments for the advantages and disadvantages of public ownership (examples of which are outlined below), as well as introducing a more commercial focus to decision making.

Potential Business Advantages	Potential Business Disadvantages
<ul style="list-style-type: none"> • Exemption from the payment of taxes • No requirement to pay dividends • Access to cheaper sources of loan funds • Exemption from complying with certain regulations 	<ul style="list-style-type: none"> • Higher public superannuation contributions • Cost of greater accountability given reporting and regulatory arrangements • Non-commercial obligations imposed by government • Lower degree of managerial autonomy • Cost of compliance with Freedom of Information Act and Judicial Review requirements • Difficulty in accessing taxation benefits of investment allowances and deductions

It must be emphasised that NCP makes no presumption that public sector business activities are inefficient, with the aim of the reforms instead being to encourage productivity improvement and best practice in the operations of the local government businesses as well as provide for a level playing field between the public and private sectors in service provision.

It is also important to note that the reform options under consideration do not include privatisation or the 'selling off' of the business. In all instances, Council will retain ownership of the Airport. The primary differences between the three options pertain to the level of responsibility ascribed to Council, versus the business manager or corporate Board potentially responsible for the operation of the business (noting that Council can still set strategic direction in any of the reform options) – as further outlined below.

Reform Options Considered in the Public Benefit Assessment

The objective of the PBA will be to determine whether or not the benefits from implementing the following business structures would outweigh the costs, and which business structure would produce the greatest net benefit for the community.

Reform Option	Implications
Full Cost Pricing	<ul style="list-style-type: none"> Business is essentially operated as a departmental service area within Council's organisational structure Prices are set in accordance with commercial cost recovery
Council Commercialised Business Unit	<ul style="list-style-type: none"> A commercialised business unit (not a separate legal entity) is created by Council to manage the business, with a dedicated business unit manager employed Business unit has increased managerial autonomy for day-to-day operations Business may have a greater ability to source inputs from outside of Council, subject to the framework adopted Business features its own business and operating plan Business has more of a commercial orientation than under the full cost pricing reform option, and is subject to separate performance reporting (financial and non-financial) Prices are set in accordance with commercial cost recovery
Corporatised Entity	<ul style="list-style-type: none"> A separate corporate entity is created by Council to manage the business, with Council acting as sole shareholder A Board of Directors is appointed, responsible for policy formulation and governance of the business Council retains ownership and ultimate control of business via its shareholder role, and sets strategic direction for the business and performance expectations of the Board through a Statement of Corporate Intent Corporatisation features a greater business focus than under the full cost pricing and commercialised business unit reform options Prices are set in accordance with commercial cost recovery

It is important to note that all three reform options involve setting prices on the same cost base as the private sector, incorporating:

- Direct and indirect costs (e.g. wages, materials, consumables, superannuation);
- Administration and management costs;
- Return of capital/depreciation;
- Return on capital/assets (resources, infrastructure, land, buildings, plant/equipment);
- Recognition of tax equivalents such as Council rates, land tax, payroll tax, FBT and taxes on business profits; and
- Adjustments for other advantages and disadvantages of public sector ownership.

THE REFORM OPTIONS UNDER CONSIDERATION DO NOT INCLUDE THE PRIVATISATION OF THE BUSINESS AND COUNCIL WILL RETAIN FULL OWNERSHIP IN ALL INSTANCES

Other Airport Structures

The following tables provide a summary of the structural reforms currently adopted by other Queensland Councils with major airport activities for the 2010/11 financial year, as well as a list of business structures for major non-Council airports.

Entity	Owner	Structure
LOCAL GOVERNMENT AIRPORTS IN QUEENSLAND		
Bundaberg Airport	Bundaberg Regional Council	Type 3 Council Business Activity
Emerald Airport	Central Highlands Regional Council	Type 3 Council Business Activity
Hervey Bay Airport	Fraser Coast Regional Council	Type 3 Council Business Activity
Horn Island (Ngurapai) Airport	Torres Shire Council	No Reforms Applied
Longreach Airport	Longreach Regional Council	No Reforms Applied
Rockhampton Airport	Rockhampton Regional Council	Type 3 Council Business Activity
Sunshine Coast Airport	Sunshine Coast Regional Council	Commercialised Business Unit
OTHER AIRPORTS IN QUEENSLAND		
Brisbane Airport	Brisbane Airport Corporation Pty Ltd (BAC)	Australian Proprietary Company, Limited By Shares
Cairns Airport	Cairns Airport Pty Ltd (CAPL) - part of the North Queensland Airports group comprising IIF Cairns Mackay Investment Ltd (an entity advised by JP Morgan Asset Management), The Private Capital Group's The Infrastructure Fund (TIF) managed by Hastings, Perron Investments and Auckland International Airport Limited (AIAL).	Australian Proprietary Company, Limited By Shares
Gold Coast Airport	Gold Coast Airport Pty Ltd	Australian Proprietary Company, Limited By Shares
Hamilton Island Airport	Hamilton Airport Pty Ltd	Australian Proprietary Company, Limited By Shares
Mackay Airport	Mackay Airport Pty Ltd (MAPL) - part of the North Queensland Airports group comprising IIF Cairns Mackay Investment Ltd (an entity advised by JP Morgan Asset Management), The Private Capital Group's The Infrastructure Fund (TIF) managed by Hastings, Perron Investments and the Westpac Banking Corporation.	Australian Proprietary Company, Limited By Shares
Mt Isa Airport	Queensland Airports Limited (QAL)	Australian Public Company, Limited By Shares
Townsville Airport	Queensland Airports Limited (QAL)	Australian Public Company, Limited By Shares

Gladstone Airport Business Profile

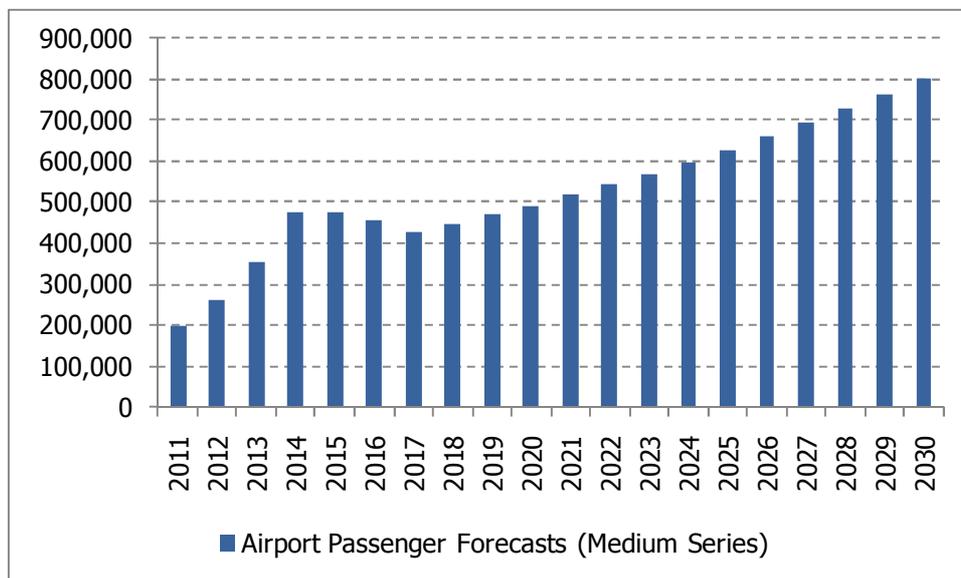
Background

The Gladstone Airport has been in operation since the 1950’s, and caters primarily for business and leisure travellers and freight activities associated with the region’s developed and emerging industries. The airport also services the international tourist destination of Heron Island. Regular public transport (RPT) services are currently provided solely by QantasLink, primarily utilising Dash 8 Series Q400 aircraft. A significant amount of helicopter activity and a low level of general aviation flying also occurs on a daily basis at the Airport.

The Airport is located approximately 5 kilometres southwest of the Gladstone city centre. The airport site currently occupies approximately 79 hectares of land, with vehicular access to the airport via Aerodrome Road from the Dawson Highway to the south east. The Dawson Highway links Gladstone with Calliope and the Callide Valley. The site is surrounded by industrial development to the north and west and residential development to the south and east.

Council has recently completed upwards of \$65 million of runway reconstruction and lengthening and terminal augmentation works at the airport. The works were required to meet compliance requirements and to address identified future airport capacity issues. As a result of these works, the airport is now capable of accepting commercial airliners sized up to B737-800 and A320-200 design standard (i.e. Virgin Blue, Jetstar sized airliners).

The Airport services one of Queensland’s major industrial regions, with strong growth being experienced across a number of business sectors. Recent announcements by the State Government regarding Liquid Natural Gas (LNG) development in the region is expected to result in significant employment growth, with an expected corresponding increase in business related passenger movements arriving and departing the airport. Projected annual passenger forecasts are provided in the following table.



Business Structure and Governance

The diagram below presents the current structure of the Gladstone Airport business activity, and its relationship within Council’s overall organisational structure. The business resides within the Corporate Services directorate, with the Manager Airport reporting directly to the Director Corporate Services.



The Airport currently employs approximately 13 staff who undertake various operational and administrative functions for the business. Airport staff are currently employed subject to Council’s current Enterprise Bargaining Agreement (EBA) and the following parent awards:

- Local Government Employees (excluding Brisbane City Council) Award State 2003;
- Queensland Local Government Officers Award 1998;
- Building Trades Public Sector Award State 2003;
- Engineering Award – State 2002; and
- Apprentices and Trainees Wages and Conditions.

Airport Assets and Infrastructure

The airport employs the use of significant infrastructure and assets on a daily basis in the operation of the business.

Asset Type	Description
Land	<ul style="list-style-type: none"> • 79 hectares
Runway / Taxiway	<ul style="list-style-type: none"> • Single sealed runway (1,965 metres long and 30 metres wide) • Significant reconstruction and lengthening of the runway recently undertaken to meet required Civil Aviation Safety Authority (CASA) standards and address runway structural deficiencies • Capable of accepting commercial airliners sized up to B737-800 and A320-200
Terminal	<ul style="list-style-type: none"> • Arrival and departure hall areas • Bistro • Check bag and passenger screening • Rental car booths • RPT check-in desks
Aprons	<ul style="list-style-type: none"> • RPT apron • Lower level high strength apron • Helicopter apron • GA apron
Lighting	<ul style="list-style-type: none"> • Runway edge lighting system • Floodlights for RPT apron • Lower apron retaining wall lighting
Navigation Aids	<ul style="list-style-type: none"> • Very high frequency omni-directional range (VOR) radio navigation aid • Aerodrome beacon • Obstacle lights and hazard beacons on high terrain and structures
Carpark	<ul style="list-style-type: none"> • Long term parking area provided on the eastern side of the terminal building • Public car parking in front of the terminal building • Kerbside bus zone, loading zones and taxi bays • Rental car bays adjacent to the RPT car park • Overflow car park

Asset Type	Description
Other Buildings	<ul style="list-style-type: none"> • Fuelling facility • Shed for storing fuel testing equipment, emergency equipment, a tractor and truck • Airport Management Centre • Motor vehicle detailing facilities • Hangar occupied by Australian Helicopters • Freight offices • Manager's residence • 3 bay vehicle/equipment garage • Electrical generator building (houses the PALC and automatic frequency response unit (AFRU)) • Seven attached/modular hangars located west of the main GA apron

As at the 30 June 2010, the value of the assets utilised by the business was just under \$39 million, excluding the majority of the \$70 million recently expended to fund the runway and terminal upgrade (with \$44 million of the upgrade currently in work in progress as at 30 June 2010).

Asset Type	Replacement Value (\$'000)	Accumulated Depreciation (\$'000)	Written Down Value (\$'000)
Land	\$26,368	-	\$26,368
Runway / Taxiway	\$2,635	(\$50)	\$2,685
Terminal	\$7,563	\$88	\$7,476
Aprons	\$528	\$78	\$450
Lighting	\$282	\$79	\$203
Navigation Aids	\$22	\$4	\$18
Buildings / Other Assets	\$1,664	\$70	\$1,594
Total Business	\$39,062	\$269	\$38,793

To put the value of these assets into perspective, Council's Airport assets represent just over 3% of the total assets owned and operated by Council as at 30 June 2010 (this will increase to 9% after the capitalisation of the recently completed runway and terminal upgrade).

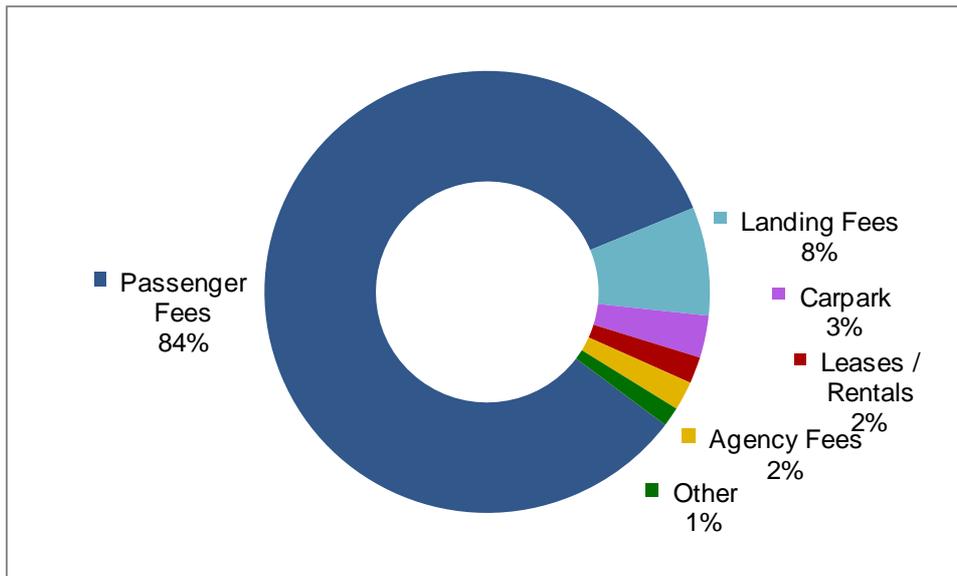
Competition, Budget and Pricing

Although Gladstone Airport is the only airport in the region, it still faces a moderate level of competition from the Rockhampton Airport located approximately 115 kilometres away. The Rockhampton Airport has held a competitive advantage in the past with its runway able to cater for larger sized low cost carrier airlines such as Virgin Blue and Jetstar. This has resulted in significant historical passenger leakage, with travellers able to fly into Rockhampton and then travel by car / bus to the Gladstone region. It is envisaged that the recent runway upgrade will provide an opportunity for the Gladstone Airport to become more competitive by attracting low cost carriers and increase services and passengers in and out of the airport.

As a Council business and service provider, the Airport operates on a user pays basis, with the intention that operating costs are funded by revenue collected. In terms of fees charged, landing fees are levied on RPT aircraft and passenger carrying helicopters. They are also levied on itinerant aircraft with a maximum take-off weight greater than 2,000 kilograms. Parking fees are levied on Gladstone based and itinerant aircraft and helicopters. A fee per passenger is also levied on RPT operators. Charges apply for use of the long-term secure car park and the passenger terminal public car park, but only after a two-hour free period. Airport management also receives rental income from airport lessees and operates the aviation fuel facility in an agent capacity for Shell.

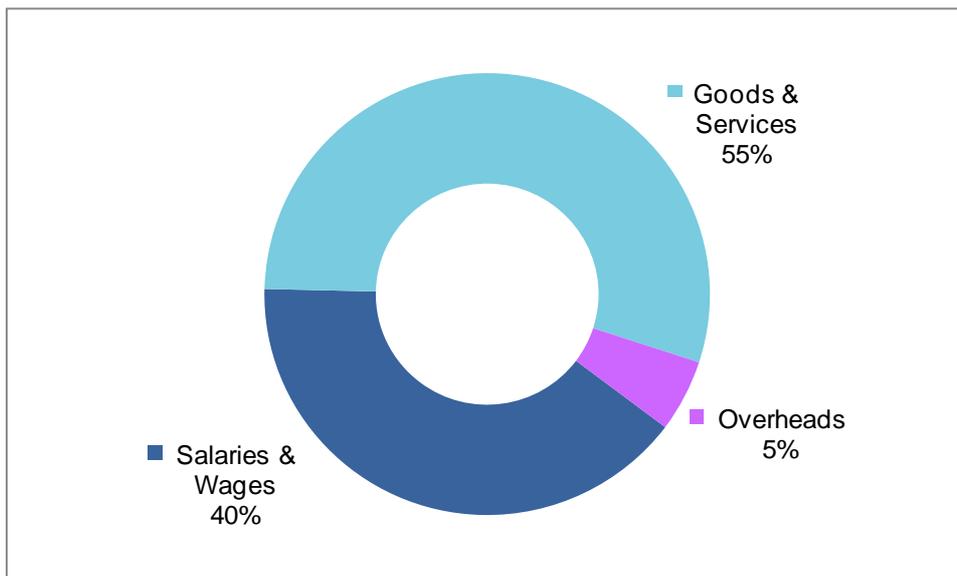
The Airport collects the majority of its \$5.7 million of operating revenue from landing fees and passenger service fees (approximately \$5.2 million or 92% of revenues). Other fees and charges are received by the business for carparking (\$0.18 million), leasing of airport facilities (\$0.11 million), fuel distribution agency fees (\$0.12 million), and other general fees and charges of (\$0.08 million).

Airport Revenue Sources, 2010/11 Budget



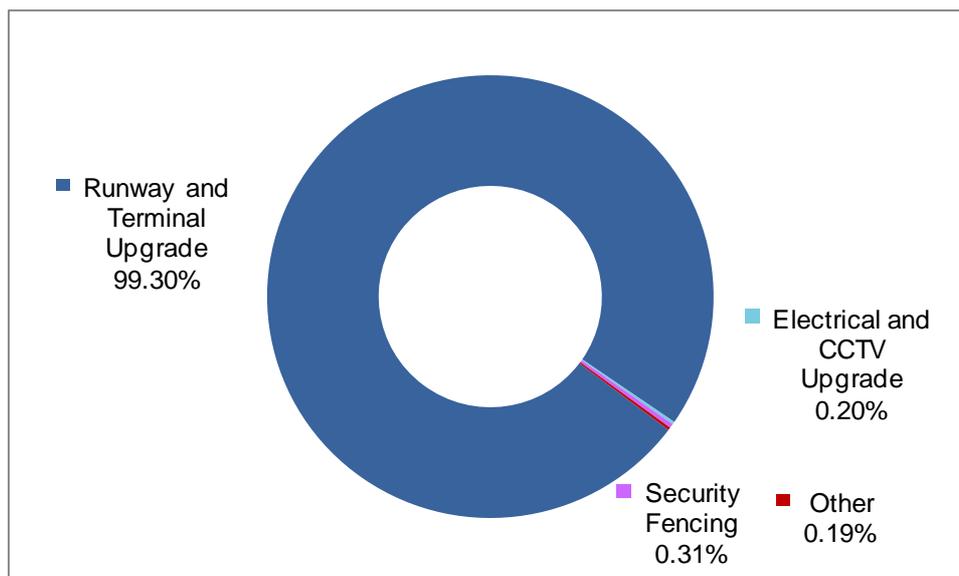
Operations and maintenance (O&M) expenses for 2010/11 are forecast at approximately \$3 million. Significant expenditure items include employee costs of \$1.2 million, materials and services costs of \$1.6 million, and Council overhead charges of \$0.2 million.

Airport Operating Expenditure Sources, 2010/11 Budget



The Airport expects to complete \$32.1 million of capital works in 2010/11, with the majority comprising of the \$31.9 million for the completion of the runway and terminal upgrade project, as well as \$0.10 million for security fencing, \$0.065 million for electrical and CCTV upgrades, and \$0.06 million for other minor works.

Airport Capital Expenditure, 2010/11 Budget



The Gladstone Airport fees and charges are levied pursuant to section 262(3)(c) of the *Local Government Act 2009* on a user pays basis. The following table outlines the applicable fees and charges for 2010/11 from which revenues are derived.

Airport Fees and Charges 2010/11

Description	Amount (inc. GST)
Regular Public Transport Operators and Charter Operators from 1 July 2010	
<u>Aircraft</u>	
Passengers Embarking or Disembarking (per passenger)	
Half Fare Passengers (per passenger)	\$27.50
<i>PLUS</i>	\$13.75
Landing Fee Based on Maximum Take-Off Weight of Aircraft (per 1,000kg or part thereof), however, test flights logged from Gladstone to return to Gladstone without landing at any other airport shall not attract the charge. If a regular public transport operator and charter operator maintains records and submits payments for all charges within 21 days of the end of the month to which the charge applies a 5% discount (net of GST) will be allowed. Council will charge on seat capacity if the above records are not received within the above 21 days.	\$6.80
<u>Helicopters</u>	
1-4 Passengers (per landing)	\$19.30
>6 passengers (per landing)	\$23.55
<u>Parking Fees for Aircraft and Helicopters Based at Gladstone</u>	
Annual Parking Fee	\$410.00
Landing Charges Itinerant Aircraft & Helicopters	
<u>Aircraft with Maximum Take-Off Weight < 2000kg</u>	
Landing Fee	Nil
Parking Fee	
(a) Parking for less than a total of 10 days in any financial year	Nil
(b) Parking for a total period of >10 days in any financial year (per 30 days of part thereof)	\$70.00
i.e	
10 days	\$70.00
28 days	\$70.00
31 days	\$135.00
59 days	\$135.00
61 days	\$195.00
<u>Aircraft with Maximum Take-Off Weight > 2,000kg</u>	
Landing Fee Based on Maximum Take-Off Weight of Aircraft (per 1,000kg or part thereof)	\$10.00

Description	Amount (inc. GST)
Carparking	
<u>Long-Term Parking</u>	
<2 hours	Free
2-24 hours	\$10.00
>24 hours, per 24 hours or part thereof	\$10.00
<u>Short-Term Parking</u>	
<2 hours	Free
2-24 hours	\$20.00
>24 hours, per 24 hours or part thereof	\$20.00
Other	
Lost Parking Tickets	\$50.00
Other	
ASIC Application Fee (per application)	\$170.00

Current Application Of NCP Reforms

Since 1966 and prior to the local government amalgamations in 2008, the Gladstone Airport was operated under a joint local government structure (the Gladstone-Calliope Aerodrome Board). As a legally separate standalone entity, the Airport did not see the need to apply NCP reforms, and operated under the general local government related provisions contained in the *Local Government Act 1993*. Profits generated by the airport in previous years were either reinvested back into the airport to fund capital expenditure, or used to repay borrowings.

The Gladstone-Calliope Aerodrome board governance structure consisted of three councillors from each of the former component local governments (Gladstone City and Calliope Shire Councils). The day to day operations of the Gladstone-Calliope Aerodrome board were managed by the Chief Executive Officer and employed staff in accordance with the requirements of the *Local Government Act 1993*.

The role of the board was to formulate and review airport strategy and policy, as well as the development of management plans, budgets, financial controls and performance objectives. Board members were remunerated in accordance with a remuneration policy established in accordance with section 237 of the *Local Government Act 1993*, which included annual allowances for the board President and Vice President, and meeting fees for all board members

Following the amalgamation of the former Gladstone and Calliope Councils, the airport was brought under the direct responsibility of Gladstone Regional Council (resulting in a reduction in independence from Council) and was required to be recognised by Council as a 'Type 3' business activity for National Competition Policy purposes, which included the election by Council to apply the 'Code of Competitive Conduct' to the business. This involved the annual application of full cost pricing, identifying any Community Service Obligations (CSO) and eliminating any advantages and disadvantages of public ownership of the Airport.

The recent significant capital investment in the Airport runway and terminal has resulted in the airport business activity now being classified by Council as a new 'Type 2' significant business activity (SBA) under the *Local Government Act 2009* and the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*. In accordance with the legislation, when new SBAs are identified Council must undertake a PBA to determine the most appropriate business model to be applied to the activity moving forward.

Regulation

As a joint local government, the previous Gladstone-Calliope Aerodrome Board was required to comply with all local government related legislation that a normal Council operated under. In addition to this the board was also required to comply with a variety of federal aviation legislation in its role as a regional airport.

The current Gladstone Airport business activity is still required to comply with a variety of state and federal legislative requirements. The following provides an example of some of these key legislative instruments:

- *Civil Aviation Safety Regulations 1998 (CASR)*
- *Civil Aviation Regulations 1988 (CAR)*
- *Local Government Act 2009;*
- *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*
- *Local Government (Finance, Plans and Reporting) Regulation 2010;* and
- *Freedom of Information Act.*

Regulatory requirements surrounding the application of NCP reforms to the business for 2010/11 include:

- Application of full cost pricing including financial adjustments to ensure competitive neutrality;
- Reporting the finances of the business separately from Council in the annual budget papers; and
- Specific reporting obligations for the business in Council's annual report.

Public Benefit Assessment Process

Stages of Assessment

The following staged process will be adopted for the PBA, which will be undertaken in a transparent and accountable manner. The outcomes from the business and market profiling, stakeholder consultation and impact assessment processes will be used to drive the evaluation of reform options and ultimate recommendations.



The PBA will assess the appropriateness of the application of Full Cost Pricing, Commercialised Business Unit or Corporatised Entity reforms to the Gladstone Airport. The competitive neutrality reforms will only be introduced if it can be demonstrated that the economic, social and environmental benefits outweigh the associated costs to the community as a whole, although State Government legislation does imply that Council must adopt Full Cost Pricing at a minimum.

Community and Stakeholder Consultation

Those stakeholders likely to be most affected by the reforms will be identified and involved in the process to the extent practicable. During the PBA, it is envisaged that consultation may occur with the following stakeholder groups:

- Customers and the General Public;
- Business and Industry;
- Environmental Groups;
- Suppliers, Contractors and Airport Lessees;
- Airport Management;
- Employees of the Airport and Unions; and
- Council.

Community consultation is an essential component of the PBA and consultation outcomes may also be used to help inform the future strategy for the business. Council extends an invitation to all stakeholders and the broader community to contribute to the assessment. The consultation program will include inviting written submissions from interested parties and conducting briefing sessions with selected key stakeholder groups. All submissions will then be considered in the evaluation process.

The following table highlights the issues and questions likely to be relevant for interested stakeholders. Input is sought on the issues and questions raised, however, the issues provided are not meant to be an exhaustive list. Stakeholders should raise any other matters of concern or interest in their responses.

It is envisaged that the draft PBA Report will be available for comment in July 2011.

Issues for Airport Customers and the General Public

Under all business structures, prices will be set to ensure appropriate cost recovery in accordance with user pays principles, i.e. the more you use, the more you pay. Service levels will also be set to meet community needs following consideration of customer affordability implications (subject to minimum standards as required by legislation and industry regulators).	
Issues	Potential Questions
<p>Price Level Price levels should be the same irrespective of the business structure adopted, as the Airport is required to examine the full cost of its services when setting fees and charges.</p>	<ul style="list-style-type: none"> • Do you agree with the idea of full cost recovery and commercial pricing for Airport services? • If surpluses are generated through commercial pricing, what should they be used for?
<p>Charging Structure Charging structures should be similar across the three business structures, although the greater autonomy under commercialisation and corporatisation could see more commercial charging structures in place that more closely reflect user pays.</p>	<ul style="list-style-type: none"> • Do you agree with user pays charging structures for Airport services? • What do you see as the main advantages of a user pays charging system? • Do you see any disadvantages of a user pays charging system? • Do you foresee any problems/issues from potential changes to charging structures under any of the reform options?
<p>Service Levels Despite commercial principles being applied to pricing decisions, the business will still ensure that service levels are at least maintained and preferably improved as a result of the reform options.</p>	<ul style="list-style-type: none"> • Are you happy with the current level of service provided by the Airport business, and has it changed following local government amalgamation? • What improvements could be made regarding the level of service provided? • Which of the reform options do you believe will produce the best service level outcome for customers? • What other impacts do you think structural changes to the business might have on service levels?
<p>Community Service Provision Under all business structures, the business will be more aware of the costs of its non-commercial community service obligations, and appropriate decisions can be made regarding the appropriate level of subsidy for these services from Council general rates.</p>	<ul style="list-style-type: none"> • Do you believe any subsidies, concessions or rebates need to be provided if commercial or corporate principles are to be adopted?
<p>General Comments</p>	<ul style="list-style-type: none"> • How do you feel about the commercialised business unit reform option? • How do you feel about the corporatised entity reform model? • Do you have any general comments about the reforms or the reform process? • Are there any comments you would like to make to inform the future strategy of the business?