



SLOPES

The Ski Lodges Organisation of Perisher, Smiggins, and Guthega
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WHO ARE SLOPES???? WHAT DO THEY DO??

SLOPES is the acronym for The Ski Lodges Organisation of Perisher Smiggins and Guthega. Members are the 88 Ski Clubs of the Perisher Range, and Slopes believe they talk for some 55,000 skiers made up of Club members, friends and associates who stay in and use the Clubs.

SLOPES was formed in 1990 when the Packer group had nearly convinced the Liberal Party to give them a Head Lease over all the Clubs, Hotels etc in the Perisher area. Government had already in 1989 passed legislation allowing the interpositioning of a Head Lease between national parks and the Lodges. Almost all Clubs at that time had leases that expired in 1996 to 2002.

The representative body for all Skiing activities, including Clubs, at that time was the Ski Association of NSW, and they had a deal being worked out with the Relevant interests which meant that all Ski Association members would get a discount on lift tickets and the like if the Head Lease deal went through. This would have guaranteed the Ski Association having a very large membership and income, but the Clubs would have been thrown in as a pawn.

A group of Clubs headed by John Grinham challenged this approach, and set up a new body known as The Ski Lodges Organisation of Perisher, Smiggins, and Guthega Inc, with the acronym of SLOPES. The group quickly attained 100% membership of all the 88 Ski Clubs in the area. The Committee were very aggressive and made representations to all members of the NSW Parliament, and a Parliamentary select Environment Committee., and finally the Government came down in favour of issuing new leases to all Clubs and some Commercial

lodges. SLOPES represented the Clubs in the negotiations, and in 1996, 88 new Club leases for 1620 beds were issued with an expiry date of 2025

SLOPES having achieved this objective, considered folding, but there was felt to be a broad need for representation, even if the issues were not then apparent. It had become apparent that all Clubs had common objectives, namely the promotion of snow sports for members by providing a community of varying ages and experiences who could cross pollinate, and encourage the young. The absence of a profit motive, and a congenial low cost friendly residential atmosphere, brought about true friendships and mutual support and skill development.

SLOPES recognised that the core of a Club was the Lodge that made the mutual Club sporting activities possible. Clubs needed help in maintaining this core.

Around 1995 a major problem arose in that the current NSW Health legislation required that all bedrooms had to measure 5.5 sqm floor area per sleeper. As many Clubs had bunk rooms measuring only 10 sqm, with 4 or 5 bunks in them, the problems were immense. A survey showed that of the 88 Clubs, some 78 would have to be rebuilt on a much larger scale. Research showed that the 5.5 sqm legislation went back to the fear of the "miasma" in the Crimean war. SLOPES commissioned an excellent lawyer, and with the aid of an Associate Professor Club member, managed to point out the absurdity of the legislation to the Department of Health. With heavy political lobbying the legislation was changed in the last week of the Liberal Government to 2 sqm per bed for non permanent accommodation. This number might seem low, but some other States had no specific areas proscribed, and it was thought better to have some number which would allow for backpackers bunks etc, rather than have no set area, which might lead to Councils picking arbitrary figures.

In 1996 the subject arose of the land valuations used for setting of rentals paid to NPWS. The values were random, varied immensely, and had no logic. SLOPES negotiated with the Valuer General on behalf of all 88 Clubs, and arrived at a logical valuation process that relied on both bed numbers and the locations relative to services. As the actual land SQM used by a Club was heavily restricted, it was meaningless except for these two parameters. Eg: Guthega land was valued lower than Smiggins or Perisher etc.

In 1997 a Commission of Inquiry was called to look at increasing bed supply in the Areas, and consider a desire by NPWS to close all Guthega Lodges. Slopes participated strongly and the results reflected very close to our requests. The NPWS submissions were changed considerably, and a decision to allocate 800 new beds to a Village centre, and 520 beds elsewhere was released by the Commission. As SLOPES had proposed a total of 1300 beds we felt we were listened to.

In this period SLOPES worked in with NPWS to obtain more transparency in monies spent in the area that were charged to Clubs as Municipal Service Fees. The process was developed of biannual joint meetings with full tabling of all cash flows and budgets, and round table discussions, and this continues to this day. This was a major step forward in liaison with NPWS.

Again in 2002 a full round of land valuations were negotiated with the Valuer General..

In 2003 the cost of Liability and Lodge insurances through Sentinel had become very very high. It appeared to be a closed area, and brokers everywhere just obtained prices from Sentinel. Prices soared. SLOPES obtained data from 50 Clubs and went shopping, and found a broker, Snowline, who was already starting to be active in the snow, and was willing to shop around with the major insurers, local and overseas. There would be no middle man. Club premiums had been over \$1m per year and the sums insured over \$100m, so it was a small but workable pool.. The savings results have been spectacular. As the total pool increased with some commercial lodges joining in, and some Thredbo lodges and now most of the Clubs, the premiums have rocketed downwards, and some savings of 50% and more achieved. Many lodges who were risking underinsuring because of the costs moved up to full insurance. It is a perfect example of true insurance, where as the pool increases, even the only major claim that occurred one year where a roof came off, was not large enough to affect the pool. Total savings have been around half a million dollars a year. Our broker relationship relies on full disclosure on the broker's part, and this has been forthcoming.

In 2004/5 heavy pressure by the EPA forced a review of the whole Perisher area to upgrade the roads, water, sewage to a more modern standard. This was also a condition of the approval to increase bed numbers. A reference to IPART called for a full pricing and works listing program to be planned and adopted. SLOPES made strong contributions. This time the main Club problem was from Perisher Blue endeavouring to push the costs onto the overnight lodges. With detailed presentations to IPART, SLOPES achieved a reasonable cost distribution across all the parties involved. We still object to the massive infrastructure finally adopted with 8" concrete pavements to carry traffic densities of nearly NIL, but if bureaucracy is intent on having 100 year life designs, at least we pay our reasonable share of the costs.

In approximately 2000, after the Thredbo disaster, Government held the Walker inquiry and then insisted that the major building planning activities for the Park be removed from NPWS and handed over to Department of Planning, who set up a retail office in Jindabyne. SLOPES negotiates and works in with Planning steadily discussing problems as they arise, and looking for acceptable solutions. Representations are made on SEPP's and building codes etc that have evolved.

The proposed 800 bed Village centre had some side issues with car parking distribution affecting Smiggins, and SLOPES worked on this.

SLOPES relationship with Perisher Blue has increased to where now certain discounts available for Commercial Lodge overnight dwellers are extended to Club members.

The north east side of Smiggins, previously known as Willow Rd, was in a difficult position re access in Winter with no oversnow, no nothing. SLOPES lead the negotiations to allow winter road clearing and access and Club Parking. Stiff restrictions and very expensive, but liveable.

2007 was probably (and hopefully), the peak year for SLOPES activities. Two major programs came at the same time.

The first was the process for issuing/selling of 520 beds, and to make them attractive a co-issue of extending leases to 2057. The first documentation prepared for NPWS was so arbitrary, legalistic and unworkable that there was immediate rejection by Clubs. SLOPES

went into political mode and applied pressure at all levels. NPWS responded, and a joint working group with NPWS, SLOPES and the Commercials brought about a document that could be lived with. The pricing for the beds worked out pretty well with all the beds being issued in 2008. The pricing for the lease extensions was in our opinion too high, but some 78 out of 88 Clubs are accepting the extensions.

The second problem was the land revaluation for the 2007 valuations to be used for rental calculations under the old leases, and as the starting point for the new leases. We were taken by surprise with an increase in valuations of 40% average. SLOPES appointed a valuer with high reputation, and advised NPWS that we would be running a class challenge in conjunction with the affected commercial lodge. It was going to be very very messy with high costs if we lost. We managed to negotiate a lower increase average of 30% with NPWS and the Valuer General and this has been accepted. The \$900 average annual savings per club will be repetitive until 2027.

In 2008 a SLOPES representative has been very active in working as liaison with NPWS on the road designs and implementations currently across the area.

SLOPES would like to see a more active Club usage in summer and is working in with NPWS to achieve a Back To Perisher Week starting in Easter 2009, with the target of 6-800 Club members attending.

SLOPES does not have a website, and is not designed to deal with the public at large, but to answer to Club Committees, and believes it has built a reputation to where it can be looked on as recognised by Government and others as the Club Stakeholder in the Perisher area. SLOPES finds that many Club problems are common problems that others have already solved and assists in this cross communication

The SLOPES Committee are voluntary, with a salaried Exec Officer who handles the large email data base used as the high speed communications method. The strength of SLOPES is that ALL the Clubs belong. SLOPES endeavours to come across matters fairly and the philosophies are simple

"Never criticise a policy or individual, but instead offer a constructive comment or alternative proposal."

Graeme Anderson

President SLOPES

SLOPES Track Record

SLOPES track record, started in 1993 with Government agreeing to issue new leases. In 1995 we had the bedroom size legislation of NSW altered. In 1996 we worked out acceptable leases for all the Lodges. In 1998 we very successfully worked with the Commission of Inquiry to save Guthega from extinction, and to get 520 beds issued for Lodges. In 2002 we caused a halt to the head lease impetus. In 2004 we organised 40% reductions in Insurance, busting up a cosy little insurance empire and saving over \$400,000 a year for Clubs.

We have been instrumental in getting the MSU finances tabled twice a year. In 2004 at IPART we deflected the amounts to be charged to lodges from 70% to 60%, a saving of \$500,000 a year for Lodges. In 2005/6 we sorted out the arrangements for Guthega parking that were collapsing. In 2005/6 we have coordinated the Smiggins Willow Rd problems. On many occasions we have assisted individual Clubs in small issues with DEC and NPWS where matters seem to be drifting off the rails.

At present we have of course the heavy issue of obtaining better new beds and lease conditions, as well as several other issues on hand.