

No Rally Group Inc

No Rally in the Valley

Background Briefing - Rally Concerns 24/6/09

This background briefing outlines and highlights a range of concerns held by residents of the Tweed and Kyogle Shires in relation to the proposed running of a leg of the World Rally Championships in their local area in September 2009 and every second year for up to 20 years.

Introduction:

The sleepy little villages of the Tweed Valley and Kyogle areas in the far north-east of the state are about to be shaken awake by the roar of rally cars racing through their environmentally sensitive area!

At the request of the Paris-based FIA, The NSW government has passed "special events legislation" to hold the Australian leg of the World Rally Championships in the Tweed and Kyogle areas in September this year, and every second year for up to twenty years. The proposed route takes the rally cars, at speeds in excess of 160km/h along quiet rural gravel roads and through National Parks.

The legislation rides roughshod over the democratic rights of local communities and overrides the provisions of many state laws. Rally organizers and public officials are granted immunity from prosecution for their activities under the legislation, even if they deliberately contravene the legislation.

The government accepted a late amendment to allow a review of the legislation after the first event. Locals are concerned that this review must have the capacity to say NO to further events. The review also needs to be open, fair and accountable. It needs to be based on more than the opinion and assurances of the rally organizers and must include a proper cost-benefit analysis.

Local residents are concerned about the impacts of this event in the following areas:

- **Environmental**
- **Economic**
- **Social**
- **Political**

Environmental concerns

- Impact on threatened flora and fauna including koalas and species classified as endangered or vulnerable
- The rally will occur in the breeding season every second year for up to 20 years
- Bushfire risks associated with the rally have not been properly assessed or addressed
- The rally is an affront to the many locals who work so hard to protect our local flora and fauna, through Landcare, Wildlife care groups and other similar groups.
- Use of National Parks for a car racing event is inconsistent with current legislation and community expectations

- Inconsistency of this event in an area identified as
 - A bio-diversity hotspot (the most bio-diverse area in NSW)
 - An iconic landscape equivalent to Uluru and Kakadu.

Economic Concerns

- Inflation of estimated economic returns
- No consideration of real costs
- Potential damage to growing eco-tourism industry
- Inconsistency of this event with the recognition of the importance of eco-tourism and nature-based tourism as the key priority in economic development for the area.

Social Concerns

- Increased alcohol and violence related anti-social behaviour
- Copy-cat driving
- Conflict with state government programs seeking to reduce dangerous driving eg “Speeding. No one thinks big of you”
- Increased driving-related deaths and injuries
- Creation of social division in the local community.
- Impact on at-risk groups such as Vietnam Veterans and their families and Disabled and Elderly relying on home care visits

Political Concerns:

- Secret deals between government agencies and a private company
- Lack of local consultation
- Subsidies to the event from the public purse
- Inappropriate relationships between developers and approving authorities
- Beijing-style legislation used to enable the event
- Exclusion of local communities from decision making processes.

Background:

Last year (August 2008), with great fanfare, Commonwealth Ministers Peter Garrett (Environment) and Martin Ferguson (Tourism) descended on our quiet little corner of the state to declare us to be of national significance – beloved of all because of our unique landscape! We were incorporated into the National Landscapes Program, along with Uluru and Kakadu and 14 other areas across Australia recognised for their iconic landscapes. They spoke in glowing terms of our “rich biodiversity” and of the potential benefit to the area through “soft footprint... eco-tourism”. It all sounded wonderful. .

Then a month later (September 2008) their state counterparts got down to the serious business. They announced the result of two years of secret negotiations between Events NSW (a company wholly owned by the NSW government) and Repco Rally Australia (a company wholly owned by the Confederation of Australian Motor Sports [CAMS]).

Not only is the state government supporting the rally with words, they are putting **our taxpayers’** money into it. So far they have donated several million dollars to Repco Rally Australia to assist them to stage the event.

At the same time, through the NSW Premier’s Department, they are co-ordinating a “whole of government” support effort costing who knows how much. Who is paying the salaries,

travel and accommodation expenses of these bureaucrats? Certainly not the organisers of the rally!

On 29 May the Minister for State Development, Ian MacDonald, announced that the NSW Government, at the request of the Paris-based Federation Internationale d'Automobile (FIA), was preparing "special events legislation" to ensure the rally goes ahead.

This legislation was introduced to Parliament in the last week. It is anticipated that the vote on the Bill will take place on Tuesday 23 June.

The legislation overrides a number of Common Law rights and the provisions of many state laws, giving immunity to the organisers, state departments and agencies and local authorities for a range of actions taken in support of the rally. The legislation repeats what is becoming a pattern of behaviour for the state government when local communities have concerns about proposals they support or have initiated.

Comments:

Local residents are concerned that the legislation to enable the rally:

- provides inappropriate protection to the organisers and state and local government authorities in relation to their activities.
- removes protections under numerous state laws including -
 - Environmental Planning and Assessment Act
 - National Parks and Wildlife Act
 - Fisheries Management
 - Local Government Act
 - Forestry Act
 - Water Management Act
 - Crown Lands Act, and
 - certain road and noise legislation
- overrides Plans of Management for Crown Reserves
- removes common law rights by excluding the actions of the promoters and local authorities
- removes the opportunity for local residents to have input into the approval process and conditions that might be attached to the event.
- allows several occurrences of the event prior to any review despite a reported assurance given by the Minister to local Mayors that it would be reviewed after one event.

Police are being provided free of charge (as is support from all other government departments because it has been declared a "Hallmark Event"). The Police Local Area Commander advised in May that 150 police working a mix of 10 and 12 hour shifts would be brought into the area for the 3 days the event is planned to run.

The provision of police at no cost to the organisers was confirmed by Superintendent Michael Kenny, Tweed-Byron LAC Commander on 14 May 2009 in a meeting with two members of the No Rally Group.

If a member of the public or any other organisation wanted to hire a police officer for an event it would cost a bit over \$85 per hour per officer.

That adds up to about \$400,000 in policing costs alone – and that does not include their transport, accommodation or meals! Add in the costs associated with Ambulances, other health services, RTA, NPWS, fire brigades, Rural Fire Service, SES and so the list goes on.

Who will be paying? Certainly not the private company, owned by CAMS, set up to organise the event! It will once again be the long suffering NSW taxpayers who will foot the bill.

Particularly insulting to Tweed locals is the fact that at the same time that the NSW government is pumping millions into supporting this outdated and environmentally destructive “sport” they are ripping millions out of the North Coast Health Services, at the cost of hundreds of jobs, and downgrading Murwillumbah Hospital.

The decision to move the Service Park to the Walter Peate Reserve, Kingscliff, (several hundred metres from the planned location) next to a Retirement Village / Nursing Home does not change the concerns expressed. Indeed, that decision was only taken as a result of extensive and determined protests by local residents. The legislation allows the rally organisers to undertake whatever works they deem appropriate and also declares the reserve as a temporary helipad allowing take-offs and landings every 7½ minutes between 6am and 6pm (up to 50 helicopter flights a day).

All this, without a Development Application having been lodged - just a “wink and a nod” from the people “in the know” in the State government and local Council! Obviously, the “wink and nod” are the way to go in NSW – on Friday 29/5 the NSW government announced it was preparing special legislation to ensure the rally goes ahead.

Only in the last several weeks have the rally organisers have released environmental and socio-economic studies that they plan to use to support the rally when they finally get around to lodging a Development Application. Their final proposed route was released two days earlier.

The proposed route shows that **ALL** stages running through or beside National Parks are racing stages, with speeds expected in excess of 160 km/h.

Rally organisers have dangled the twin carrots of economic benefits and local jobs in front of the businesses in the area. The jobs involved amount to five days of casual work every two years, predominantly in the form of overtime for current employees – hardly real jobs! No permanent full-time jobs for the area have been identified as flowing directly from the rally!

They have also presented a rosy economic picture of millions of dollars flowing into the Tweed and Kyogle areas from accommodation and food purchases. Strange that they don't make mention of research paid for by the industry that showed that at similar events in 2007 more than 1/3 of attendees did not pay for accommodation. Given the proximity of the race to the main target market (young Gold Coast males) it is likely they will bring their own

food and go home at night. Why would Gold Coast residents pay for accommodation in the Tweed or Kyogle when they live at most 60 minutes from the most remote rally stage?

It is also strange that they don't acknowledge the real costs involved – but then in the finest traditions of rural NSW politics they are privatising the profits and socialising the costs. If they are not directly paying the costs then those costs don't count seems to be the logic.

Rally organisers have not taken into account the impact of either the global economic crisis or the Swine Flu pandemic on attendances, and therefore income.

The organisers of the rally leg in Finland (which immediately precedes the Australian leg) have revised their anticipated attendance figures and imposed a 40% cut to their budget as a result of these factors.

Why are those factors not relevant here in Australia? Are the organisers holding this in reserve as an excuse after the rally fails to attract the predicted economic benefits?

Rally organisers have left a trail of misinformation in their wake. They have variously claimed that:

- local wildlife carers had agreed to look after injured animals - but the local wildlife carers, Tweed Valley Wildlife Carers, were never contacted.
- the “vets from Currumbin” (Wildlife Sanctuary animal hospital) would come down to treat any injured wildlife, but they were never asked either.
- they would give \$17,000 to local Landcare volunteers to plant trees as carbon offsetting, for rally cars and official vehicles, but they were never asked either and the real cost of such plantings, including maintaining the trees would cost many times that amount... but they were never asked. The suggested cost of this program is in question. Organisers have told No Rally Group members that RRA would be paying \$15/tonnn for 15 tonnes of Carbon emissions which is \$10,500!
- claimed that the consultant who prepared the ecological study on the rally saw “no reason from an ecological viewpoint that the rally should not proceed” – despite him never saying that. These comments were published in the Tweed Daily News on 18/5/09.
- had to apologise and make excuses on ABC local radio for attributing to Dr Phillips, in their media release, statements that were never made by him.

Many local residents have concerns about the environmental studies and the socio-economic study that have been prepared and would have been used to support the Development Application.

They rightfully fear that these reports, seriously flawed as they are, will underpin any conditions imposed by the Minister as a result of the legislation.

Concerns about the reports:

Environmental Reports

Concerns about the environmental reports are many and varied:

(Note: The reports may be downloaded from www.rallyaustralia.com)

1. Ecological study

- The study was conducted in Autumn for an event that will occur in Spring.
- The study considers **ONLY** the risk of impact by rally vehicles (racing cars) but not other vehicles including heavy trucks, buses, emergency and spectator vehicles and the effect of a large number of low-flying helicopters.
- The study does not consider the impact of other rally associated activities such as construction of spectator facilities or telecommunications structures, erection and dismantling of signage, fences and other works.
- The study assess the rally as a “once off” event. It does not consider the cumulative impact of the event running in the breeding season each alternate year for up to 20 years.
- Ignores impact of stress on wildlife, in fact the strategies proposed in the report actually increase stress on wildlife.
- Recommends strategies that will actually INCREASE stress on wildlife such as having low flying helicopters "scare off" the animals before the racing cars and volunteers with sirens.
- Does not consider impact during breeding season (particularly on the 250 species of native birds potentially in their breeding cycle at the time of the event)
- Does not consider impact of “rally related activities” by rally staff, volunteers and spectators (estimated at 20,000)
- Rates activities against the lowest common denominator of State and Federal legislated requirements rather than current best practice.
- Identifies significant numbers of threatened species on the proposed route.
- Acknowledges the risk of vehicle impact.

2. *Dust study*

- Acknowledges the difficulty of mitigating this hazard and recommends residents on the proposed route either “go out for the day” or close windows and doors and turn on their air-conditioners.

3. *Noise (acoustic) study*

- Acknowledges that recommended levels can't be met and noise from the rally will consistently exceed recommended upper limits.
- DRAFT version only available for download.

4. *Carbon Offset Plan*

- Consists of one page (plus Q&A) on the website of the organisers.
- Depends on volunteers (Landcare) without appropriate consultation.
- Does not take into account the ongoing cost of maintaining trees planted as carbon offsets.
- Uses an estimate of cost per tonne at the lower end of the range identified in earlier reports.

5. *Waste study*

- Has different standards for “stallholders” and “internal” operations (eg use of clingwrap and plastics)
- Recommends use of bin types that have been excluded from the new (commencing 2009/10) Tweed Shire Council waste collection contract. (Recommends “split bins” rather than separate bins for recyclable waste.)

- Gives no estimates of the amount of non-recyclable material that will need to be dumped in rapidly-filling landfill sites

Cultural Heritage Report

- RRA conducted the consultation and passed on the results to the consultant
- Githabul women are under-represented
- Report examines only three rally stages for culturally-significant sites
- Report is currently 'draft' only.

Traffic Management Report

- The organisers have STILL not released this report on their website.

Socio-Economic Impact Assessment

Local community members have a range of concerns about this report:

- Limited local consultation (interviewees were 7 people representing local groups nominated by Tweed Shire Council)

Note:

- Six community organisations have asserted that they were either not consulted or that the report authors misrepresented the nature of the consultation. They are going public with their concerns and upset. A letter signed by the representatives named in the report was published in the Tweed Shire Echo on Thursday 18/6/09. This letter can be accessed at www.tweedecho.com.au.
- These complaints destroy the credibility of the report.
- The report dismisses local concerns based on **unsupported** assurances from organisers.
- It relies for forecasts on **untested** opinions and assurances from rally organisers
- The report does not consider the real costs of the event including direct financial support and in-kind support from both state and local government (taxpayer / ratepayer money). This support is estimated at approximately \$7 million.
- The report does not consider the potential impact on existing (growing) tourist market based on eco-tourism and nature tourism.

Note:

- In 2007, according to figures from Tourism Australia, domestic and overseas tourists contributed \$1.1 BILLION to the Northern Rivers economy, and the bulk of those visitors participated in nature-based experiences.
- The Tweed Economic Development Corporation estimated that the Gross Regional Product (the sum total of all goods and services produced in the region) for the Tweed Shire alone was \$1.36 BILLION in 2005-06.
- Against this existing economic picture the report predicts \$10.96 million additional contribution to the Tweed and Kyogle areas combined as a result of the rally.
- The Tweed Shire would most likely see about \$7 million (or two-thirds) of this. This is pretty close to what the government would be contributing in direct and indirect support for the rally.
- That means, for the government, it is a worse return on investment than existed in Western Australia when that government withdrew support for the event in 2005. (They at least got \$1.60 for each \$1 invested!)
- No evidence is provided for the estimates of full time and casual jobs it claims will be created other than a blanket claim of using "industry multipliers". Other reports

Speak about the unique nature of this event and the fact that standard predictive measures are not applicable. Similar qualifying statements are absent from this report.

- The report unfairly equates claimed full time jobs and casual / part-time jobs. The report acknowledges that most additional work opportunities will be by way of additional hours or overtime for existing employees. Figures given for hours work available differ between RRA representatives and the author of the SEIA.
- The RRA website wrongly cites permanent jobs, not EFT (which only applies for one year).
- The report gives no references to support its calculations of economic impacts.
- The report fails to consider existing research casting doubts on the economic benefits of such events. The organisers commissioned an “Economic Impact Assessment” rather than a cost-benefit analysis. There is a considerable body of academic papers criticizing this approach as inadequate in considering the real costs of such events.

Local residents are concerned at the political implications of the close and inappropriate relationships between state and local government officials and the rally organisers.

The negotiations to support the rally were conducted through Events NSW, a wholly government owned company. Repeated FOI requests for information about these negotiations have been rejected based on the fact that Events NSW is a company. This is an artificial and contrived mechanism to hide this information from public scrutiny.

The local Tweed Shire Council, only recently out of Administration after an inquiry found that their relationship with developers was too cosy, is also supporting the rally. In August last year, as a parting gesture to local ratepayers the Administrators decided to give \$120,000 per event (every 2 years) to the organisers. They also decided to provide office accommodation in the council office building and free use of the council workshops for pre-race and post-race scrutineering of the cars. All this without ever once asking locals if they actually wanted this event in the area!

On top of this the General Manager of the council is on the Board of Directors of Repco Rally Australia! Have they never heard the phrase “conflict of interest”?

The relationship between the General Manager of Tweed Shire Council and the rally organisers is also of concern to many local residents. That the General Manager had been “deeply involved with the organisers” for two years prior to his being invited to join the board of Repco Rally Australia was stated in the letter of invitation to join the board.

Obviously some are aware of the Conflict of Interest potential! The General Manager was explicitly excluded from discussions between the Tweed Mayor and the NSW government in Sydney in the week following the announcement that the state government was taking over control of the planning approval process!!!

This same General Manager actually suggested to rally organisers, when they were looking for a location for the Service Park for the racing cars, that they use a foreshore park in Kingscliff for a month. Public land – our land – given to a private company to use for a month every two years! Nearby residents are, not surprisingly, just a tad upset!

There is an unhealthy alliance with Tweed Tourism. Last year Council wrote and requested council presence on the board, and ever since they have received huge wads of money. Council then named Tweed Tourism as one of the Consultant Community Organisations for the SEIA report.

Locals are not impressed, and in the finest traditions of protest in defence of the local environment and community on the North Coast, are taking to the streets and the phones and the internet to make their voices heard.

And they wonder why people are cynical about politicians and politics.

Visit the NO Rally Group website: <http://sites.google.com/site/norallygroup>

Contact the No Rally Group : no.rally@yahoo.com

NOTE: Every statement in this briefing can be verified.