

Pool Attachment: Response to EIS on the Western Sydney Stadium from Tim Chate.

16th August 2016

Tim Chate

227 North Rocks Road, North Rocks NSW 2151

NSW Government

Department of Planning and Environment

(attachment to emailed response)

Dear Sir/ Madam,

Re: Submission in response to the Environmental Impact Statement, (EIS), relating to the Western Sydney Stadium at Parramatta and the destruction of the Parramatta Memorial Swimming Pool: especially in relation to the Social and Economic Impacts which is appendix "N" dated 13/7/2016.

Conclusion.

My submission concludes that the social cost of the stadium development has not been costed in the EIS. Also that the government revenues, and the private revenues, from the stadium development have not been assessed in the EIS. Further, that no action has been taken to ensure that a reasonable share of the private profits are spent in Parramatta. Fourthly, that no cost/benefit analysis has been done in the EIS. Fifthly, that my cost/benefit analysis shows that the stadium

development will result in a loss of \$55 million to NSW. And, sixthly, that for the above reasons, the stadium development should not proceed.

Background.

In the NSW election in March 2015 the main issue was the sale on the NSW electricity grid to fund road and rail infrastructure. The Western Sydney Stadium development, (hereinafter called "the stadium development"), was not made public. Later in September 2015, a \$1.6 billion stadium strategy was announced for Sydney, which included the stadium development. It was declared to be a state significant development. The main users of the stadium development are to be two professional male football teams, the Parramatta Eels, (called "the Eels"), and the Western Sydney Wanderers, (called "the Wanderers"), (EIS para 7.0). Both are owned by private enterprises. It was also announced that the stadium development would cost taxpayers \$300 million, (EIS paragraph 5.1.4), and that the Parramatta Memorial Swimming Pool, (hereinafter called "the pool"), would be destroyed to build the totally new 30,000 seat football stadium, with 27,000 seats and 3,000 corporate seats. As far as I am aware there was no public consultation to calculate the social costs, nor was there any research done to calculate the revenues that would be repaid to the taxpayers of NSW who are funding the development.

The costs of the stadium development.

The (EIS), does not refer to any community consultation that was done, nor does it refer to any costings. Instead it makes generalized references to the pool having 160,000 visitors each year and that the loss of the pool as a recreational facility reduces the communities' enjoyment of life, and it further says that a new pool may be built on the site of the old Parramatta golf course in 2 years, and further that there are alternative public pools at Granville, Wentworthville, and Merrylands, within 3.5 kilometres, which the residents could use.

I submit that the EIS has failed to properly assess and cost the following social cost matters: namely

1. The importance of the pool to the community as a memorial swimming pool, built to remember the sacrifice of Australians in World War 11.
2. The importance to the community of keeping crown land for the use of the public.
3. The importance of the pool's current use for school swimming carnivals.
4. The uniqueness of the two diving tower facilities.
5. That the pool was completely re-tiled by the Parramatta council for the 2015 swimming season.
6. That there is no guarantee that a new pool will be built, and even if it is built, the estimate of 2 years is unrealistic, especially since a new elected local council will not meet for at least another year. Therefore, a 5 year time frame would be more realistic. Further, there is the fact that many of the 184,622 residents of Parramatta live in high rise apartments, or are children, or disabled people, or elderly people: all of whom will not easily be able to go to alternative public pools that are 3.5 kilometres away.
7. The cost of a replacement new pool which is to be paid for by the new Parramatta council. (I have estimated this cost at \$50 million).
8. The opportunity cost of spending the \$300 million on a stadium development that will be used for two teams of elite male professional football players, **instead of** spending that same \$300 million on upgrading sports parks and amenity blocks, repairing gymnasiums, upgrading outdoor tennis and basketball courts, up-grading running tracks, up-grading cycling tracks, providing properly qualified coaches in all junior, amateur and semi-professional sports, providing sporting scholarships, and providing more funding and support for women's sport generally.

I submit the social cost should have been costed in the EIS, and it has not been done.

I have set out my estimate of the social cost later in my submission.

The benefits of the stadium development.

The EIS has not provided details of the revenue, (public and private), that will flow from the development. Instead it makes generalized claims about the benefits.

For example, the EIS says the stadium development will be a “state of the art facility”. Also at paragraph 2.3 of the EIS, it says that,” the current Parramatta stadium is 30 years old, is unable to meet the contemporary needs of the community, and it is not a viable long term base for the current franchisee.” Also it says that on several occasions over a 10 year period since 2005 the stadium, exceeded its 20,000 capacity by 1,000 people, (see page 27 of the EIS). It claims that 1200 jobs will be created in its construction, and that there will be 900 jobs, mostly part time, created afterwards on event days.

I submit the EIS has failed to properly address the following revenue matters: namely,

1. The stadium is in good condition and has not reached the end of its economic life. How can the destruction of a stadium in good condition be justified? Isn't it better to build a new stadium somewhere else?
2. The stadium is not too small because appendix N of the EIS states that the average attendance for the Eels is 13,300 per game, and for the Wanderers it is 13,500 per game. Also at paragraph 3.2 of the EIS there is a prediction that the population of Parramatta will grow by 28% by 2036. If so, the average attendance for the Eels and Wanderers in 2036 would be 17,024 and 17,280 respectively. Therefore, the stadium is not too small because its current capacity is 20,000. In any case, if there are some games where the crowd is expected to greatly exceed 20,000 people then ANZ stadium, ie: the Olympic Stadium, is available. Further the EIS has not researched whether there is any evidence that the crowds will grow. For example, the average crowd at NRL games in NSW for weeks ending on the 25/7/2016 was 13,511, and on the 8/8/2016 it was 11,300, and on the 15/8 2016 it was 12,554. (Source: The Sydney Morning Herald). Also, there are very low attendances at some games, for example at the Dragons v Broncos match on the 4/8/2016 the crowd was only 5,662. Also at the Eels game at Parramatta stadium on the 5/8/2016 the crowd was only 8,143. Further, the EIS has not given proper consideration to the fact that the NRL is now being broadcast for a television audience 5 nights per week from Thursday through to Monday, and therefore there needs to be research done on

whether NRL crowds attending club games are actually decreasing over the years. There also needs to be research done on whether the Wanderers crowds are changing, because in my opinion they have plateaued. These figures, and these facts, prove that the existing stadium capacity of 20,000 is enough to cater for the needs of the Eels and the Wanderers for the next 20 years, and at present there is no evidence to prove that the crowds will grow in future years.

3. The current stadium can be modified, and the pool can be preserved, saving the community most of the \$300 million. However, instead of thoroughly investigating this alternative, and costing it, the EIS avoids the issue with general references to the desirability of not interfering with views from Old Government House, and of not interfering with the “sensitive environment of the Parramatta River”. I strongly disagree with these assertions. I submit that changes to the seating in the western stand, and constructing new seating in the northern and southern areas of the current stadium are able to substantially increase seating, without any major re-construction or environmental impact. No plans about this alternative are in the EIS. Also, as stated in the previous paragraph, the alternative of using the ANZ stadium for large crowds has not been considered.
4. The job creation claims referred to in the EIS fail to concede that the same jobs could be created if the stadium was built somewhere else, or, if the \$300 million was spent on other sports and facilities and coaches and sporting scholarships that would benefit the whole Parramatta community. (This is the “opportunity cost”, of the stadium development).
5. The basic community principle, which is, that public money should not be given to private enterprises, unless there are exceptional circumstances. In this regard, the current franchisees are identified as the Eels and the Wanderers. The EIS identifies them as the users of the stadium development. Both are enormous commercially run private enterprises. Both are connected with the NRL and FFA which run enormous fully professional male sports competitions in each code. Their revenues also come from television, radio, liquor, gambling, telephone companies, sports

products, developers, and many other large corporations. These franchisees, and their sponsors, are big enough to fund their own professional sports, without using taxpayer's money.

6. The obligations of the Eels and the Wanderers to give something back to the community. In this regard, I am not aware that the Eels and the Wanderers have been required to give any legally binding commitments to give back to the community, for example, in relation to the use of the stadium, the sharing of the stadium with all other sports, (male and female, amateur and semi-professional), the coaching of juniors, the support of other sports, and using some of their profits for community purposes.
7. Ensuring that a reasonable share of the profits generated from the development would be spent in the Parramatta community. However, in this regard the EIS has not investigated the ownership of these football clubs, (ie: whether they are owned by individuals, corporations, or overseas football clubs etc), nor has the EIS provided any evidence to show that any part of the profits will be spent in Parramatta.

I submit the government revenues, and the private revenues, generated from the stadium development should have been properly assessed, and the EIS has not done this. Further, no action has been taken to ensure that a reasonable share of the private profits are spent in Parramatta.

I have set out my own estimate of the revenues later in my submission.

I submit my cost/ benefit analysis of the stadium development to NSW.

Assumptions:

I have assumed the stadium development will last for 30 years before it is replaced, ie: the same lifetime as the existing stadium.

I have assumed that there are 25 home games per year.

I have assumed the government gets \$20.00 from each ticket sale at the home games.

There is no evidence that crowds will grow, however, I have assumed that the average crowd is currently 13,400, (using appendix N), and that it will grow by 42% in 30 years in proportion to the estimated population growth. Therefore, the average crowd at each game in 30 years will be 19,028, ie. an increase of 5,628. Therefore, the total extra government revenue from ticket sales over the 30 years = $30 \times 25 \times \$20 \times \frac{1}{2}(5,628) = \$42,210,000$.

I have assumed that there is an equal opportunity cost of not spending the \$300 million on other sports.

I have assumed that the population of Parramatta, 184,622, would pay \$1.00 per week to avoid losing the use of the pool for 5 years whilst a new pool is built.

I have assumed it would cost Parramatta council \$50 million to build a new pool.

Revenue.

The stadium development:	\$300,000,000-
Government revenue from increased ticket sales:	
$30 \times 25 \times 2,814 \times \$20 =$	\$42,210,000-
Sub-total:	\$342,210,000-

Costs.

Opportunity cost to the NSW community :	\$300,000,000-
Social cost of not having a public pool for 5 years	
$(184,622 \times \$1 \times 52 \times 5) =$	\$48,001,720-
Cost to build a new Parramatta pool	\$50,000,000-
Sub-total:	\$398,001,720-

Total of cost/benefit to NSW: (negative -) \$55,791,720-

Therefore the proposed new stadium will result in the taxpayers of NSW being worse off by \$55,791,720.00. Based on the cost benefit analysis the stadium development is not justified.

Thank you for reading this submission.



Tim Chate

227 North Rocks Road, North Rocks NSW 2151.

P.S: I swim at the pool before and after work, three times per week, during seven months of the year. Swimming is my personal sport and it helps reduce my stress. My family also enjoys swimming in the pool when the weather is hot during summer. This decision does not make Parramatta a better place to live for my family.

P.P.S: My father served in WWII. The Parramatta Memorial Pool was created out of gratitude and respect for the sacrifice that was made by our ex-service people. It is not an overstatement to believe that the site is sacred, and that the decision to destroy it is worthy of profound re-consideration.