Answers to Questions on Notice - Mr John Pinkerton- SLOPES - received 11 December 2013.

D13/35274.

Question:

The Hon. JAN BARHAM: I am not totally familiar with it so I was trying to understand why you were paying for the upkeep even though you do not own it. Is it inappropriate or rude to ask what the annual lease fee is? (transcript page 28)

Mr PINKERTON: There is a rental. I could be wrong but I have got an idea that the average rental might be in the order of \$7,000 to \$10,000 per year. But the bigger lodges would be more because it is calculated on a per bed basis. We can provide those figures on notice, if you like. (transcript page 28)

Mr PINKERTON: We might add the community service charges to the rental charges [question on notice] because that is just as big. Both of those together are fairly big portions of the money that clubs pay out. (transcript page 30)

Answer.

Each of the 88 ski and alpine clubs on the Perisher Range that lease premises (lodges) from the Minister pay rent and municipal service charges (MSU charges), previously called community service charges. All club lodges are unique and their size, capacity (bed numbers) and amenity varies widely from club from club.

A majority of clubs have a lease until 2025. These pay rent based on the greater of land value or annual gross revenue, *not on the number of beds licensed.* The other clubs have leases on varying terms and tenure. Rent paid is confidential between the club and the Minister.

MSU charges payable to the NPWS are determined generally on the size of each lodge as measured by the number of licensed beds under lease. For details see: http://www.environment.nsw.gov.au/parkmanagement/LeaseholderChargesForPerisherRangeResorts.htm

Rent and MSU charges are different for each club. In an attempt to determine the average or typical rent and MSU charges paid by a club I am advised by the NPWS that it is not at liberty to release individual or gross figures. Without these it not possible to calculate an average cost as a guide to the Members.

But here is an example of revenue operations for one club on the Perisher Range with 22 licensed beds for the calendar years 2011 and 2012, showing within the table the quantum of rent and MSU charges paid.

	Income	Expenses	result
2012	\$102,400	\$100,100 (rent and MSU charges, \$29,000)	\$2,300 surplus
2011	\$110,400	\$130,800 (rent and MSU charges, \$29,000)	(\$20,400) loss

John Pinkerton Treasurer SLOPES