

# Save Bastion Point

*protect this coastal environment from inappropriate development*

## MEDIA RELEASE

Friday, 8 October 2010

**Embargoed till Monday 11 October 2010**

### **Annual \$2.8 Million Black Hole in Bastion Point Breakwater Economics**

An annual \$2.8 million black hole caused by a calculation error has been discovered in an East Gippsland Shire Council commissioned economic impact assessment into the controversial Bastion Point development.

Save Bastion Point Campaign and Mallacoota residents say it raises major concerns over the credibility of the entire report.

The study, by Buchan Consulting, was used by Council officers to rush consideration of the development through Council on 3 August.

Save Bastion Point Campaign believes the report is also being used to seek government approval for the development and justify the \$5.5 million of government funding needed to build the facility.

Save Bastion Point Campaign spokesman Leo op den Brouw said several flawed assumptions in the report had led to the economic benefits of the project to be grossly overestimated.

“Principal amongst these is the report’s central assumption that each group of three boaters coming to Mallacoota will spend \$4240 over three days, even if they are camping,” Mr op den Brouw said.

“Examining the details of the report, it is obvious that the consultants arrived at this costing by mistake, by multiplying the wrong numbers in a table.

“This error culminates in an overestimate of the annual benefits of the project by \$2.8 million.

“Of further concern is the consultant’s reluctance to use actual Tourism Victoria expenditure data for Gippsland, which would further reduce the supposed benefits of the project.

“Taken together, just the mistake and reluctance to use Tourism Victoria data mean the daily tourism benefits are inflated by a whopping 400 per cent.”

Mr op den Brouw said many of the figures in the report were far-fetched.

“For example, the report says there are 1000 launches of government vessels each year – that’s almost three per day, every day of the year, when our enquiries show it is more like 100 per year.

“The report also asserts that each Mallacoota resident will eat \$50 more take-away food and groceries every time they use a new boat ramp – on top of their normal diet.

“I implore all levels of government to think very carefully before attaching any credence to this report.

“They should note that the Inquiry Panel feared the facility would fail and become a burden on the people of East Gippsland. It also found that the development would be to the *overall net detriment of tourism*.

“We have put forward an alternative that satisfies the objectives of the project much better than Council’s breakwater proposal.

“It will bring all the benefits of safer ocean access, but without negatives to other forms of tourism.”

**Details of the Buchan Report Black Hole can be found here:**

Link to summary of issues with Buchan study:

[http://savebastionpoint.org/wp-content/uploads/2010/07/101006\\_Economics-one-pager.pdf](http://savebastionpoint.org/wp-content/uploads/2010/07/101006_Economics-one-pager.pdf)

Link showing Table 21 calculation error

[http://savebastionpoint.org/wp-content/uploads/2010/07/101006\\_Buchan-annotated.pdf](http://savebastionpoint.org/wp-content/uploads/2010/07/101006_Buchan-annotated.pdf)

Link to placed in East Gippsland media

<http://savebastionpoint.org/wp-content/uploads/2010/07/Advertisement-Oct-11.pdf>

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