From: ahnelson
To: PAC
Subject: Inquiry into new sporting & event stadium in Hobart
Date: Saturday, 11 February 2023 1:36:49 PM

Dear Simon Scott,
It would be appreciated if you could submit these views on the proposed Stadium to the Parliamentary Standing Committee of Public Accounts.

There is no electoral mandate for this major commitment of public funds.
I support the Premier's public comments that there are too many negative groups in the Community. i.e., opposing Salmon Farms, Forestry and various Tourist developments etc. However, these public issues have all been tested at each election.
The increased payments to the AFL and the Stadium development have not been tested at elections. **Hence the Government has no Electoral mandate to make these commitments**.
It is noted that two recent polls show a clear majority (69 - 79%) are against the Stadium., In particular the Mercury has run a bliz campaign is support of the Stadium a lot of which has been fake news. However, their recent Poll showed close to 70% of their readers are against the Stadium despite their very biased reporting.
Well known researcher, ERMS, also conducted a detailed question poll by email on 2nd December 2022. In the following week the Mercury increased the "support the stadium blitz" to try and influence responses to this poll. It appears this was commissioned by the Government. The results of this poll have still not been released, perhaps for obvious reasons.
Clearly the Electorate are against this funding waste, and many are incredulous that the major beneficiaries are not offering one cent in support.

Should the Tourism & Hospitality Industry be making this investment instead of the Public?
MI Global Partners Cost Benefit Analysis (11th Nov. 2022) clearly state that the major beneficiaries of this proposed public funding are the Tourism & Hospitality Industries.
These Industries are in the media every week saying they totally support this major funding commitment and yet have not offered one cent of investment into a project that will increase their profits.
Tourism & Hospitality are already benefiting from a major "free taxpayer kick " through the Tasmanian Government increasing their offer to the AFL to $144M over 12 years. Therefore, it is just logical that they should show some gratitude and pay for the State Government's share of the Stadium.
If these industries do not believe that the Stadium is worth investing in then why should the taxpayer/social service needs, have to bear the burden and contribute to their profits?

Industry funding could easily be achieved.by charging a "Stadium levy premium" on land tax paid by hotel and hospitality property owners. This could be two tiered with a lower levy paid by commercial property owners outside of Hobart (or it is just levied on commercial property owners in Hobart, Glenorchy & Bellerive)
Certainly, the Government could be a facilitator of the project with up front funding and then recover these funds through a land tax special levy.
There are precedents for this such as the major irrigation schemes constructed in

the State which have been initiated by the Government and then funded by private enterprise.
The Tourism and Hospitality Industries are already heavily funded by taxpayers through the Government's Tourism Advertising and Events budgets - an ongoing annual burden on the Governments budget.
There are also large indirect costs associated with tourism with heavy use of the State's roads and continual demands for infrastructure upgrades. It is fundamentally a mendicant industry that receives Government support like no other industry in this State.

In short If the beneficiaries are not prepared to invest why should taxpayers? or the disadvantaged areas of society that obviously need more support?

COST - Benefit Analysis Questions & Observations

1. On page 26, $94.4M is counted as a Consumer & Community benefit in nominal value , or $33.3M in Present value money. These are ethereal assumptions & not monetary values. Deducting these amounts makes the monetary Cost Benefit case worse than it already is.
2. Taking the above observation into account the Present Value of the stadium monetary loss increases to $339.6M
3. Given this estimated monetary loss, how does the Government justify their claim that there will be increased funding for community services as a result of the income flows from the Stadium?
4. Constructions cost estimates are lightweight, as are escalation allowances. Major projects all over Australia are coming in much higher than original forecasts and allowances. Many are double the forecast and allowances.
5. The question is, for instance, if construction costs come in double the estimate and allowances who will meet this cost? the State Government?
6. The same question applies to the Sports Development Centre.
7. Why is the Sports Development Centre not part of the "Costs" in the Cost Benefit analysis?
8. The Premier has stated that the payments to the AFL will be on commercial terms!!!. Can the Government be asked what "commercial terms" mean? For instance, does this mean an escalation of payments of 8.0% p.a., or inflation, which is higher?
9. On page 13 of the Governments summary report, it is stated "Currently Tasmania misses out on Major events such as
10. ....top tier concerts ....." . R
11. Recently there was much taunting that Tasmania missed out on the recent Elton John tour due to the lack of the proposed Stadium facilities. Nothing was mentioned that Elton John has already twice visited Tasmania without the proposed Stadium facilities. Nor was there any mention that Elton John did not perform in Perth, South Australia, Townsville etc - all of which had the Stadium facilities to conduct such events.
12. If these claims are the basis of the estimated utilisation of the Stadium, then the whole viability of the benefits analysis has to be in serious question.

Macquarie Point Site
The Macquarie point site is one of the most outstanding sites in Australia, similar

to the Opera House. How would Australians view the building of a footy stadium on that site instead of the Opera House?
The great Cities of the World have chosen to invest in huge parklands in their CBD areas.
New York has Central Park, a very large allocation of land right in the middle of the CBD.
The real estate value in incalculable.
London has Hyde Park, Green Park and more, all in the CBD.
Why do we have this limited view that this top site has to have construction(s) on it.
An open bush parkland, with limited maintenance needs, would turn Hobart into an amazing city greatly adding to its beauty and the all-important "sense of arrival" as tourists & Tasmanians approach the city from the bridge and domain hill.
This would be a very worthwhile urban renewal project which the Prime Minister is attracted to.
The cost would be a fraction of the Stadium and the impact far more, in my humble opinion.

Regards,
A.H. Nelson