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PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON FRIDAY 21 JUNE 2024

INQUIRY INTO THE TASMANIAN GOVERNMENT PROCESS INTO THE PROPOSED ARTS, ENTERTAINMENT AND SPORTS PRECINCT IN HOBART

The Committee met at 10:14 a.m.

CHAIR - Welcome to the Public Accounts Committee hearing into the ongoing inquiry into Tasmania's process into the proposed arts, entertainment and sports precinct in Tasmania.

As you both are aware, the Committee did an interim report and then revised our terms of reference. Then we had a prorogation of Parliament, in case you hadn't noticed that. In order for the Committee to continue our work and prepare a report on this matter, we wanted to give key witnesses an opportunity to update the information. There's been quite a bit of progress since our last hearing with you. That's the purpose of this inquiry: focusing on the new terms of reference and actions to date through Macquarie Point with relation to this project since prorogation effectively, or since you were last here.

I will for the benefit of some new members as well remind you that this hearing is being recorded by Hansard. This is the first time the Parliament is using voice to text for Hansard. If you could, make sure you use your microphone and try to speak relatively clearly and avoid too many acronyms that are unknown to others.

You are covered by Parliamentary privilege before the Committee, but comments you make outside the Committee may not attract such privilege. Everything you say is in public hearing unless you request a private session and the Committee will consider that.

Do you have any questions? Thank you. I'll invite you to both to do the statutory declaration and then introduce yourselves and invite you to give an overview of where things are at and we'll follow up with questions.

Just before I start, we do have some new members of the Committee. Josh is a returning offender but he's now in the other House; Bec Thomas, the new member for Elwick; Luke Edmunds, a Legislative Council member; Simon Behrakis has been here for a short time, and Mark Shelton, a new member to the Committee, not to the Parliament, on the screen.

MS ANNE BEACH, CHIEF EXECUTIVE OFFICER, AND **Mr KIM EVANS**, CHAIRPERSON, MACQUARIE POINT DEVELOPMENT CORPORATION WERE CALLED, MADE THE STATUTORY DECLARATION, AND WERE EXAMINED.

Mr EVANS - Thank you, Chair and thank you to the Committee for the opportunity to talk to you today. I am the incoming Chair of Macquarie Point Development Corporation, taking over on about the 19 February [2024] from memory. Anne Beach is the CEO of the Macquarie Point Development Corporation.

By way of introductory comments, and I'll try and keep them fairly brief if I can because I want to give you the opportunity to ask questions, a lot has happened since the former chair and Anne presented to you on 28 November [2023]. I'll just touch on some of the highlights.

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Since that time, one of the significant things that's happened is the appointment of our lead design consultants, Cox Architects. They've been in that role now, following an extensive procurement process for about six weeks and they've done an absolute power of work. We're very pleased to have got Cox into that role. They've got extensive experience in designing stadiums around Australia. For example, they did Adelaide Oval, Optus Oval in Perth -

CHAIR - The upgrade of Adelaide Oval you mean, or the original stadium?

Mr EVANS - Not the original, the upgrade, and Allianz Stadium in Sydney, amongst a whole heap of others both in Australia and elsewhere.

It's not only just that team, though, that's significant. They're partnering with Tasmanian firms, including Cumulus Studios as the Tasmanian architects, a number of engineering firms, AECOM, Introba and international partners SBP, and local firms Cova, Aldanmark Pty Ltd and pitt&sherry. Then there's a whole heap of specialists and technical firms with expertise in things like pitch management, audio and security, signage and wayfinding. So, we've got the full suite of skills and expertise that we need now to really get moving.

Quite significantly, this opportunity is providing an opportunity for enabling Tasmanians to learn as we go through. They've set up some internships with university architect students, undergraduate engineering placements with AECOM, as well as internships with SBP in Germany.

In addition to the lead consultants, we've got a whole range of other consultants on board as well, and I won't go through the full list of those. We can get into that if you want to in a few moments.

In parallel with that, though, we've continued the work on remediation and work is now well progressed with the final piece of significant remediation at the corner of Davey and Evans streets. We've removed 12,000 cubic metres of material from that site and the physical works are due to be complete in July [2024].

We've continued the geotech work and we've developed a 3D model for the site, and there was a fair bit of interest in geotech when the corporation presented last time. And of course, the Project of State Significance (POSS) process. Since we last appeared, the POSS order has passed the Parliament, the [Tasmanian] Planning Commission has appointed its panel, the Panel has developed draft guidelines. We've engaged closely with the Planning Commission in the finalisation of those guidelines. Now that they are finalised, we are well progressed with the work that we've been doing, including the work with our consultants in the preparation of a detailed submission, which we are on schedule to make in the near future. In parallel with that, as the CEO has said publicly, we are well advanced with the development of a conceptual design which we'll be presenting to the government in the not-too-distant future.

I could go on, but I might pause at that point unless Anne wants to make any particular comments and open it up for questions, Chair.

CHAIR - You talked a lot about the various aspects of skills that you've got with Cox Architecture. One thing I don't believe you said was around traffic management. Is that incorporated into it? Who's leading that?

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Mr EVANS - We've got a specialist consulting firm on board to deal with the traffic study. Anne might like to expand.

Ms BEACH - That was a specific consultancy that we took to market and WSP have been appointed to lead that. In the guidelines that the Tasmanian Planning Commission put together, a large part of the guidelines are dedicated to transport scenario modelling, origin modelling, looking at the different ways of car parking, the way people will be moving across the different modes. So, WSP is leading that and that will be a large part of our submission through the POSS process.

CHAIR - That includes use of public transport?

Ms BEACH - Yes, absolutely.

Mr WILLIE - I'm interested in what the total cost has been so far on the project, all the consultancies that you've just talked about and any other associated costs.

Ms BEACH - Within the project budget of \$715 million, around 10 per cent of that will go into consultancies across the life of the project and resourcing. We're working through, we're on budget to stay within that at this stage, and part of that is going into the submission process.

Mr WILLIE - Okay. There hasn't been any other costs outside of the consultancies?

Ms BEACH - In preparation for the submission? That's been the main focus at this point, has been consultancies.

Mr WILLIE - Okay. Actually, just to clarify, you're within budget - 10 per cent. What has been expended to date?

Ms BEACH - I can put together a summary for you, but all our contracts are published on the Treasury website and each of those are itemised individually.

CHAIR - If you can provide a summary to the Committee.

Ms BEACH - Yes, I can do that for you.

Mr WILLIE - I've got questions on another topic.

CHAIR - Has anyone got anything on that particular point? You go, Josh.

Mr WILLIE - The Agreement has very tight timelines. We've obviously had the POSS pass Parliament, but you must achieve all planning approvals by 30 June 2025. You haven't made a submission yet to that process. Are you on track to deliver that timeframe? I believe if we don't meet that timeframe, the AFL may provide 60 days' notice of intention to terminate.

Ms BEACH - We have a Project Steering Committee, as is set out in that Agreement, which includes the AFL as a member of that steering committee, and we're meeting on a monthly basis. We are meeting with that steering committee - we met last week and we're meeting again today. We're keeping them up to date with the progress of that, so we haven't

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had any concerns raised from the AFL in how we're tracking in working towards making a planning submission.

Mr WILLIE - You also have to get this through the Public Works Committee, so the timeframe is very tight in terms of getting the POSS back, Parliamentary debate and then the Public Works Committee having a look at it.

Ms BEACH - We're a public non-financial corporation.

CHAIR - Meaning?

Ms BEACH - So, we don't fall in the scope of Public Works Committee.

Mr WILLIE - Right. Isn't that in the contract, though?

Ms BEACH - I believe that was written in case it was led by a department.

Mr WILLIE - Okay, so that part's void. But the timeframe still stands. Is it being fairly tight?

Ms BEACH - Yes, so, they remain part of the discussions that we're having and we haven't heard any concerns raised in the AFL, and that is a constant part of our engagement with them.

Mr WILLIE - You haven't made a submission to the POSS process yet, but with your engagement with the panel, when's your expectation that that will come back to Parliament?

Ms BEACH - We engage with the Tasmanian Planning Commission, not directly with the panel. That's a really important clarification to make. So, there's the officer-level support that happens at the Commission. We don't have direct engagement with the panel because they will be doing the assessment. We have been keeping them up-to-date with how we're going and it allows us an opportunity to ask process-based questions and, similarly, for them to understand when we'll be making a submission and the form it will be.

As a process that's not undertaken particularly regularly, there are things that are helpful for us to understand around how amendment processes might work, when we make a submission, what will happen next, and just working through those types of things.

Our engagement has been through the Executive Commissioner and his team, not with the panel. We met with them last week and we let them know that we're tracking quite well. We're anticipating to make a submission in the coming weeks.

Mr WILLIE - They haven't given you an indication of when they expect this to be wrapped up and back in Parliament for debate?

Ms BEACH - They've been given, as part of, after the POSS was declared, they received a direction from the Minister responsible for that act, the Premier, which outlined they had 12 months after receiving the submission to make a report. They'll be working to a 12-month window.

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CHAIR - We do know that all other POSS's - and Kim, you would know this - have all required an extension of time and some of them haven't survived either.

Mr WILLIE - Which would potentially breach the Agreement.

Ms BEACH - Well, it's not necessarily a breach of the Agreement. They're the timelines that are set out. There are provisions in that Agreement to allow for extensions in those. There are a number of milestones in there and we're working towards those milestones.

Mr WILLIE - The AFL hasn't expressed any concerns as you said earlier, even if there is a breach -

CHAIR - Technical breach.

Mr WILLIE - Technical breach - they may make a compromise and allow an extension?

Ms BEACH - If we're close to those milestones, they haven't expressed any concerns. We are working extremely hard and we are very close to working to that timeline.

CHAIR - Since the last time we had you before us, the Goods Shed has been listed as a heritage asset. Obviously, this Committee's concerned about the financial position of the State and the impact of one of our key terms is the financial risks associated with the Agreement which requires the delivery of a stadium. Can you tell us what that impact that's having? Are there any expected or known costs that would relate to dealing with those new challenges except for having it in the right forward pocket making it difficult to kick a goal?

Ms BEACH - The guidelines for the assessment of the Project of State Significance calls in the Historic Cultural Heritage Act, which is the act that the heritage register is governed by. In preparing those guidelines, the TPC possibly anticipated the Goods Shed being called in and listed under that Act. That allows it to be part of the integrated assessment. We can include as part of our submission to a Project of State Significance process a proposal about how we intend to relocate the Goods Shed as part of progressing the multipurpose stadium on our site.

We've contracted in, as part of addressing the heritage elements set out in the guidelines, a proposal to relocate the Goods Shed within the site and contract it in Purcell as a heritage adviser to assist us in doing that. As part of working through that process, we've looked at how the site was originally used. The heritage listing has eight possible criteria and in the listing the council identified two instances where it found it was relevant and both those listed were relevant to place.

In their original rail yards, we looked at how the site was used, the original alignment of the rail and where sheds were located on the site. We identified where there was a shed of a similar scale on the site where we could potentially relocate the Goods Shed and integrate in the site in a similar way so we could reflect that heritage. That will be part of our POSS submission about how we can continue to maintain the heritage, reflect its original use and continue to activate it.

We're doing that looking at the works guidelines, which is a requirement, working through their heritage management guidelines that Heritage Tasmania put together and this will all be part of our application process.

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CHAIR - With the costs associated with this, is the consultancy costs you've just referred to part of the list you'll provide to us?

Ms BEACH - Yes.

CHAIR - Obviously, it costs more to relocate and protect the integrity of that shed as you relocate it. That is costlier than demolishing it and there are demolition costs, of course. Has there been any assessment done of the additional cost that would create?

Ms BEACH - We will consider that. We do have what we call a reserve fund. In managing costs at the corporation, wherever we have been efficient in our capital works and in operation funds and been able to generate revenue and being efficient in that we have a reserve fund. We put our funds in that to manage any additional costs on site. Then when with the board's discretion able to use those funds to manage any ongoing costs we then have to manage on the site. We have that as a source where we can address costs like this.

In terms of the use of the Goods Shed, we'll be looking at using the guidance from the heritage assessment that the team have done to continue to have that activation like the community has from it now, but to recognise the original use. It will improve their heritage recognition of its original use and do that so it can reflect its original activation on the site and get that multiple use.

CHAIR - With regard to your reserve fund, what's the balance of that at the moment?

Ms BEACH - I'd need to check that, but we have as part of our modelling projected what the funds will be at the end of the project, as well to help us inform our ability to look at projects like the Goods Shed and be able to fund those.

CHAIR - Can you talk me through that? If the reserve fund is not a significant amount, one would imagine to relocate the shed and do what you would need to do with it to maintain its integrity and meet the requirements of the heritage listing, I don't know how much that will cost, but it won't be small. What do you expect that to be, what it is now, and that will come and go as things emerge, but do you have an actual balance at the moment you could share with the Committee?

Ms BEACH - I can check what that is and take that on notice and bring it back to the Committee. But it isn't something we're concerned about. It also becomes the level of activation we do, when we activate and the extent of activation. It just becomes a value management and a staging consideration for us.

Mr WILLIE - Back to the design, you're saying Cox Architecture is expected to provide the concept designs to Government shortly. Do you have a time frame for that? When will that be released publicly?

Ms BEACH - I previously committed we were aiming for the middle of this year and we're still working really hard to do that. Over the next one to two weeks, we'd be looking to share that with the community.

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Mr WILLIE - Next one to two weeks? Okay. What's your engagement been like with the RSL of the impact of the Cenotaph? Have they had some input into the design or had some engagement with them around their concerns? Have they been provided the concept designs?

Ms BEACH - We're working on the concept design. We haven't shared the concept designs with anyone. They're a live project we're working on at the moment. We did meet with the RSL a few weeks ago to give them an opportunity to meet with the Cox team to allow the team to hear from the RSL of what's important to them in working through the design. Throughout this process, the RSL has been clear that there is some information they would like to know and that's important to them. That is the location of the stadium, how high it will be, the proximity and how long it will take to build, because that helps them understand the impact on the Cenotaph.

Through the precinct plan work, we're able to identify the location for the stadium. A few weeks ago, the CEO asked me how close that footprint was to the boundary of the escarpment. I gave him the measurement of the built form footprint to the escarpment, which enabled him to have an indicative measurement about how far away that might be.

Mr WILLIE - So, 95 metres?

Ms BEACH - That was his estimation. Yes. That was based on me advising that the footprint we've identified in the precinct plan was approximately, at its nearest point, 30 metres to the top of the escarpment boundary, which then enabled him to do that estimation. Bearing in mind that is the footprint, we identified a footprint to then work within on the precinct plan. The design that's ahead of us resolving the design, it will be further away than that. We are working within that footprint.

What I have committed to the CEO and the President is that before we release the concept design, we will come back and advise exactly the distance away once we've resolved the concept design and the exact heights both in the middle, at the highest point and on the sides. We will be able to clearly articulate the extent of any key sight line impact. We will share that with them before we release our concept designs.

Mr WILLIE - With your engagement with the RSL and Cox Architecture, are you confident you can alleviate the RSL's concerns? I know it's a live process at the moment but do you think you're going to get some Agreement that it will not impact the Cenotaph in the way they're concerned about?

Ms BEACH - In designing, they're stating there are a number of things we need to consider. A key thing we've been working through in resolving the stadium are a number of things. We need to think about the character of the site, the key elements we need to deliver within the precinct. There are a number of projects, the sight lines that impact in and around the site and the key users around the site. The Cenotaph is one of a number of sensitive users.

We also need to be thinking about the port to the east, which has which has light implications and there's critical access that we need to maintain. There are businesses that operate around us, there's hotels, there's residents. So, there are a number of sensitive uses we need to be aware of. Similarly, yes, the TSO have noise and vibration considerations. These all impact design. We also need to think about the uses within the stadium and we have to balance all of those.

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In managing those, we're not going to be able to satisfy 100 per cent of everyone's requirements and there will be a scale of impact. So, we will not be able to meet perfectly all of the RSL's requirements, but minimising the impact on them has been a fundamental element of the design of the stadium. There's a number of things we've been designing into the concept design to minimise impact but there will not be zero impact.

Mr WILLIE - How do you work through that process when you've got so many different user groups around the stadium? You'd be able to mitigate some of the concerns better than others. How do you prioritise who?

Ms BEACH - We have to work through a balance. Some of those things have cost implications. Things like sight lines are actually articulated in the planning scheme, so we've plotted where those things were. There are things like access that are non-negotiable and they're required for business continuity. We identified where the statutory sight lines were and that helped us lay out the precinct plan. We map all those key elements out, we meet with the key users, and we just work through which of those things are possible and which of those things are not possible to meet.

Mr BEHRAKIS - Just off the back of that, you obviously have a lot of intermingling interests there that need to be balanced and managed and taken into consideration and you've got the commission's guidelines for the planning. We've heard some public commentary, and I'm sure we'll hear later today concerns that this won't be able to be done suitably within that space. Just to confirm that all that consultancy work you referred to earlier and the qualified architects that you guys have engaged are confident that we'll be able to get that in the footprint suitably?

Ms BEACH - Yes, 100 per cent. The footprint that we have is more than we need. In doing the precinct plan work we allowed more space than we thought we needed just in case and that's also a future-proofing task. Because we need to deliver a number of key projects on site, what we didn't want to do is lock in the smallest possible footprint and then not allow for flexibility in the future and develop it in. That's the case for all the projects on site. The space we have is sufficient and in fact it's more, so we will be developing within that footprint for the core stadium itself.

CHAIR - Can I just ask that when the concept design is available, that you also send a copy to this Committee?

Ms BEACH - Absolutely.

CHAIR - We'll just add that to the list. I know it's not available yet, but when it is.

Mr EDMUNDS - A lot of questions I had down have been asked. Cox worked on the Perth stadium and there were some cost overruns there and I think time overruns as well. Have they spoken about what they've learnt from that experience? Obviously, there's been a lot said about a very hard cap on how much we're going to spend in Hobart.

Ms BEACH - What drives the cost is what we ask the architects to design, so it comes down to the brief. There's the fundamental brief that's set out in the Agreement the Government has with the AFL, which is quite high level. Then we look at what we want to include in there from a user outcome and what we want to include in there from a community outcome. Things

like the different community offerings we might want to have, how we want it to look and feel, all those things have cost implications and a level of service. The things that will drive cost are the things that we're asking them to design in. That's what we need to work through and the quality of the finish. That is on us to control what we're asking them to design.

Mr EDMUNDS - Has there been feedback given the other way about what happened in another jurisdiction when somebody asked for that?

Ms BEACH - That's why we have a number of people in our team like quantity surveyors who are specialist experts in providing advice on cost control. When we're putting in the construction team, they will have expectations in their contracts to find value and value management as part of their delivery objectives as well.

CHAIR - Anne, a bit earlier you said that the Macquarie Point Development Corporation is the project manager, which is a public non-financial corporation or PNFC, and that's not subject to the Public Works Committee. You may not be able to answer this; maybe it is something for the Government but perhaps you could direct me to where the question needs to be if you can't answer it. How and when was the decision made that Macquarie Point Development Corporation was going to be the project manager? There was a time when there was talk about Stadiums Tasmania managing it?

Ms BEACH - We work closely with Stadiums Tasmania. They've been a key part of working with our consultancy team in working through the design as the future operator. We can design a very pretty stadium but that's not very helpful if it doesn't consider future operations and future use, so we work closely with them. The decision was made at the end of last year that we would be the delivery body and Stadiums Tasmania would be the future operator.

CHAIR - Who made that decision?

Ms BEACH - The Premier.

CHAIR - Have you got a date for when that decision was made? We may need to ask him, I accept that, but when were you aware, at least, that Macquarie Point Development Corporation was going to be the project manager?

Ms BEACH - I'd have to check but it was towards the end of last year.

CHAIR - Can we put that on notice to get the actual date of that decision, from your perspective? We can ask the government as well, obviously.

Mr WILLIE - It does remove a layer of Parliamentary scrutiny. I know we'll have a debate around the POSS but that's quite a rigorous process that Committee goes through.

Ms BEACH - It's in the context that as the landowner we have the capacity within our act, as the developer of the site, it enables us to manage the development in parallel of the site, so it enables us to have the flexibility to do that.

CHAIR - This is about delivery. Our inquiry particularly is about the delivery of that stadium, multipurpose events, whatever we're calling it these days. Whilst the Macquarie Point

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Development Corporation is clearly responsible for the whole stadium, including the removal of the sewerage works, et cetera, we focused on this aspect. The question relates to when that decision was made that Macquarie Point Development Corporation would be the project manager and therefore not subject to some provisions within other scrutiny.

Ms BEACH - Sorry, Chair, we're not responsible for the removal of the wastewater treatment plant. That's a TasWater project.

CHAIR - But you're responsible for the site that it sits on.

Ms BEACH - No, we don't own that part of the site. That's TasWater land where the wastewater treatment plant is located.

CHAIR - Is that going to be transferred to you when it's done?

Ms BEACH - No, that's an adjacent site.

Mr WILLIE - You did the realignment of the pipe, though, didn't you?

Ms BEACH - No.

CHAIR - They had to do that too.

Ms BEACH - Sorry, that's a separate project. The sewer pipeline realignment - yes, that is us.

CHAIR - Has that been done yet?

Ms BEACH - No. The design is underway.

CHAIR - Still?

Ms BEACH - Yes.

CHAIR - The design work's still ongoing?

Ms BEACH - Yes.

Mr EVANS - Getting back to your original question, we need to take that on notice as to the specific date we were notified -

CHAIR - Yes, I appreciate that.

Mr EVANS - because it came about through a number of discussions. It was well considered but the actual date when we were notified that we were formally the proponent for the stadium we would have to check.

Mr WILLIE - Given that we will have concept designs in the public domain in the next one to two weeks, is there an updated cost for the stadium? The costings are a couple of years old now. Does that give a better understanding of what's involved in construction?

Ms BEACH - We have a cost and that is the project budget that we're working to.

Mr WILLIE - So, no update - not factoring in building materials, inflation, labour costs and anything like that?

Ms BEACH - That is considered as part of the cost. In the project budget we will have the estimated cost and then on-costs in that which will include contingencies and escalation working to the project budget.

Mr WILLIE - So potentially we get less of a stadium over time if costs inflate because you have to work to that?

Ms BEACH - Well, that was considered in setting the project budget.

Mr WILLIE - Okay. The other thing I'm interested in is that I saw recently an ABC story around some investors. Plenary was mentioned in that story, Plenary Partners. I'm interested in what engagement you have and whether you've locked in any investors in terms of the commercial development?

Ms BEACH - We haven't engaged with Plenary. Our focus is on working through the brief of what we need to deliver for the stadium in working through investment options. The first stage really is to brief out what we would potentially take to market, so we need to work through that process. Our focus is on getting a submission into the POSS process, and that is our focus at this stage.

Mr WILLIE - Okay, and the investment will come later and you'll primarily be engaged to do that, or will it be Government more broadly? It looks like, from the outside, that there may be conversations happening with investors.

Ms BEACH - There's always been private sector investment in our site and our role as a corporation has always been to prepare the site for redevelopment. A key part of that is taking parcels to market for redevelopment. The stadium is one of the -

Mr WILLIE - It was under the previous plan though, wasn't it?

Ms BEACH - Or any plan. So, the stadium is one type of redevelopment of the site and the precinct plan sets out the different zones that we'll be taking to market. So, this is one part that we're briefing out. In parallel, we're also progressing some master planning work that enables us to be clearer about the other parcels that we'll also be taking to market.

Mr EDMUNDS - Who leads those conversations? Is it the Corporation or is it the Government?

Ms BEACH - Our role, as set out the act, is to lead the redevelopment of the site.

Mr EDMUNDS - But the conversations with investors, then, would be done not by the Corporation?

Ms BEACH - It would ordinarily be done by the Corporation.

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Mr EDMUNDS - It would be done by the Corporation. And that also applies to the stadium?

Ms BEACH - Yes.

Mr WILLIE - Have you had any investors approach you?

Ms BEACH - We do have investors, at time to time, expressing interest, yes.

Mr WILLIE - Are you able to give us a number in terms of how many?

Ms BEACH - We don't have an active, I guess, expression of interest process running at this stage where we're actively seeking investment.

Mr WILLIE - I am talking about informal approaches.

Ms BEACH - Well, we're not actively recording them. We're just noting that we'll be running expression of interest in the future.

Mr WILLIE - I'm just trying to get an understanding of how much interest there is.

Ms BEACH - We have had previous expressions of interest processes that we could potentially refer to as an indicator, but I don't have an active register that I could refer to give an indication at the moment.

Mr WILLIE - That was under a different plan and different proposals.

Ms THOMAS - You've mentioned that you're aiming to share the design with the public in the next one to two weeks. There'll be a significant level of public interest, no doubt. Is the intention to seek feedback from the public, or is it sharing it saying, 'this is what it is'?

Ms BEACH - Our intent would be to share it so that the community can see what we will be submitting through the Project of State Significance process and through that process, there's a lot of opportunity for public engagement.

Ms THOMAS - So you don't intend to seek feedback and potentially make changes before the POSS process?

Mr EVANS - Feedback would come once we lodge our detailed submission with the planning commission and they seek public comments.

Ms THOMAS - Yes, I understand there'll be an opportunity then. I just thought this might be a preliminary opportunity so that there's not, potentially, further delays caused by changes at that point in the process that may be requested or may be thought reasonable, based on public feedback.

Ms BEACH - We will be engaging throughout that process. We won't be releasing it as a formal consultation process, but we will be engaging continuously after we make the release.

Ms THOMAS - Has there been any engagement with the Aboriginal community through the design process?

Ms BEACH - Yes, as part of our suite of consultants, there are a number of sub-consultancies and direct consultants that involve palawa people who have been engaging throughout that process. But a key part -

CHAIR - Can you identify that in the list when you send it, where the Aboriginal connections are in that list of consultants?

Ms BEACH - Yes, we can. One thing to note is, as part of the precinct plan, we do have our Aboriginal culturally informed zone, and engagement with community is just starting on that. That will be running in parallel and that won't be resolved in time for the POSS. That is only just starting. That is an important process that will be running in parallel and needs to inform the broader development of the precinct plan.

Ms THOMAS - As part of the design, I know Ruth mentioned before traffic management, but what about a transport plan? Does that form part of your POSS submission, and will be part of the information that's released in the next couple of weeks?

Ms BEACH - That won't be released at the time of the concept design, but it will be part of the Project of State Significance process and we will release the full reports as part of making that submission.

Mr EDMUNDS - Following on the questions about engagement with different sectors or groups, have you done engagement with the disability community around making the stadium as accessible as possible? You see a lot of new buildings get built but, in reality, they're not very accessible and turn people away, basically. I'd be interested to see what proactive engagement has been done above and beyond the rules that are put in place around accessibility.

Ms BEACH - Yes, that's a really important question. We have around in the precinct plan but we're just about to form a panel of local accessibility groups that will help us inform the detailed design process. We haven't reached out to form that but that is our intent to do that to inform the detailed design process. There are things like requirements in the building code, but we will be looking to exceed that. We do have some experts that are part of the design process, but we would like some local representation to inform our design process to make sure we get that right.

Mr EDMUNDS - That's great. Engagement with the neighbours, I suppose, at the site: I've spoken about with some of the other significant buildings that are in that area, could you make some commentary on that?

Ms BEACH - One of our large neighbours is the port. Working through the precinct plan, TasPorts is a member of our project steering Committee. That has been a critical part of the design: to make sure the continued operation of the port. We work pretty closely with them. Hobart City Council is part of our transport work. Integration in with the city is pretty important there, obviously.

We are engaged with the Tasmanian Symphony Orchestra. That's been important, not just for the future operations but also current. We've been doing, as the Chair mentioned, some

remediation work on the corner of Evans and Davey streets. That's quite close to the Federation Hall and the work that that team does is very sensitive to noise and vibration. So, we've been putting in place noise and vibration monitors both on site and in the Federation Hall, and the areas around, which has helped us create some baseline data but also monitor impact. We're trying to do some things like that to help us understand impacts now but also future planning for construction when there's more substantive work on site.

CHAIR - What about the recording studio on Evans St?

Ms BEACH - That is linked to the Federation Hall, so there has been noise, that's related -

CHAIR - So, you are doing it all?

Ms BEACH - Yes. Some of that is managing timing and some of it is just understanding level of impact.

Engaging with the Federal Group. As I mentioned, we met with the RSL a few weeks ago, so -

CHAIR - The Regatta Grounds people?

Ms BEACH - The Regatta Association we met with some time ago, early last year. The Regatta Association has only been interested in meeting as part of a broader group and haven't been interested in meeting directly. We remain open to meeting with them at any time.

CHAIR - There was an alteration to the ministerial Statement of understanding? I'm not sure exactly when that occurred. One of the changes that was made was to remove the section requiring commercial activities to be carefully costed and managed. Do you know why that was removed? Was that a request of the Corporation to remove that section of the Ministerial Statement or was that the decision of the Minister?

Ms BEACH - A Statement of ministerial expectation tends to vary on a year-to-year basis. The drafting does tend to vary. That wasn't necessarily a specific change to remove the specific drafting. Often the drafting varies to where there's an existing policy in place. Those would refer to where there's existing policy from Treasury that we need to refer to anyway. So, that doesn't remove the requirement for us to meet their existing requirements that are in place.

CHAIR - When you assess something then, any commercial activity would need to be fully carefully costed and managed, and consistent with the Government's competitive neutrality principles?

Ms BEACH - Yes, we're obliged to meet that anyway.

CHAIR - Regardless of what's in the Ministerial Statement of Expectations?

Ms BEACH - Yes.

CHAIR - You talk about the concept plan. Will that include the whole precinct plan or is that a separate piece of work? When would that be finished?

Ms BEACH - The concept design will be focusing on the stadium. It will show where we will be when we make a Project of State Significance submission showing indicatively the development parcels that will form the broader precinct plan. The master planning work will though continue for the balance of the year as we do some more detailed work. We will be showing indicatively the broader side as part of the POSS submission.

CHAIR - When do you expect the full precinct plan to be completed?

Ms BEACH - We'll be expecting to have that advanced by the end of the year and then with a view to seeking a planning amendment once the POSS process is resolved.

CHAIR - We're nearly out of time. Are there any more questions? One quick one from Simon.

Mr BEHRAKIS - Looking at stadiums around the place, I haven't really seen too many that look just like a concrete drum. They are often pretty artistic, architecturally creative, and they do blend in and often can end up being quite iconic. We will be hearing from Our Place later today about that rendering of the what looked like a concrete drum. As far as the look that we going to expect how accurate is it (a) visually and (b) from the perspective of the sight lines they propose that they're suggesting?

CHAIR - Particularly from the street.

Mr BEHRAKIS - How accurate is that as far as what we might expect from the design.

Ms BEACH - It won't look like that. I can commit to that. In terms of scale and size, it won't look like that. It certainly visually won't look like that.

One of the things we're working on, and we had some pretty intensive workshops once the consultant started and we started by talking about the location and the place. The original site, the site as it evolved, the Sullivan's Code Planning Scheme, how we'd evolved, the spaces around us. We started talking about place before we started talking about function.

A key measure of success is we can't build a stadium that's glitzy and corporate and looks like it lives somewhere else. If we can't deliver stadium that doesn't look welcoming and it doesn't feel unmistakably Tasmanian, then we've failed. It has to feel like it belongs here. It has to feel Tasmanian. It has to feel that it belongs not just in Tasmania but in this location. That's our aspiration. It has to feel unmistakably Tasmanian. It has to feel ours. It has to be, as you walk into it, that it's surprising, it feels like it's accessible to all Tasmanians and it's a place you want to be.

That's not what that picture depicts and that's not what we'll be delivering.

Mr BEHRAKIS - We won't be expecting the sphere or anything on that point either.

Ms BEACH - It won't look like that.

CHAIR - We need to wrap it up. Thanks, Kim and Anne for your time today. We will write to you with those follow up questions and appreciate your time for the Committee today.

PUBLIC

Mr EVANS - Thank you for the opportunity.

THE WITNESSES WITHDREW.

PUBLIC

Submission No. 4 (New ToR) Ms Janice Overett Mr Brian Chapman No Stadium Yes Team Group

CHAIR - Welcome, Janice and Brian, to the Public Accounts Committee hearing into the stadium rather than the whole big title. This is a public hearing. It's being recorded and broadcast. Hansard will be transcribing the transcript and will eventually publish it on the website when it's available. Everything you say in the Committee is covered by Parliamentary privilege. That may not apply when you are outside this meeting. Just a caution about what you might say following this hearing. It's all public unless you make a specific request that matters be heard in camera and then the Committee will consider that and generally agree, but not guaranteed. Do you have any questions before we start?

WITNESSES - No.

CHAIR - I'll ask you to do the statutory declaration in a moment and invite you to introduce yourselves, what brings you here and then speak to your submission. We have your submission and have read it. Apologies for the delay in getting you in front of the Committee. There have been a few interruptions. Members' names are here. I won't spend time introducing everyone because we're running short of time, if you're okay with that.

WITNESSES - That's fine.

CHAIR - Okay.

Ms OVERETT - I don't have much of a voice, excuse me.

CHAIR - Then make sure you speak into the microphone so that Hansard can accurately hear what you're saying.

Ms OVERETT - Okay.

CHAIR - Read that out if you wouldn't mind.

Ms JANICE OVERETT, AND Mr BRIAN CHAPMAN, NO STADIUM YES TEAM GROUP WERE CALLED, MADE THE STATUTORY DECLARATION, AND WERE EXAMINED.

CHAIR - Thank you. If you'd like to introduce yourselves and make any further comments you wish.

Mr CHAPMAN - Probably Janice first.

Ms OVERETT - I have an opening Statement which I will do my best to get through, then Brian may have to take over for me.

CHAIR - Sure.

Ms OVERETT - I apologise. Thank you.

PUBLIC

Good morning, members of the Public Accounts Committee. I am grateful for the opportunity to address this Committee today. My name is Janice Overett and I serve as the administrator of the No AFL Stadium for Tasmania Facebook group. Joining me is Mr Brian Chapman, a valued member and contributor to our group. Since its inception on 29 April 2023, our Facebook group, accompanied by a change.org petition against the proposed stadium, has garnered significant support. The petition has amassed 32,060 signatures and our Facebook group boasts approximately 3,800 members.

The proposed stadium at Macquarie Point has been a contentious issue and it's essential to consider alternative visions for the area. The proposed site for the stadium, Macquarie Point, is a significant area with historical and cultural value. However, it is our firm belief that this site is not suitable for a large stadium. While Macquarie Point was initially earmarked for the Antarctic and Science Precinct, which has not progressed, we prefer the alternatives put forth by MONA in 2016 and the Macquarie Point Vision, an initiative of Our Place in 2023, both of which offer a more fitting and sensitive utilisation of this space.

Furthermore, the demographics of Tasmania with its ageing population present challenges regarding the feasibility of financing such a stadium. With 17 per cent of the population over 65 years old, there isn't a robust taxpayer base to support the proposed \$715 million stadium. Additionally, the lack of transparency regarding full costings from the government raises concerns about the financial viability of this project.

Historical attendance figures from existing venues like Blundstone Arena and UTAS Stadium suggest that the proposed stadium's projected event attendance is not realistic. These figures reveal that these venues have not reached full seating capacity for any AFL matches. Additionally, the logistic challenges of converting the stadium for different sports events, as evidenced by the experience of Stadium Australia in Sydney, further call into question the viability of the project. The proposed stadium's anticipated 42 events would likely entail relocating events from venues better suited to their respective sports. Moreover, historical precedents such as the experience with Stadium Australia in Sydney suggest that converting a stadium for different sporting events is neither efficient nor cost effective.

This brings into question the whole issue of need. Does Tasmania need another AFL ground? We suspect that it is likely to be the only purpose the structure will serve.

The funding model for the stadium, particularly the \$240 million from the Federal Government, we now know is not quarantined from our GST and thus effectively reduces the State's future GST allocation and raises questions about the financial implication for taxpayers. The Federal Government Stated the \$240 million was for the precinct, not to build the stadium. Essentially, this means proponents are up for the full estimate of \$715 million, \$615 million of which is the Government's contribution. Since the State is already in debt, this would mean borrowing \$615 million. With the Liberal Government now stating \$375 million and not a cent more, how will this work? Where will the additional funds come from? Senator Jacqui Lambie said:

The \$375 million taxpayer contribution pledge by Premier Jeremy Rockliff and the Liberal Party to the AFL for a new stadium in Hobart is a slap in the face to Tasmanians.

At current rates, such a loan would impose an annual interest cost of \$46 million for the next 20 years - \$46 million will employ approximately 100 nurses, 50 teachers, 30 police officers and 100 aged care workers plus 100 childcare workers each and every year for the next two decades. Even if the Government has been successful in magicking away \$240 million by playing rubbery figures with the GST, we will remain left shouldering the burden of a \$375 million loan that will still employ a substantial number of extra public service personnel.

With \$50 million recently set aside for design alone, plus the cost of moving the sewage treatment plant at Macquarie Point that will cost approximately \$340 million, there is also the cost of consultation fees today that amount to \$14.4 million of taxpayer money that the Rockliff Government has spent, when our health and education systems are in a State of disrepair.

To date, the Rockliff Government has not presented a detailed business case nor details of costings of the stadium. There will be cost overruns, as no-one seriously believes that this stadium can be built for \$375 million. Premier Rockliff has guaranteed that the State won't pay more than the \$375 million currently budgeted for the 23,000-seat roofed stadium, which is part of a \$750 million estimate. This estimate was calculated before the recent surge in building costs and did not account for the significant expenses required to stabilise the reclaimed land to support the structure's weight. Additionally, the estimate was made before the addition of the roof design.

Furthermore, the lack of approval from the Cabinet and absence of Treasury advice prior to signing the AFL contract underscores the need for greater transparency and accountability in this process.

The stadium simply will not fit on this site if the precinct is to serve all the other functions proposed by the MPDC and it is fanciful to think so. Concerns regarding the height of the stadium and its overshadowing of the Hunter Street IXL precinct and the potential impacts on heritage sites like the Goods Shed, within the current economic context of Tasmania, which includes declining house prices and rising budget difficulties, further complicate the feasibility of a stadium. Alternative plans for Macquarie Point focusing on family-friendly spaces and housing developments offer more sustainable and community-oriented options. The potential loss of heritage-listed sites like the Goods Shed further underscores the need for careful consideration of development plans.

The economic challenges faced by Tasmania, including the GST allocation income and rising budget deficits, make it imperative to reassess priorities and ensure responsible fiscal management. The \$2.5 billion Hobart City Deal encompasses various commitments including the proposed Antarctic and Science Precinct and infrastructure projects like the new Bridgewater bridge. It's essential to evaluate the allocation of resources within this deal to prioritise initiatives that align with the long-term interests of Tasmania's residents.

Tasmania is currently paying for a team that technically we don't have. The team was not to be launched until November 2025 according to the contract that was signed, but Premier Rockliff and the AFL launched the team in December 2023. Why? There are or will be 150 staff, a CEO starting in 2025 and a board of 10 people. The Devils are claiming over 200,000 members, but speculation has it that many of those members are unborn children, deceased parents and pets. The stadium is not a done deal and yet we apparently have a team.

PUBLIC

Given the deal Jeremy Rockliff signed for Tasmania stipulates a \$4.5 million penalty if the stadium isn't 50 per cent completed by October 2027 and a further \$4.5 million if it doesn't host games in 2028, it is noteworthy that the estimated period of the advertised contract runs until the end of 2029.

In conclusion, the No AFL Stadium for Tasmania Facebook group firmly opposes the construction of the proposed stadium at Macquarie Point. We believe that alternative uses for this space better align with the cultural, historical and economic interests of Tasmania. We also believe that Tasmania simply doesn't need another stadium for the AFL.

I also want to confirm that members and I are in no way against Tasmania having an AFL team, only the expense of yet another unnecessary stadium that has been deemed under condition of the team by the AFL.

Thank you for your attention. I look forward to addressing any questions or concerns you may have.

CHAIR - Thank you. Brian, do you want to add anything or?

Mr CHAPMAN - No.

CHAIR - Just a couple of questions from me and then I will go to others. An Agreement was signed, rightly or wrongly. We know your view on that, but there was an Agreement signed, a legal contract, with the AFL and the Premier on behalf of the State that does require a new stadium. Is your problem with the stadium at all, or is it the location? You've noted some of the challenges with the site, but if the stadium was being proposed somewhere else, would that be acceptable? What is your key opposition here?

Ms OVERETT - Our group is beginning to believe, with the Greens, that the stadium could be the UTAS stadium. They're going to spend \$130 million to upgrade that. Previous games have shown that they get the larger crowds, whereas Blundstone Arena doesn't -

CHAIR - Might be something to do with our poor North Melbourne Roos performing so well.

Ms OVERETT - Our group is still against building a brand-new stadium when we have two that can be used. Meanwhile, let's get the team up and running and let the team prove itself viably, financially. If we need a stadium then maybe in five years' time, but not a stadium before the team is up and running.

CHAIR - Another point you made was the business case that was provided some time ago now that talked about 44 events. I think you said 42, but it's a lot of events for a new facility in the State. Admitting there wasn't a lot of AFL games in that because there won't be - according to AFL scheduling - a huge number here. You said that most of those, in your view, were relocated events so they're taking them from another spot, like the round ball sport that's played on a different shaped facility would notionally go and play there.

The Government and others have argued that this is likely to attract new events to the State. You don't think that could be the case? Not take them from another venue that's already there, but whole new events to the State.

PUBLIC

Mr CHAPMAN - We believe that not to the numbers like Melbourne, Sydney and so on. There aren't enough planes to bring the people over. There aren't enough cars to hire out. Not enough to fill the stadium - 23,000 people - because it's very difficult even now when you look at the figures to fill in the stadium here with whatever. If it was a concert, for example, in Melbourne and Sydney you get big numbers. A concert here is unlikely - prove us wrong - to get those sorts of numbers and would be very insignificant having even 5,000 people at a concert in a stadium that caters for 23,000 people. So, there's a point there. You can't get the people over here. Are they likely to come over? Because that's where they've got to come from, because we haven't got the population.

Ms OVERETT - We don't have the infrastructure like Melbourne and Sydney. We don't have a decent bus service at the moment. We don't have a rail system. Just getting from the airport to Hobart, unless you hire a car, isn't easy. My daughter actually works in the car hire business and we don't have the cars. They simply don't and we don't have enough planes. It would be lovely to be able to fill 23,000 seats but realistically, with the cost-of-living crisis the way it is at the moment, people can't afford to come and waste money on a trip.

It's a once-in-a-lifetime too, I mean, every now and again we'd all like to go to see Taylor Swift and Pink but I can't see them coming here. The logistics of getting them here with the *Spirits*, with the planes, it's not feasible.

Mr CHAPMAN - I used to be a Yes Stadium, yes everything, because I used to play footy and love it.

Ms OVERETT - I've changed him.

Mr CHAPMAN - Looking at figures and numbers, we're like a little brother trying to be a big brother. It seems that way and I'd hate to see us go broke.

My initial feeling was - some time ago - was wow, wouldn't it be good to have an AFL village down near Cambridge? A village where there was the stadium, the high-performance centre, the two ovals flat, easier to build, close to the airport, make it a village with hotels. The private enterprise groups would come in with their motels, hotels, accommodation and all that sort of stuff. There's plenty of room down there.

A bit of a dream and I'd love to see it happen, but I'm not sure we're big enough as a State. Our population is much the same as Geelong. Everyone wants things, everyone wishes things. We've got that problem at the moment over at Rosny, as you would no doubt know about. Yes, from up the top there, on a map, yes, it looks simple; we can fit in two ovals, yes, they will fit. Forgetting that it's on a slope, it will cost an extra \$17 to \$20 million we've been told, just to get it to the stage where Kingborough already is. We're trying to have our cake and eat it as well. That's what I think.

Mr WILLIE - Just to clarify on that, is your group opposed to the high-performance centre as well or is it just a stadium?

Mr CHAPMAN - That's another group.

PUBLIC

Ms OVERETT - Yes, I am opposed to the location, not to having the high-performance centre, not at all. There's plenty of other spaces out at Cambridge, it's just simply the fact that the AFL seem to be refusing to pay for any land for their buildings, including the stadium.

Mr CHAPMAN - Council's keen to give it to them. It's our public space.

Ms OVERETT - They are a multi-million-dollar corporation. They can at least afford to buy some land.

CHAIR - Can I just ask you a bit about your group, how many members do you have and where are they based? Do you have details like that?

Ms OVERETT - There's two different Facebook groups with about approximately 1,000 members between us. The petition that was just held had 1,332 signatures despite being hacked. The previous petition that got the public meeting had 1,200 and then the skateboard people think their petition is about 1,600 but they haven't presented it yet.

Ms THOMAS - Is this for the high-performance centre?

Ms OVERETT - All against the high-performance centre - not against a high-performance centre but the location.

Mr CHAPMAN - No, the location, just purely the location.

Ms OVERETT - Nobody in our groups are against the HPC. It's simply the location.

Mr OVERETT - Nor the team.

CHAIR - Are your members all based in Tasmania, do you know, or not Tasmania?

Mr CHAPMAN - I think they are yes.

Ms OVERETT - We strictly stick to Tasmanian. That's why my Facebook group has got the 3,800 because I reject mainland people and you've got to be Tasmanian. It's a Tasmanian affair.

Mr WILLIE - The timeframes are quite tight in the Agreement and I am interested in whether your group would accept the consequence of not having the team if the stadium is not built.

Ms OVERETT - I'm sorry?

Mr WILLIE - The timelines in the Agreement around delivering the stadium are quite tight and I'm just wondering whether your group would accept not having the team?

Mr CHAPMAN - I think we should have had a team 20 or 30 years ago.

Ms OVERETT - Exactly.

Mr CHAPMAN - We still think the same. Most of us I think are for a team.

PUBLIC

Mr WILLIE - What I'm saying is if, if we don't deliver on the contract and the AFL says well that's fine, we'll withdraw the team, do you accept that?

Ms OVERETT - I throw that back to the AFL. Are they going to be that cruel to get us this far.

Mr CHAPMAN - I don't think the AFL is very keen on Tassie going into it anyway, are they?

Ms OVERETT - I put it back into their laps.

Mr WILLIE - My question was to you and your group, though, whether you would accept that as a consequence.

Ms OVERETT - I can't speak for the whole group.

Mr CHAPMAN - That's a hard one because a lot of people are in favour of the team.

Mr WILLIE - It's a reality with the contract, how it's written and the AFL's position.

Mr CHAPMAN - If it's that tough, I would say yes. As much as I love footy, I've barracked for four teams and played and loved it, and I'm still kicking my feet every now and again, I'd say yes.

Ms OVERETT - I've actually been on the end of ambulance ramping and I've been on the end of an ambulance not turning up. To me, getting that sorted is a lot more important than a stadium.

Mr CHAPMAN - Yes, I agree.

Ms OVERETT - It's not very nice when you've got your granddaughter with a bleeding head and no ambulance. I'm sorry.

Mr WILLIE - You won't have any arguments from me that this Government's not delivering good healthcare across the board.

Mr CHAPMAN - There's a lot of other things.

CHAIR - You would have heard the argument from the Government - we all know the health budget is enormous and rightly so, it should be - a lot of that's operating cost not the capital, not the hospitals, it costs a lot to pay doctors, they are more expensive than nurses. There's a significant operating cost to deliver health services, particularly as a result of our dispersed population it's even higher.

Comparing that with a capital expenditure here that notionally it may or may not, have intergenerational benefit. That's the argument - a capital expense is different from an operating expense. So, when you make that connection, the Government disputes that connection. They say that investment in infrastructure is very different from the operating costs they pay. It would only fund - I don't know what their figure is, you might know, Simon - delivery of health services for half-a-day type of thing.

PUBLIC

Mr CHAPMAN - The building of a hospital is the same as the building of a stadium as far as where the money is coming from and where it goes. Is that what you're saying?

CHAIR - No, I'm not saying that. I'm saying that the building of a hospital has much other community benefit. You can clearly see that, as long as the people all get better, or mostly.

Mr CHAPMAN - And we're all getting older, unfortunately. It's what happens.

CHAIR - I'm just saying that capital investment is classified differently, so -

Mr CHAPMAN - It's a different purse?

CHAIR - It's an argument that's okay. I'm not putting this argument, I'm just putting an argument that's pushed that borrowing for capital investment, where you can meet your borrowing costs, obviously, is different from borrowing to pay for operating expenditure. You don't borrow to pay for the groceries that you consume, or you shouldn't. That's just their argument: that equating it to the health expenditure is not necessarily a valuable comparison. A lot of your comments are on the failings of our health system, which are real. But would not spending money on the stadium, for example, fix those problems?

Ms OVERETT - It probably wouldn't, but it would help. The stadium is like building a luxury apartment. Do we really need it?

Mr CHAPMAN - Yes, you can buy a Toyota, you can buy a Mercedes-Benz. It seems to me as though they want a Mercedes-Benz straight away, bang like that, when a Toyota will do the trick.

CHAIR - Well, the AFL said we need a Mercedes-Benz.

Mr CHAPMAN - I know they say that. I would like a Mercedes. Well, no -.

Ms OVERETT - I need a car, but I don't need a stadium.

Mr CHAPMAN - Yes, it's like having everything all at once. In the old days, you'd start with something smaller, you know, and you build up to it. I know the AFL wants the top, and fair enough. I suppose you go for it if you can get it.

CHAIR - That argument started with York Park, which has the best playing surface in the country.

Mr CHAPMAN - Yeah?

CHAIR - Well, that's according to the players, I don't play on it. I'll go to Simon.

Mr BEHRAKIS - Thank you, Chair. I have got enough questions to fill the time out, so I'm just mindful about dominating.

CHAIR - No, you're right.

Mr BEHRAKIS - Just on the back of some of these questions, there's a lot of, 'We don't think that it will be able to be done in a manner that fits the space, we think it'll be too high, we think it'll encroach, and we don't think there'll be enough demand to fill the seats.' There's a lot of that. We did hear just before from the Macquarie Point Development Corporation that their consultants, their architects, have said that they're very confident that what they will - the design thing, and they said we're going to have that in the next week or two - they are very confident that it will be able to fit on the site with room to spare.

Mr CHAPMAN - With car parking as well?

Mr BEHRAKIS - With car parking, with traffic management. There was a comment that you said you're against a new stadium on principle. If a design came forward that did take those concerns into consideration, if it was able to be done in a way, hypothetically, of course, in a way that was able to be sensitive to the heritage in the area, you would still be against it on principle?

Mr CHAPMAN - It's a monetary thing too, isn't it? I mean, surely economics dictates whether you buy that porridge or that porridge, or that bread, or whatever. I mean, isn't it related to that?

Mr BEHRAKIS - Well, you did say earlier on that you had concerns about the planning considerations of the site. I'm saying if those concerns were met, it wouldn't change your position on it.

On the line of questioning, the comment about the Mercedes-Benz versus the Toyota, at the same time, if you have a requirement, if you're a business or government, or what have you, and you have a requirement for a bus, you wouldn't go and buy a station wagon and hope it'll do the same job either. So, we do need something that has a capacity to do what it's required to do.

Mr CHAPMAN - We don't believe that whatever will take the 23,000 people. The people won't be going there.

Mr BEHRAKIS - So on that, and that's exactly my next question. I would be curious if you guys have anything of substance to suggest that.

CHAIR - Are you talking about modelling?

Mr BEHRAKIS - Modelling or anything that might suggest that there won't be an ability to fill that capacity. There was the comment earlier that you don't think there's even the physical capacity for the city to be able to bring in that many people. I think you mentioned the buses, not enough cars, not enough planes. I think Dark MOFO's Night Mass last year had over - I know it wasn't the one night, but over the four nights, I think, that Night Mass was held, there was over 100,000 tickets sold, and 65 per cent of them were from interstate. So, you know, I -

Mr CHAPMAN - Isn't that fantastic and wouldn't it be great if that happened?

Mr BEHRAKIS - A hundred per cent. But I'm saying that it can be done, especially if there are robust traffic management plans, or transport management plans in place. I'm just going back to your suggestion that you don't think it's possible for it to occur anyway.

Mr CHAPMAN - Well, on an ongoing, in the long term, in the future, more people are going to be watching this sort of stuff on TV anyway, rather than going out in the cold and the wet. I take your point, though. That's a one-off and brilliant with MONA.

Mr BEHRAKIS - Isn't Dark MOFO just a sign of what can be done?

On the demand side of things and whether or not there'll be enough people attending to fill the stadium, looking at the basketball and the Jack Jumpers, I know we're talking a slightly smaller scale there but, prior to that all occurring and MyState Arena and the Jack Jumpers, I'm not as much of a sport head as maybe others around even this table, but the public interest in basketball in Tasmania, was almost zero compared to what it is now. There is that patriotism of having our own team, and supporting our own team. Would it not be reasonable to suggest that the demand for watching two interstate teams playing in Launceston or Blundstone Arena versus the interest of Tasmanians in attending and watching a game played by a Tasmanian team sort of apples and oranges?

Mr CHAPMAN - Can I just make a comment. Bellerive, though, is having its problems. Blundstone Area, the cricket wants out. They're not happy with the stadium. What happens there? We've got a stadium there ready. They want out.

Mr BEHRAKIS - They want out because the standard is not sufficient for them. So, it's definitely not going to be sufficient for a higher-demand sport.

Mr CHAPMAN - Do we know why it's not sufficient for them?

Mr WILLIE - Yes.

Mr CHAPMAN - You do? Good.

Mr WILLIE - It's the performance centre. From where they started, they've got women's programs, the Big Bash and a whole range of other professional athletes there that they didn't when it was built, basically.

CHAIR - This constrains that site.

Mr CHAPMAN - So you know all about that. That's good, very good. You do.

Ms OVERETT - Can I just get back to what you said about MONA and people coming over? As I mentioned, my daughter works in car rental hire. She's the manager out there. That was a logistic nightmare, hiring cars. All the car companies have now restocked since COVID, whereas before they'd sold everything. They've all restocked now. But just that week, two weeks, was an absolute logistic nightmare because people come to see Tasmania, to tour. So, you will have a person who will hire their car - 'Hey, let's keep the car for another day or two', not thinking that that car has people coming off the plane waiting for it. We don't have and they can't get a bus or a train.

When the infrastructure for the 23,000 people trying to get to one place for one night, or a couple of nights, at the moment, is not viable. We just simply don't have the infrastructure. We don't have a rail service, we don't have a decent bus service. You come to Tasmania, you want to visit, you want to hire a car and they're not here. We don't have them.

PUBLIC

CHAIR - The Macquarie Point Development Corporation, in the previous evidence to us before you appeared, have informed the Committee that there is a transport management plan in place to assess that, which one would assume but it wasn't Stated directly would be about how to move people in and out of the site, whether they are coming by car from the north of the State or presumably also from the airport. That obviously will be assessed through the POSS process.

To go back to Simon's question, let's say that work is done, they'll have to report against that and we'll see what their plan is when it's all submitted, which is not for a little while yet. You also made a point in your submission that site is too small, which Simon touched on, and the foundations and substrate will not take the weight. They have to address those matters in their submission to the to the planning commission as part of that POSS process. They did say here this morning that they've got a footprint that does fit and they're building within that footprint, so it's not taking the whole footprint but building within it.

I go back to Simon's question that if they were able to meet all those matters to the satisfaction of the Tasmanian Planning Commission, do you think it should be supported then?

Ms OVERETT - Maybe. Personally, I would like to see our team get up and go before we jump into building a 23,000-seat stadium. Let's see how our team goes first.

CHAIR - Hopefully our women will be running onto the field before then.

Mr CHAPMAN - Well, they're quicker at thinking, so maybe. North Melbourne and St Kilda had a crowd of 2,500 last year in October. Okay, maybe it's North Melbourne, but it is the AFL.

CHAIR - They're both at the bottom of the ladder, let's face it.

Mr WILLIE - St Kilda wasn't last year, thanks very much - they played finals.

Mr CHAPMAN - It's still top football though, isn't it? You'd expect more than, for example, North Melbourne and Gold Coast where there was crowd of 4,416. North Melbourne versus Melbourne had a crowd of 8,000 - still way, way lower than 23,000. Melbourne and the Giants had a crowd of 5,025 in June this time last year. None of them are up there with the numbers. That's what we're worried about. But if you think it can be bought and paid for and not go broke over it, I suppose you get a Mercedes before you get a Toyota, don't you?

Ms OVERETT - Blundstone Arena seats 19,500 people and it's never reached full capacity, so why do we need 23,000 seats when we can't fill 19,500?

CHAIR - Because the AFL said we do.

Mr EDMUNDS - Do you think there's some merit to the argument that has been put by numerous people - obviously we talk about the on-field product, North Melbourne, et cetera, and Mr Behrakis touched on the Jack Jumpers getting a bigger crowd than the football sometimes. Do you think there is merit in the argument that the Jack Jumpers are getting that crowd because they have a modernised, fit-for-purpose arena and also a local side?

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I live right near Blundstone Arena and I love walking down to watch games of footy and cricket, but would a purpose-built facility for that sport that is modern and more comfortable then attract those crowds? What do you think of that argument?

Mr CHAPMAN - If we think we can afford the best for our premiership team that will be one day, I suppose you go for it.

Mr EDMUNDS - The other part of the argument put forward is that for the team to be as successful as possible as early as possible - not to touch on the other issues around having so many tenants at Blundstone Arena it's almost definitely untenable - it needs to start on the on the right foot.

Mr CHAPMAN - Any club does. It's a shame - it's so much bigger than basketball, so many more people watch it. It's not a shame, I mean, it's just the way it is.

Mr EDMUNDS - It costs a lot more.

Mr CHAPMAN - Yes, exactly, and there are so many choices now. For example, in 1979 we had the biggest footy crowd here, 25,000, when there wasn't the basketball, the netball and all this sort of stuff that was -

CHAIR - Was that a national game or a local game?

Mr CHAPMAN - It was in Tassie and would have been at North Hobart in 1979. I used to play in 1972 and I remember playing in front of a crowd of 20,000.

CHAIR - We being?

Mr CHAPMAN - We being the Hobart Football Club.

CHAIR - Who were you playing?

Mr CHAPMAN - A local team. It would been something like Clarence.

CHAIR - It wasn't part of the VFL?

Mr CHAPMAN - No, there wasn't such a thing then.

CHAIR - It was a local game.

Mr CHAPMAN - Yes, but there were those numbers because there weren't as many choices then, but there are more choices now.

CHAIR - Can I just go to Mark who's got a question? I don't want to ignore him just because he's not in the room.

Mr SHELTON - Thank you very much for that, Chair.

Brian, I take all your points about crowd and it is fundamental that we need a crowd there to make it work. As I'm talking to you from you from the North, my question for you to consider

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would be - and the game that you're talking about with 25,000 would have been a Statewide premiership game at North Hobart which I've been to and travelled from the north down to that. Given that it is all about crowds, this complex is a roofed complex, would you concede the point that anybody travelling from the north to come down to Hobart, even though there will be northern games at UTAS, but if Geelong is playing Tasmania and you are a Geelong supporter, then to travel to Hobart and to be under a roof when you've got a three-hour trip home in front of you, not knowing what the weather is, you're more likely to go to the football if you're going to a contemporary stadium with a roof and not sitting in the open. To get crowds there we need to be able to draw them in and a stadium with a roof -

CHAIR - Have you got a question, Mark?

Mr SHELTON - Do you concede the point that people from the North need facilities that will be able to cope with inclement weather conditions?

Mr CHAPMAN - If you think we can afford it, go for it, but we don't think it can be afforded, that's all.

Ms OVERETT - At this time.

Mr CHAPMAN - At this moment in time. When there are so many other -

Ms OVERETT - We're not absolutely saying no, just not now, not yet.

CHAIR - I'm sorry but we are out of time. Is there anything you wish you had said that you haven't?

Mr CHAPMAN - Thanks for the opportunity. We wish you well.

Ms OVERETT - Thank you for the invitation.

CHAIR - Thanks for your appearance and sorry to cut you short.

THE WITNESSES WITHDREW.

PUBLIC

Submission No. 17 (New ToR) Mr Roland Browne Mr Shamus Mulcahy Mr Mat Hinds Our Place - Hobart Group

CHAIR - Welcome to the Public Accounts Committee hearing into the stadium, just for short. We appreciate your submission and appearing before the Committee. This evidence is all taken under Parliamentary privilege. Everything you say is covered by Parliamentary privilege, but that may not extend beyond this hearing. You would have received information regarding that.

WITNESSES - Yes.

CHAIR - You're happy with that? You've read and understand that?

WITNESSES - Yes.

CHAIR - It is a public hearing. It's being broadcast and transcribed by Hansard. We encourage you to use your microphone when you speak, so Hansard can pick it up. We are using voice-to-text for the first time and you need to be clear in using your microphone. If you have confidential evidence you wish to provide to the Committee, you can make that request and the Committee would consider it. Otherwise, it's all public. Any questions?

I'll ask you to take the statutory declaration and then introduce yourselves and speak to your submission. We do have some new members of the Committee, but they all have had access to your submission and information that's been provided.

Mr ROLAND BROWNE, Mr SHAMUS MULCAHY, Mr RICHARD MILLER FLANAGAN AND Mr MATHEW HINDS, OUR PLACE - HOBART GROUP, WERE CALLED AND WERE EXAMINED.

Mr BROWNE - I'll commence if that's alright. I represent Our Place, which is a group based in Hobart that is steadfastly opposed to the stadium at Macquarie Point. First, I need to catch a plane this afternoon and I need to be walking at 12:30. In advance, I apologise that I will just walk out at 12:30 wherever it's up to and hand over to Seamus. I'm going to speak first very briefly because my time's already cut into, no criticism, but I was ready for this to happen, so I'm going to be very brief.

Next, Richard Flanagan will speak. Richard is from a long-standing Tasmanian football family.

After Richard, Shamus Mulcahy will speak. Shamus is an architect with 25 years of experience and a current director of Bence Mulcahy, a local Tasmanian architecture practice. He comes to this Committee hearing with a wealth of knowledge about large-scale public projects built up by working for three years in the UK on projects relating to the London 2012 Olympics.

Lastly, Mat Hinds. Mat is a founding partner of Taylor and Hinds Architects, a nationally awarded architecture practice based in Tasmania that was formed in 2011. The practice focuses on residential, educational and cultural projects of all scales.

PUBLIC

I'm going to make the first presentation in relation to the Agreement that was signed on 3 May 2023 by the Premier on behalf of the State of Tasmania. I know this is ground the Committee went over in its first series of hearings and its report, but I want to come back to it because it seems a little bit more is known about it since that time.

We have the Agreement of 3 May [2023], which was signed effectively in secret and was the product of 12 months of negotiation between the State and the AFL, which committed the State to payments totalling \$375 million over the forthcoming seven years. That was, of course, based on an estimate. On top of that, the Agreement in clause 7.1 provides for operational funding on an annual basis. Again, Tasmania carries that. In clause 11.3, there's the provision for additional, unidentified at this time, but additional funding. Then there's a further \$5 million per year in schedule 1, page 39. Then we come to the major component of the Agreement in clause 21.1, which is the construction costs of \$715 million, identified then as an estimate.

Nowhere in that Agreement is there any room or acknowledgement of the need to project forward the likely or inevitable increases in the cost of building the stadium. In 2023, building projects because of the lack of resources, builders, engineers, building projects were increasing in cost at around 20 per cent per year. That was known in 2023.

By clause 20, Tasmania wears all the costs of the high-performance centre, it wears all the costs of the stadium construction. This is not a partnership between Tasmania and the AFL: this is a one-sided deal.

Cabinet approved it in September 2022, according to documents before the Committee, but we don't actually know what the Cabinet approved. Cabinet could not have approved an expenditure of \$700 million-odd because that wasn't known at that time. The strategic business case wasn't released until January 2023. What is very significant is that in the strategic business case document, at page 65 is a Statement by the author of that document that the funding for the stadium was based on what's described as a request to the Commonwealth for \$240 million. This of course unravelled eventually in relation to the GST funds that wasn't there for the stadium. I ask you to go back and look carefully at page 65. Richard will speak to that in a bit more detail.

The Tasmanian Government is solely responsible for funding of the stadium and I suggest the Committee would ask itself if it was reckless of the Premier to sign this Agreement where there been no planning and no accurate estimation of costs. Then of course, we push the fast forward button to the 2024 election campaign where the Premier announced a cap of \$375 million in capital expenditure that would be put into the stadium by the State of Tasmania. The position at the time of this Statement on the 15 February 2024 is this:

The Premier signed an Agreement saying the State is solely responsible for a minimum of \$715 million for the construction cost of the stadium, based on \$240 million that was meant to be extra to GST, which turned out not to be the case. The risk all falls to Tasmania and then we end up with the Premier saying on 15 February, the State's only putting in a minimum payment of \$315 million -

CHAIR - I think you mean a maximum, don't you?

Mr BROWNE - Sorry, you're right, a maximum payment. Yet at the same time the Agreement stands with the Government and the State bearing all the costs of the construction

of the stadium, however much it blows out. We've had statements that the cost is being flagged by representatives of the Government in their briefings with Council at somewhere between \$1.4 billion and \$1.6 billion. The Government can't have it both ways. It can't have a maximum amount it puts in, yet it stuck with this Agreement it's made with the AFL.

The cost overrun is real. I'd like to briefly point out that the Government has not even been able to contain the cost blowout for the expansion of the Southern Outlet, with a significant shortfall on the \$51 million project. Looking around Australia, the \$2.7 billion Gabba Olympics rebuild has been abandoned because of costs blowout and heritage, the Commonwealth Games in Victoria were abandoned because the costs blew out from \$2.6 billion to \$7 billion, and another major project, Victoria's Westgate Tunnel, blew out in 2021 from \$3.3 billion up to \$10 billion.

I want the Committee to be aware of a report from the Grattan Institute released on 1 October 2023 looking at infrastructure projects and I want to quote from this report. They say:

The first problem with doing things in a hurry is that the projects are riddled with risk. Premature announcements and a high price tag are two warning signs that a project is likely to have a cost blowout.

They refer to the Suburban Rail Loop in Victoria. Grattan research shows that bigger projects are riskier projects. Almost half of projects with projected costs of more than \$1 billion have a cost overrun and the average increase in costs is 30 per cent. This is the kicker. They say:

Projects that are announced prematurely are also more likely to have a cost blowout. Major projects are complex. Cost estimates change as the project evolves through first announcement, strategic business case, to planning application, procurement and during construction.

That's all I want to say in my address, but because I'm leaving early, I would like to pick up on a question that was put to the previous speakers. Should this project go ahead if it gets the okay from the Tasmanian Planning Commission as a result of the POSS process? My answer to that is a resounding no because the POSS process leads to the Planning Commission wiping the slate clean for any planning controls that might relate to this project, and that includes height, heritage, location - none of that.

By any standard that exists at the moment, this stadium is the in the wrong place, is going to cost the community dearly - which other people will deal with - and it should not be built at Macquarie Point.

York Park is an excellent option for redevelopment and channelling funds into at a location which has greater attraction because it's more central. I'll now ask Richard Flanagan to address you.

CHAIR - You gave us a precis of what had happened over a period of time and you talked about the Premier saying there's only \$350 million maximum. Since then, as I recall, in public Statements from the Premier, he said that any additional funds required will be achieved through private investment. You would have heard those comments, I assume. Do you have a view on that? He's made that public comment. That's in the time line you were describing.

Mr BROWNE - Yes, there's been a lot of statements like that all along the way. We get them for this statement, we get them for this stadium, we get them for Stadium 2.0 that's put forward by the Lennon consortium. The Government remains liable for the full cost of the stadium and until it's built and until these partners are on board, these remain nothing more than statements of hope. This is a stadium that has very minimal social licence. A large proportion of people in Hobart don't want it. It's going to cause tremendous damage to the Tasmanian budget. I would be very surprised if private funders would come on board for this stadium for all the reasons that have been outlined by others.

Mr WILLIE - I've got one quick question too.

CHAIR - Just a quick one because Roland's got to go.

Mr WILLIE - In your presentation you said that Government representatives had indicated to Council the cost would be \$1.4 billion to \$1.6 billion. Are you talking about Government Department representatives? Can you provide some clarification around that communication to the Council?

Mr BROWNE - I can go as far as saying it was representative of the Government briefing council.

Mr WILLIE - Representative of the Government, so a department?

Mr BROWNE - I don't know.

Mr WILLIE - Well, you've said it in your presentation. I was interested to clarify that.

Mr BROWNE - I wasn't there and it's come to me second-hand, but I'm repeating it because it has the authority of the assessments that have been made independently about the likely cost blowout of the stadium. Our architects working on this put the cost at about that point. It's probably an underestimate anyway because it doesn't include all these other components such as the sewerage works, the transport infrastructure and port redevelopment.

Mr WILLIE - I'm just trying to understand if there's a conversation within Government about the cost, that's all. It's not a criticism of you.

Mr BROWNE - I don't take it as criticism. I just can't answer your question because I wasn't there and it's come to me second-hand.

CHAIR - Can you direct us to who could answer that question?

Mr BROWNE - The Department of State Growth, I would suspect, are the best people to be approached about that.

Mr WILLIE - Okay.

Mr BROWNE - I mean, it's inconceivable they don't have a current running estimate of the actual cost that this project is going to inflict on the Tasmanian economy. They're going to have to answer these questions before the Tasmanian Planning Commission. Somebody's going

to have to answer for it. They have to do another cost-benefit analysis. They need to know the actual cost and they would have been doing that now.

Mr EDMUNDS - Our first witness this morning was the Macquarie Point Development Corporation. I don't want to mischaracterise them but they were very confident in the \$715 million figure. They essentially said they had factored in any kind of overruns, et cetera. Did you catch that submission, or do you have any commentary on that?

Mr FLANAGAN - If I may, I'll be speaking to this after and as our time's limited -

CHAIR - If someone else can answer those questions we'll keep going so we don't cut into these other guys' time too much. Is there any pressing question for Roland? We can always feed things back on notice to you if we need to.

Mr BROWNE - Yes, that's fine. Richard is going to deal with it.

CHAIR - So you're going to cover that, Richard?

Mr FLANAGAN - Yes.

Mr BROWNE - Thank you very much for hearing from us.

CHAIR - Sure. Over to you, Richard.

Mr FLANAGAN - I'll speak very quickly; I've got about 20 minutes of evidence and 10 minutes to present it. I thank you for this opportunity because there are few opportunities for those who disagree with this stadium to express their views in a public forum.

The fear of the truth getting out about what this stadium is really about is so great that when one of Tasmania's most eminent architects publicly warned about the damage the stadium would do to Hobart's urban heritage, he was rung up by a senior public servant and threatened with the loss of future government contracts. That intimidation of those who care by those in power has a long, dark and shameful history in Tasmania and it is long past time that it ended, not simply because it is wrong, but because you in this Parliament have the power to decide if we are better than this or if that low, corrupted bar of fear and threat is to continue being the hallmark of our island and our Government.

I don't have time today to dissect the absurd claims made for the benefits of this stadium, which is now being ludicrously spun by the Government as a cross between the Louvre, Las Vegas and the Parthenon. I only note that when Minister Guy Barnett updated the Ministerial Statement of Expectations for the Macquarie Point Development Corporation last July, he specifically deleted the clauses that compelled the Corporation to ensure all commercial activities were 'appropriately costed', and delivered 'a commercial return', thereby freeing the Corporation and the stadium from any sense of fiscal responsibility.

I simply want to make clear today the way in which the Premier has mortgaged the future of our island to this immense folly, threatening a fiscal crisis for the State's finances, a crisis for which the Tasmanian people will suffer as they suffered through the stagnation of the 1990s because of the excesses of the free spending Gray government that brought the island close to

bankruptcy. No one wishes those dark years back, but we are now at a point where we're perilously close to making the same mistakes with the stadium.

Premier Jeremy Rockliff has repeatedly lied to the Tasmanian people about the true extraordinary costs of the stadium. Other than a paltry \$15 million the AFL was putting in, the Tasmanian taxpayer, as Roland has said, is set up for all the costs, including the blowouts and overruns. Yet, the Premier in a press release the day after he called the election said, that the Government contribution is capped at \$375 million and not one red cent more. A claim he continued to make repeatedly through an election in which the stadium was the key issue.

The Premier would have known that statement was untrue. In fact, he knew Tasmanians were on the hook for the entire cost, whatever that would end up being, as early as 9 May 2023 but he had to go with the lie rather than admit he had signed a blank cheque for Gil McLachlan's stadium, payable with our future.

The Premier's lie rests on two demonstrable fictions, the first being the costs of building unlike any other project in the country, will not rise above the estimate; and the second being that the rest of the cost will be borne by others.

If the costs explode, we'll be forced to keep paying and keep paying as Mr Rockliff's contract with the AFL makes clear. The rest of the money, Mr Rockliff would have us believe, comes from \$85 million in borrowings against land sale or lease for commercial uses and the \$240 million federal grant. The \$85 million is yet to be realised and if it is realised, through land sales or leases then that is also money that is the Tasmanian taxpayers.

As for the Federal Government's \$240 million which the Prime Minister committed in April 2023, it was well known from the start that the money would not be exempt from GST calculation and thus would be paid by the Tasmanian taxpayers out of the State's future allocation of GST money. The Premier was taunted about this as early as 9 May 2023 in Parliament by Mr Willie's party, prompting the Tasmanian Government writing to the Federal Government requesting the \$240 million being excluded.

Tellingly, the Premier said on that day this was subsequent to conversations with the Federal Treasurer implying he knew as early as then what the Federal Government's position and practice was from the beginning and all that that meant. Numerous commentators at the time pointed this out publicly, that the State was on the hook for the full amount, as was normal Commonwealth practice. The Federal budget which was brought down that very evening made the matter crystal clear, if it wasn't before: that the stadium would be and I quote, 'Place based co-investments'. In other words, that it would be included by the Capital Grants Commission when determining Tasmania's GST. A point that the Chair of this Committee, Ms Forrest, made herself in a piece she published in the *Mercury* six days later.

Yet, the Premier and his Treasurer continued to deny these facts to the Tasmanian people about this critical issue and spent the next 12 months pretending Tasmanians weren't on the hook for the full sum.

Your Committee should demand the Premier explain why he went to the election in February [2024] with this lie when as early as last September [2023], no less than the Prime Minister was publicly reported as rejecting calls to exempt federal funding for the stadium. Senior Federal Treasury officials pointed out in Federal and Senate Estimates on

27 October 2023 the same thing. The Prime Minister went on ABC radio a couple of days later, saying again the same thing about this is how the GST formed the works - there will be no exemptions. And it gets worse.

On 13 December 2023, the Federal Treasury wrote to the Tasmanian Treasury informing them that the stadium would not be excluded. Two months after having been unequivocally told yet again that the Tasmanian taxpayers were on the hook for the lot, on 13 February 2024, Michael Ferguson wrote to the Federal Treasurer asking for the decision to be reconsidered again, knowing full well it wouldn't be, after having had the same request rejected nearly a year ago and despite intense lobbying.

The letter was no more than a pathetic political cover up for Jeremy Rockliff, who called the election the next day, and his subsequently lies through the election as it would allow the Premier to pretend the matter was not resolved when he knew full well it was.

In addition to that \$240 million, there is an excess of another half billion dollars of major works. The sewerage works costed by TasWater last year at \$314 million; the rebuilding Macquarie Wharf cost of last year by TasPorts at \$240 million; because of the loss of Evans Street, a major new roading having to be put in for truck access into Macquarie Wharf, including a major new underpass under Liverpool St/Tasman Highway, one of the busiest arterial roads in Tasmania - no costings have been revealed, but engineers I spoke with have put the sum at \$100 million.

Fourth, we have Cricket Tasmania which, furious with the Premier over the abandonment of Blundstone Arena, have now demanded a new high-performance centre with two ovals in return for playing any games at the Macquarie Point Stadium. Dominic Baker, the CEO of Cricket Tas, told the ABC in February [2024] no cricket will be played at Macquarie Point until the new facility is built. They have put a gun to the Premier Rockliff's head and of course, although he said nothing in his immense Elmer Fudd-like weakness, he will say yes to this also. As it seems to be pointedly modelled on the AFL high-performance centre in its infrastructure, let's say it costs the same \$60 million.

If we put all that together we come up with \$694 million in extra costs. That takes the cost for the stadium up to \$1.4 billion and that's before cost blowouts.

I want to talk very quickly as I am nearly out of time. The world expert on mega projects is Oxford Professor Bent Flyvbjerg. He's consulted on these projects all over the world. He's compiled a database of over 16,000 mega projects. What he discovered was truly shocking: 99.5 per cent of projects go over budget, over schedule, under benefit. Only 0.5 per cent of projects are on budget time and promised benefits. It's hard, writes Professor Flyvbjerg, to overstate just how bad the record is.

What he discovered with major buildings is that the actual mean cost overrun of a major building is 62 per cent. That's based on 16,000 projects. At 62 per cent, the cost of the stadium based on world's best data is that the stadium would cost \$1.1 billion. Even if you build in a 62 per cent as \$1.1 billion, a 62 per cent buffer into your budget, Professor Flyvbjerg warns you have still dramatically underestimated the danger, as 39 per cent of all building mega projects go over that mean to the point of reaching a staggering 206 per cent. In other words, based on the global evidence, the stadium has a four in 10 chance of costing 206 per cent more than \$715 million. That would make it \$2.1 billion.

If you add the \$694 million for the ancillary costs and let us be kind and forget the inevitable cost blowouts, we arrive at a figure of somewhere between \$1.8 billion and \$2.8 billion for the stadium based on the best global data. Who's going to ensure that the costs do not blow out?

I'm glad you mentioned those tremendous public servants you had in, because they're the same brilliant bureaucrats that paid Alistair Clarkson \$100,000 for a report on the Tasmanian AFL team, including the stadium that Alistair Clarkson never delivered and they did not ever make him deliver it. While \$100,000 is not \$2 billion or \$3 billion, admittedly, but it's not nothing. It is more than the annual average salary of a Tasmanian of \$86,480. If the Tasmanian Government and those tremendous bureaucrats are more than happy to waste a Tasmanian's annual salary on little more than a Premier's photo opportunity, how can we trust them to manage a project of such staggering complexity as this stadium on an untried design, in a difficult location, removed from major centres?

To put this in context, there is no pot of gold, no endless treasure chest that we're drawing upon. The Tasmanian budget is approximately \$9 billion and, according to no less a figure than Saul Eslake, the budget net debt is projected to blow out to almost \$8 billion in 2027. That the Premier, with all the glee of an adolescent online shopping with his parents' credit card bought a stadium doesn't make the purchase wise or right. We are looking at a project that will cost somewhere between \$1.4 billion and \$2.8 billion for which no Tasmanian ever asked or wanted, that the Government has admitted will only lose money and now threatens to debauch the State's finances.

There will be very real cost to Tasmanians from the stadium: the significant loss of jobs and services, and the knock-on effect to the economy and people's lives. And that is already part of the government's plan. The Treasurer himself admitted as much last week when, in response to an appeal from the Tasmanian Police Association not to reduce spending, he replied, 'If GST goes down, we have less money for State Government public services.' The point is that whenever our receipts are lower, there is a lower capacity to fund strong public services.

That's why, in his May 2023 budget, he announced an efficiency dividend, effectively a cut in departmental spending, which will inevitably be achieved through cuts in jobs and services, that would save \$300 million over the next four years. That \$300 million cut would seem uncalled-for were it not that the budget now has to cover for its \$375 million debit on the stadium over the same four years.

Make no mistake: Tasmanians are going to pay for the corporate boxes at Macquarie Point with their schools, their hospitals and the growing numbers of homeless, and we should feel deeply, deeply ashamed.

With the return of the 1990s decade of despair looming, it will be on your watch if this is allowed to happen. The stadium is now a catastrophe of accelerating chaos. Each new decision begets a dozen worse. And, of late, the chimera of which Mr Edmunds spoke of a private-public partnership has been floated, typically with no detail as to how this might work but we may assume that instead of a billion or three now, it may be \$10 billion over 20 years - instead of hell now, hell on hire purchase for decades to come.

PUBLIC

The wise, prudent choice is the only sane choice: it is no stadium. I hope that you on this Committee have the courage, and the maturity, and the wisdom, to recognise you have a responsibility above those of politics and of your parties to the people of our island and their future when you come to make your final report on this matter. Thank you.

CHAIR - On one point. I asked Macquarie Point Development Corporation about this Ministerial Statement of Expectations. They said they're required to operate in that manner because they basically operate under the *Corporations Act*. That was the way I understood what they said. That was the explanation. You did make that point -

Mr FLANAGAN - I find it remarkable, and I would think, if I was heading the Macquarie Point Corporation, I would seek to find some better story. I find it implausible.

CHAIR - They did State on the record that they are required to operate that way anyway. I'm just saying back to you that that was their response to that question about the changes to the Statement of Expectation.

Do you want to go to Shamus or do you want us to ask questions of Richard now?

Mr BROWNE - I think you should go to Shamus now.

CHAIR - Okay, then we'll come back to questions.

Mr BROWNE - Just before you do. I just want to, for the sake of the record, tell you that Mr Scott has a USB, and on the USB is a PowerPoint presentation that Shamus is going to speak to, and a separate PowerPoint presentation that Mat Hinds will speak to, and Shamus's methodology for the production of the image which is now sitting in front of you, and a stadium comparison table that he has prepared. Just letting you know that.

CHAIR - Is this contribution you made, Richard, on that as well?

Mr FLANAGAN - No, but I can have it forwarded.

CHAIR - That'd be easier for the Committee. Thank you. Over to you, Shamus.

Mr MULCAHY - Thank you. My name's Shamus Mulcahy and I'm a practising Tasmanian architect. I was past president of the Tasmanian Chapter of the Australian Institute of Architects. In this role I worked on facilities for the London 2012 Olympic Games.

I want to talk about three things quickly: the previously released Macquarie Point vision: estimating likely stadium costs and methodologies, and I'll touch on some of the greater impacts.

This vision was undertaken by Bence Mulcahy for Our Place. It was an alternative proposal for Macquarie Point and was designed to preference housing and community use as a social and economic reality for that site. It's a spatial, social and economic model for the site and it seeks to address the issues that face our community today. It relies on projects on that site of a scale that focuses entirely and explicitly on the skills of the Tasmanian building industry. It addresses the gap in supply of the missing middle-density housing stock, which the Government has itself identified as desperately undersupplied.

This project, this vision, is about building community. It proposes uses that provide perpetual and sustained economic activity for the whole year, 24/7. It stands as an absolute counterpoint to a singular dominating corporate use on that site. It does not rely on Tier 1 mainland contractors or mainland lead consultants with token appointments for optics. The construction industry needs sustained and targeted spending on projects that directly benefit small-, medium-, and large-scale Tasmanian businesses, not a singular megaproject where so much of the economic benefits flow offshore.

A singular large project will periodically spike specific economic statistics but does not result in sustainable economic security for the industry. I draw everyone's attention to the current Bridgewater bridge. If you visit building sites and talk to builders on a day-to-day basis, the industry is doing it tough. That project is only halfway through at its absolute maximum, yet the industry suffers.

The facts with the stadium are that only a handful of Tier 1 contractors from the mainland will be capable of undertaking this project. Specialist expertise and a significant interstate workforce will be sourced from the mainland to deliver a stadium of this scale. The vast majority of construction materials will be procured from interstate suppliers simply due to the bulk nature of the materials, finishes and fittings required.

The Government and the appointed interstate lead architects will no doubt pursue a timber-focused solution to the stadium structure. This will sap the industry of structural timber supply and result in less efficient higher structures which will magnify the already appalling bulk promised by the scale of this proposition on a site that is already too small to hold it.

The Government's cost for this stadium is considered by many in our industry to be humorously inadequate. There are methods for estimating likely spend with large, complex projects and complex levels of risk that rely on precedence to establish the relative cost. Roland, can we go to the table? The picture of the table of comparative project costs.

Using the widely accepted methodology of comparative assessment developed by Bent Flyvbjerg that Richard mentioned - can we go to the table?

CHAIR - We're just getting it up at the moment, Shamus.

Mr MULCAHY - Thank you. The way you estimate complex megaprojects like this broadly when not a lot of information is available is to simply look at precedence and they do it on a wide scale. I've just done it on a very quick scale for everyone here. You develop a mean and you analyse your project against the mean and make assessments of the risk of yours and the complexity of yours against the mean.

First, using this is a very simplified version for the start. I'm not able to find any stadium of the size that is proposed at Mac Point with a glazed roof anywhere in the world. This table I've made lists relatively recently constructed stadiums but with a focus towards stadiums with roofs and stadiums in countries where the construction industry and wage structures are similar to ours. I've listed them chronologically. I haven't listed them in costs and it's not a complete listing. I have dropped out quite a few US stadiums that sit in the middle to upper bracket of \$1 billion to \$2 billion and I've done that simply to make it not too US-centric and show a broader global context.

AFL stadiums exist: we know that. There are some non-AFL stadiums with roofs and there are even some non-AFL stadiums with glazed roofs, but what's proposed by the State Government does not exist in total anywhere in the world. Without this background, the reality suggests that there's unprecedented levels of spatial and economic risk that need to be managed as part of this project.

You're going to ask me where I think our stadium sits in terms of costs. I just want to talk to the table a little bit and point out a few things. If you look at SoFi Stadium, when you look at these things, capacity is not a direct indication of cost. Ultimately, what's more of an indication of cost is the scale of the field and particularly with a roofed stadium because that's what you have to span.

I want to drop the outliers out so we can look at what might be a mean here. I want to drop out SoFi Stadium, let's ignore that. It is a really good example. It's quite recent, it's 2020 and it's got a fixed glazed roof, so it ticks a lot of boxes. I wanted to be fair about this. It is an outlier simply because of the cost, \$5.5 billion US, and the sting in the tail is it's an NFL-sized stadium so it's only 110 metres long and 49 metres wide. Compare that with what we're proposing, an AFL size. You'll notice the one at the top is an AFL one, the Gabba, so you compare the scale. I also want to drop out the one at the bottom which our stadium is compared against the lot. It's the Dunbar Stadium in Dunedin, New Zealand. It's \$200 million. It's a rugby size, much smaller than what we're proposing, in a city not much bigger than Launceston. Look at it: it is a middle shed akin to Creek Rd Netball Centre but a little bit larger. It's not comparable to what we are doing, so look at what's left and then start to draw your eyes up some of the cost values.

The mean here for a stadium is approximately \$1.8 billion, which is in line with what people are saying and what I've been hearing. The scary thing about this is there are very few in this list that barrel out under \$1.5 billion and most of them are 15 to 20 years old. Then ask yourself what's left. Most of them start to hit the \$1.9 billion to \$2 billion mark and none of them yet are AFL sized: they're all much smaller. I don't think that level of risk is being considered in this project at all. The closest thing that I think hits the mark is probably Marvel Stadium but it's 24 years old. I'll just keep going.

CHAIR - Do you want to go back to the other presentation?

Mr MULCAHY - Yes, thank you. Lastly, I'll just touch quickly so Mat can take over, but I want to talk about this image that we produced. Everyone's probably seen it. I just want to talk to how it was made. This image precisely and mathematically depicts the promised scale of the current Government proposal for the stadium. We do this on a daily basis, using software. We make a model of the size and shape of the stadium based upon the Government's information. We take a standard image, photograph from a point - in this case, Victoria Dock. We use the computer. We take an image of the model from the same location and that's just maths. Then, using computer software, we blend the two. We effectively overlay them over each other. Why this is accurate is simply because this is very easy. The Government, the stadium, the data available from the Government was the location, which was quite easily drawn on a plan of Macquarie Point. It's 240 m long, 210 m wide and 40 m high. There's only three inputs; it's that simple. And that's why it's accurate.

We also took the same model and applied it to other parts around Hobart. We haven't released all those images, but here's just one. It's obvious where this is from. It was produced using the same methodology. It precisely references the topography and the government-supplied heights. This image clearly demonstrates the devastating impact that the stadium will have on the most important ceremonial spaces of our city. As a professional, these impacts are utterly unacceptable. They're irreconcilable with the spatial reality, and the scale and the history of this area. I will pass across to Mat now to take over.

Mr HINDS - Thank you. How much time have we got?

CHAIR - Well, we did start a little bit late. If you could try to wrap it up in 10 minutes and we've got some questions coming too.

Mr HINDS - Sure, I'll be as quick as I can. Can we go to the last presentation, please?

My name is Mat Hinds. I'm a fully registered Tasmanian architect and principal of Taylor + Hinds Architects. My practice is internationally regarded. We have twice been nominated for the Royal Academy Dorfman award and the international Swiss architectural prize. My practice was identified by the Italian architectural media recently as one of the world's leading architectural practices in cultural heritage. We have received Australia's most prestigious awards in heritage for our work twice. This year we've been recognised as Architects of the Year by *Vogue*.

I am here today as I have provided professional support to Bence Mulcahy and Our Place as an objective professional witness to their efforts in exposing the ridiculous proposition for a stadium on the waterfront of this city. There is wide unease in the spheres of spatial practice in Tasmania about the proposition of a stadium, including a majority of my colleagues who are engineers, planners and other architects. But, Tasmania being what it is, it takes courage to vocalise a dissenting professional position. It is widely known that the Government and the public service have a long memory of professional views which do not accord with policy.

In part, I have entered this dialogue out of burgeoning frustration for the treatment that I have been witnessing of fellow colleagues whose efforts in exposing the appalling spatial reality of the stadium that have been considered and measured, and whose professional actions have been precise and courageous.

Next slide, please. Based on the exact dimensions provided in Government sanctioned documentation, the stadium will be as a fact the same height or higher than the Grand Chancellor. A design does not need to be completed to appreciate the bulk and height required to facilitate an understanding of this impact. These images tell us categorically that the proposal of a stadium is a mathematical and spatial nonsense on the waterfront of Hobart.

On this precise question, the Premier has directly engaged in a campaign to mislead the people of Tasmania and denigrate the professionalism of this considered position. In seeking to counter the profound reality of the massing studies of the stadium produced by Shamus and his practice, the Premier said, and I quote:

Don't be fooled by the blockers, as dodgy as some of their efforts may be.
We're still working on the designs for Mac Point. But here's the real stadium

outline from the waterfront. I'm proud to see every day Tasmania standing up and calling out this nonsense.

I agree wholeheartedly with the Premier's last statement. This proposition is a total nonsense.

The image furnishing his Statement intentionally misrepresents the experiential reality of the mass of the stadium. This image is visualised with far more foreground, which seeks to hide the actual impacts of the stadium's urban impacts and bulk, and by some incomprehensible magic promises to ephemerally float as a phlegm-coloured cloud. But if we remove the artifice, the Government massing and the comparative massing produced by Our Place perfectly aligned, except that the Government massing shows no allowance for any structure to clear span the field.

As in the law, precedent is an important form of evidence in architectural process. We rely on it to tell spatial realities about the risks and promises of a proposition. Shamus is absolutely right to rely so heavily on this form of spatial evidence. If we take Marvel Stadium, it tells us the following: it was constructed well outside the complex urban structure of a city on a benign site. Marvel relied on an enormous apron of open space for its construction and urban promise and an equivalent apron is not available at Macquarie Point. Marvel cost \$1 billion adjusted for inflation, but was so burdened by the ongoing exorbitant costs of maintaining a green because of the overshadowing of the stadium structure and the unevenness of the ground that the Victorian Government sold the stadium and its site freehold to the AFL prior to COVID for less than one fifth of its construction cost. The construction of a stadium on the Docklands site completely obliterated the market value of the land.

In a city with 10 times the population of Hobart and with existing public networks, infrastructure - the best in the world apparently - in 24 years, the Marvel Stadium has realised none of its promise for urban renewal. It is an urban dead zone. Macquarie Point, on the other hand, has the broader civic prospects of any inner urban site in the country and these civic prospects are unequalled.

Characteristically, a stadium is an internally focused structure. Its spatial purpose is to focus toward the centre rather than outward toward the periphery. By that spatial definition, a blind, massive amphitheatre is not typologically suited to a site with broad civic and landscape aspects and certainly not to the only inner-city site of its kind in the country.

The systems of the City of Hobart are not prepared for anything like the infrastructural scale of a stadium. Transport systems and city services circulation will need massive reconfiguration to facilitate the servicing for a stadium of the scale proposed. The Macquarie Point site is curtailed by a high heritage civic and ceremonial setting on reclaimed land with maritime infrastructure to the shoreward side. It is a knuckle of urban intensity where all these elements coalesce.

The proposition of a blind structure on this site is absolutely a question of the city's urban spirit and economic life. Macquarie Point does not have a sufficient service urban apron to facilitate a structure of the scale proposed in Hobart. Stadiums are real mix structures, It's not just the object of a stadium. Its service requirements will need to populate adjacent areas such as the Cenotaph mound and the broader Domain.

There has been absolutely no intelligent urban framework applied in the Government's proposition for a stadium on this site. As Shamus has correctly and precisely highlighted, the site is too small to yield the promised communal and cultural functions as well as a 40-metre-high stadium of the required circumference. The stadium mass overshadows the entire site, and no one wants coffee in the shade and exposed to the southerly sea breeze.

On the muted question of procurement, the government will likely seek to pass AFL-imposed contract delay penalties directly through the Crown contract onto a Tier 1 head contractor, who will likely be from the mainland. This will increase the risk for the head contractor, which will manifest as a higher tender price in a less competitive field, paid for by the Tasmanian people. The economics are unjustifiable and will prejudice the Tasmanian people for generations, a fact already exposed by Jeff Kennett.

Applied as liquidated damages and likely in the exponential order of additional millions, these kinds of contract penalties have already been agreed to by the Premier in negotiations with the AFL. The risks are elevated in the current construction market. Construction delay is absolutely certain. An example of this can be drawn towards Victoria's current infrastructure delay costs. It's a major cost risk to pass onto the public purse in Tasmania.

The legacy will be a huge, infenestrated mass on the waterfront of the city, with a cheaply detailed skin plastered in advertisements and AFL branding. No amount of dressing up will avoid it being lipstick on a pig, built as quickly and cheaply as possible.

The Cenotaph is arguably the most sacred ceremonial axis in the city, certainly nationally it is unparalleled in its landscape, power, and solemn feeling. The Cenotaph site was chosen because the mound is prominent and offers the last orientation of homeland sighted by the departing troops as they headed out into Storm Bay by boat to war. It is a ceremonial sightline of unparalleled significance, the oldest in the country.

The bulk of the proposed stadium promises to terminate the access of the Cenotaph, which is currently a 60-kilometre-long vista over South Arm and the Southern Ocean. The mass of the stadium will interrupt this sacred line of sight, which is one of the great ceremonial axes of any city in the country. The Last Post on Anzac Day will be backlit by the lighting of advertisements in the AFL logo.

All I have laid before you in support of the clarifying work done by others shows unequivocally this proposal for a stadium on the waterfront is a proposition of unprecedented spatial devastation and breathtaking absurdity. Thank you.

CHAIR - We'll go straight to questions.

Mr BEHRAKIS - Thank you. Noting we're way over time, we haven't really had too much of a chance to scrutinise any of this especially, that last image with the advertising plastered over a concrete drum. We heard from the Macquarie Point Development Corporation today and they were asked about these exact renderings. As conclusively as they possibly could, said - and it would have been good to have these conversations in the beginning of the designs in a week or two, and to be asking you guys about this then.

From what they have said it is going to look nothing like this from either a massing perspective or a visual perspective. I've seen these sorts of artistic renderings before with similar groups to try to scare -

CHAIR - Questions on that.

Mr BEHRAKIS - Apologies. In response to Macquarie Point Development Corporation's Statements that what the image shows is nothing like what we're going to see, and I know Mr Browne had to leave, but his Statements on the Project of State Significance process, forgoing any of the planning considerations and heritage, in this time I've been looking through the guidelines. It's 40 pages, and apart from the economic impacts and cost benefits, it is requiring the process to consider Aboriginal heritage, wind effects, traffic effects, built form, and impact on the local place. I'm just trying to factor -

CHAIR - Question?

Mr BEHRAKIS - The built form, I'm asking them to factor in the built form and the planning process into what we're actually going to see. I'm just not sure how this image and what you guys have said align with what we're going to actually see as a stadium.

Mr HINDS - There is nothing about the images that are produced or the alternative that was shown by the Premier. They are precisely the same size. You don't need any of those processes which are absolutely critical to any formulation of a building or an architectural response, you don't need those processes to start to know that this is a stupid idea to have a building of this kind on that site. That statement in and of itself is the beginning. It should have stopped as an idea. It shouldn't have even been uttered. It's a ridiculous notion.

So, those assessments can take place, the Macquarie Point Development Corporation can keep talking to you in the way that they will probably seek to position with you as an armature of the Government that they need to have a particular line on these things. They're not going to tell you this won't work - and I am not of the view that even the architects that are engaged will tell you that this won't work. I've been in a position where I've been engaged by Government, I've told them of a particular project that will not work. I was terminated the next day and another architect was appointed. So, that is the kind of atmosphere of engagement that occurs in this context. I am not interested in, 'all of those things have to happen', Simon. All of those assessments take place, but the proposition on this site is ludicrous from the beginning.

Mr FLANAGAN - If I could also answer, there's two things. The renders shown are not propaganda, they're not illusion. They are a statement of mathematical fact. They are the visual representation of the figures your Government has put out as to the dimensions of the stadium.

CHAIR - Prior to any proper planning and design going on.

Mr HINDS - But consistent with precedent. Those images adopt the materiality of the Docklands Stadium precisely.

Mr BEHRAKIS - Do they? Are they not presented in a way to overemphasise -

Mr HINDS - Simon, no.

PUBLIC

Mr BEHRAKIS - Let me ask my question. You've got a grey solid massing with, as you've said, additional articulations on top. Is it not designed visually to look as impactful as humanly possible?

Mr HINDS - No, it's not, Simon, no.

Mr FLANAGAN - In fact, it will look a lot worse from many other places in the city. I think Shamus wants to say something.

Mr MULCAHY - I think you're doing quite well, guys. It's a simple fact: you cannot cloak the scale and the mass of a building like that with minor detail. It's that big and that's kind of it.

Mr FLANAGAN - I'd make a further point. The designs that will be presented in a week or two's time will try to gussy the pig up. And what will happen when the inevitable cost blowouts happen and your Government panics because people start getting very, very angry as to what happened - and you know how angry they are because you saw the results in the election with the complete collapse of your vote up north. What they'll do then is they will panic, and those bureaucrats you had in here this morning will be cutting all those gussying effects off and we'll get back to the very worst possible result.

CHAIR - Can I ask, please, if your group would be happy to comment on the concept plans when they're available and provide feedback to the Committee on your take on it?

Mr FLANAGAN - Absolutely. Yes, of course, we would.

CHAIR - Because then we're looking at what they're actually putting forward to the POSS.

Mr BEHRAKIS - Rather than speculative.

CHAIR - Yes, that's right.

Mr FLANAGAN - Well, it's not speculative. You've gone out and sold this. You've actually made a deal. You've signed a blank cheque that we have to pay for that stadium before you had designs, before you knew you couldn't even get buses in there, before you knew that it was going to overshadow the Cenotaph, before you knew that the \$240 million you had to pay out of the GST. You did all those things before you knew what the consequences of this appallingly stupid decision by your leader was. This is so destructive of our future.

I'm here for one reason: I am ashamed. I'm ashamed to walk past the homeless people every day in the city, the numbers of which grow. I was up on the Domain this morning. There are people in wet sleeping bags there, there are people in collapsing tents. I am ashamed. I'm ashamed to be a Booker Prize winner in an island that's got a 50 per cent illiteracy rate. I am ashamed. I'm ashamed to every day meet people with stories of worsening and the worst health system in the country. I am ashamed because your Government has only one priority and one policy, and it is to waste billions of dollars on this utter folly because your Premier was seduced by the executive of a large entertainment corporation who came into this island and made that demand.

PUBLIC

CHAIR - Our Committee's role is to assess the financial impact. You've made some comments around that, but we do need to wrap up. We've got to be fair on other witnesses too.

Mr FLANAGAN - No, no, fair enough.

CHAIR - Did you have a burning question?

A Member - My question was answered in the presentation.

CHAIR - All right, thank you for your time. Apologies for slightly late start. We will ask that you consider providing some feedback to the Committee on the concept design once released. Apparently, it's going to be in a week or two. I don't know how long they've been working on that part but we do appreciate your submission and appearance before the Committee and thank you.

Mr FLANAGAN - We thank you for having us and we welcome the opportunity to keep on contributing. Thank you.

THE WITNESSES WITHDREW.

The Committee suspended from 12.54 p.m. to 1.30 p.m.

PUBLIC

CHAIR - Welcome, Jim and Russell to the Public Accounts Committee - you used to chair some years ago, Jim - inquiry into the stadium and the Macquarie Point development. You would be aware that the Committee has previously released an interim report on this and we've revised our terms of reference, so we ask you to address your mind to the current terms of reference, acknowledging your submission came into the first terms of reference.

You are covered by Parliamentary privilege, while you are before the Committee, but when you step outside the Committee that may not be the case if you speak beyond the meeting and keep that in mind. Everything you say is part of our public hearing and form part of our public record. It is being streamed and recorded by Hansard. We are using voice to text for the first time so you could both use your microphones to ensure everything you say is picked up.

Do you have any questions before we start? No, I'll get you to both make the statutory declaration and then introduce yourselves and speak to your submission and any further comments you'd like to make.

Mr RUSSELL HANSON AND Mr JIM WILKINSON WERE CALLED, MADE THE STATUTORY DECLARATION, AND WERE EXAMINED.

Mr WILKINSON - If I can briefly open and give a broad overview of the matters that we would ask you consider, then Russell, who really is the expert in the area as far as his focus on it over the last five or so years will have a brief conversation and open it up to you for questions.

I note he's already supplied you with some documentation. He wanted to do that in order you know what we were about prior to it starting. If you wanted to have a look at it beforehand you could have already had a look at some questions if you thought that they were appropriate to be asked.

Thank you for the opportunity to present this afternoon. By way of introduction, Russell and I are here today as individuals who have been involved in varying ways in the journey of Tasmania being invited into the AFL competition. Russell has forwarded to you the brief background of his experience and why he became involved, so I won't expand on that unless requested.

I've been involved in football now for many years. I can go into it.

CHAIR - Your injuries are enough to prove it.

Mr WILKINSON - My nose is going sideways and other things the same, but I have been involved for a number of years and only recently finished as Chair of the Tasmanian Football Board. Their major role there was to try to bring the whole State together. It worked for a while but started to implode once we spoke about the team and stadiums.

When I was giving speeches in relation to it to a number of different people, I said the only problem that really is going to arise is parochialism. I said politics would play a part as well and also getting the advice that is properly needed for everybody to understand exactly what's happened and how much you may have to pay, et cetera.

The Government probably hasn't done a great job on that, but it was a moving feast because originally to get into the competition what had to happen is you had to not only persuade the [AFL] Commission, but you had to persuade the clubs. The clubs were paramount because when the clubs vested power in the Commission. The club said, 'We will give you that on the basis that we are allowed to have a say in relation to the inclusion or exclusion of a club into the competition'. That's why the clubs are very important.

Important also is the fact that it took a lot of time for Gil McLachlan to speak with the clubs and say Tasmania deserves a team in the competition. There was a lot of persuasion going on with a number of different people. The clubs came to the fore with that and agreed, but on the basis that certain requirements were met and that was the building of a new stadium at Macquarie Point.

Russell has spoken at length with John Olson, former Premier of South Australia and also chair of the Adelaide Football Club. He was also heavily involved with the renovations to the Adelaide Oval. He will tell you exactly what the clubs were saying if Tasmania doesn't abide by the prerequisites that were required in order for them to get into the competition. We may say, 'Hey, you can't hold us to ransom in relation to that. You can't tell us what to do'. My only comment would be if I had a wedding and said it's black tie only, you couldn't come along in thongs and shorts. If you wanted to come you had to abide by the rules, so long as those rules were reasonable and so long as you were able to have proper discussions prior to that as to why those rules are reasonable or not. There's been plenty of those discussions as well, as you know.

It was a moving feast when Peter Gutwein took over in relation to the venue and a moving feast in relation to a number of things that have happened since then. I understand - well, no, I won't go into that -

Mr WILLIE - I don't know why you're looking at me.

Mr WILKINSON - With what you said in relation to jobs, you're spot on and Russell will expand on that as well. Does Tasmania deserve a team? Please tell me if I'm wrong but I think everybody agrees that we do deserve a team.

CHAIR - There's a few who don't agree but, by and large, I think the people of Tasmania would agree, Jim.

Mr WILKINSON - Thank you - so I won't waste time in going into that. Would the team be economically viable? That's a matter for debate. I think when you look at the Carter report and the Godfrey report, they would say yes, it is going to be economically viable. When you speak with Russell, you will see the figures that he has and the commentary that was given about the work he did by the Godfrey report, which made special mention of Russell in the evidence that he gave in relation to assisting them with their report.

There's been some talk that the stadium was never mentioned. It was mentioned and the Godfrey report states that it was needed. Carter has come out in support of that as well and we both gave evidence, not together but individually, to those reports.

Do we need a stadium to be built in Hobart? A lot of the debate, again, has been around that question and I can understand that. There are a lot of pressing matters out there at the

moment. As you can see, there's housing, education, health, which is a big one all around Australia. I can understand people arguing, 'Have we got the money to do it?'. My answer to that is if we haven't got a good economy, we won't have the money that we've got now and therefore we won't have the money to be able to continue to be put into the budget in relation to assisting with health or housing and the other matters Governments have to look at. Therefore, my simple answer is yes, we do need a stadium to be built in Hobart if we want a team. If we don't have a stadium at Macquarie Point, we won't be allowed into the competition.

I want to talk quickly about the money that the AFL provide to the clubs, because that's important as well and it's one of the reasons why the club would stick up a fuss if they believed that the AFL would have to prop Tasmania up to any significant degree. Back in 2019, the Gold Coast received \$27.796 million by way of a yearly dividend to that club. Greater Western Sydney received \$25.544 million. It went down to around about \$13 million for Geelong, Collingwood and teams like that, and Melbourne, which was seventh, received about \$18.7 million or \$18.8 million.

Those figures are pretty well the same and what the clubs are saying is if there's a team that doesn't pull its weight, like Gold Coast and GWS are at present, that's going to mean less money for them. They don't want that to happen. That's a very big reason why they would say unless these prerequisites are met Tasmania would struggle and then more money would have to be paid to Tasmania if they wanted to remain in the competition and therefore they'd lose out on that money. I think that's important because in a lot of things and in this whole debate, money is involved and the clubs are saying they need that money in order to be able to properly succeed in the competition.

To succeed in the competition, you need good facilities. I received an email only last week on the new facilities at the Swans and their indoor facilities are out of this world. I've been through the Collingwood high performance centre as well and also through their administrative offices. I've looked at Adelaide and other clubs around Australia. Funnily enough, the clubs that have good facilities are the clubs that are going extremely well. Adelaide is probably the only one that struggles a bit and -

CHAIR - It's not struggling financially. It's struggling on the field.

Mr WILKINSON - On the field, that's right. In some ways, the reason Sydney bought Tony Lockett and the reason they got Buddy Franklin is because Sydney had to go well in order for the crowds to come. There's no question about that. That's why they spent a lot of money buying those types of players. They'll be on the lookout for another one at the moment and I know that's the case. Whether that's going to happen or not is another thing

CHAIR - Jim did play for South Melbourne so he's a bit biased.

Mr WILKINSON - Yes, I am a bit biased. We were cellar-dwellers when I was playing with them but they moved to Sydney and things changed.

Mr WILLIE - They had an allowance too, didn't they? They get more to pay players, don't they?

Mr WILKINSON - They did get that at Sydney. That was taken away from them and they're arguing it should return at the moment.

Mr WILLIE - Okay.

CHAIR - Sorry, I've dragged off you off the point.

Mr WILKINSON - One of the matters that we've got to take control of is if we do have a team, obviously not everybody's going to come from Tasmania, as you know. In fact, there might only be a couple of players from Tasmania because you'll be into the draft system. Originally when they go into the VFL a year before the AFL competition, there are going to be a lot of Tasmanians in that team. Hopefully they'll be able to spread their wings and be good enough to be drafted, but they may not be drafted by Tasmania. However, there's a 'go home' policy with a lot of clubs where, unless the facilities are okay, they want to go home after a couple of years, not only for their family reasons and their partner's reasons, but because they think it's going to be better at a club like Collingwood or the Swans or a club that has good facilities.

Mr HANSON - Unless it's Horne-Francis, who after one year wanted to go home.

Mr WILKINSON - That's right. Spot on.

Will the stadium be beneficial to the State? That is another matter to be taken into account. I thought what's the best way of finding out whether it will be beneficial to the State, so I thought I'd look at Victoria, Adelaide, Townsville and the Forsyth Barr Stadium in Dunedin. Each of those States can show - and I know Tasmania is different but I think when you look at each of the States, we're not too different to Dunedin - that it's been a huge financial success.

At the MCG they had an argument with cricket and football. They moved to Waverley. I played my second game at Waverley and we played against Footscray, but it was a big oval out in the sticks and people didn't come there as much as the MCG. They wanted to get back to the MCG as quickly as possible. They moved back to the MCG, had a significant development and started to once again get back to the situation where now the crowds are better than they've ever been. They also built Docklands within the city, as you know.

South Australia, during the first year of the global financial crisis, decided to ring Westlakes, the headquarters decided to bring West Lakes, the headquarters of AFL football in South Australia, back to the Adelaide Oval. They spent a significant amount of money. There was a big debate about whether that money was appropriate or not, whether they could afford it. They've been paid back in spades. You look at the Gather Round and how much they made in relation to Gather Round - Russell can develop that, and it's a significant amount of money. The AFL - because people are saying, 'well, look, Tasmania won't get a Gather Round', but when you look at the events that occur each week - it's Inclusion Week, I think, this week, they have an Indigenous round, they have the Anzac round, the female breast cancer - it's incredible what they do. The AFL have got the happy knack of making each week a significant week, and certainly if Tasmania put their hand up, my view is that, and Gil McLachlan agreed with that, that there'd be beneficial rounds for Tasmania. So, it is beneficial to them.

CHAIR - Gil is no longer there, you know. I mean, it's up to Andrew Dillon now.

Mr WILKINSON - Yeah, I agree.

Mr WILLIE - There'd be a contribution from the Government, like South Australia.

Mr WILKINSON - South Australia, yes. Oh, yes, yes.

In Townsville, I went through that stadium two years ago this November and spoke with Craig McDonald, who is the major person in charge of that ground. He speaks highly of that. He's certainly willing to give any assistance needed. He said that a couple of years ago and last year, because I gave his name and number to Russell, and Russell spoke with him. They only play seven Cowboys games on the new oval, which is in an old rail yard, interestingly enough. But I walked through The Strand, which is the main street in Townsville, and they stated that the way that The Strand gets a big injection of money is when they have an event at the ground, and they have numerous events at the ground.

If I can quickly go on to Dunedin and speak about the Forsyth Barr Stadium, that went to court on two occasions and went to an appeal as well because people said, 'You won't be able to afford it'. I know a lot of people are saying now, 'You won't be able to afford it'. I find that hard to see because those people don't know what's going to be built. They're just picking a figure out and saying, 'Well, that's a figure that I think it's going to cost and it's going to be a significant blowout'. It's very difficult to say that without knowing what the plan is and, interestingly enough, the architects just recently came in and said it will be able to be built reasonably close, I would imagine, to the figures already out there for the public.

People have also said, 'You won't get events here and you won't' - I noticed one of the witnesses in the previous Government said, 'Look, big acts won't come to Tasmania.' If I can just quickly go through who have been to the Dunedin Stadium, Forsyth Barr, since 2011 to 2019, and it's continued: Elton John, Aerosmith, Paul Simon, Rod Stewart, Neil Diamond, Fleetwood Mac, Black Sabbath, Stevie Nicks, Robbie Williams, Shania Twain, Pink, and Queen and Adam Lambert. Then after the pandemic: Post Malone, Rod Stewart, Cyndi Lauper, and Red Hot Chili Peppers.

I'm not name-dropping but my son is good mates with the lead singer of Jet, who sang 'Look What You've Done' and 'Are You Gonna Be My Baby?'. I'm putting those in for the younger ones because the older ones probably remember, but the younger ones mightn't. But, New Year's Eve, I was at his parents-in-law's place in Noosa, with his wife and his two children. I said to Nic Cester, he's the lead singer, 'Look, would people come to Tasmania if there was a stadium?' He said without doubt, especially if it's covered because there's certainty. He said these people, when they travel from overseas and come to Australia, they come to the mainland, but if there's an exotic area to come to, an iconic area like Tasmania has become, they want to go to those places. That's why they go to the Forsyth Barr Stadium. He performed at the Grand Prix, just finished this year, and I've just read a headline, absolutely tore up the stage. So, after being in the band from 2001 to 2012, he went back to Italy, to Como, he has a couple of places at Como with his wife Pia, who's worked with [inaudible] and he's back here because his sister-in-law's crook. He said definitely they would come, and he mixes with them quite regularly.

So, for those who say they wouldn't come, I think that's wrong. You've seen what comes to -

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CHAIR - I might just join that. They might come, but the cost of bumping in and bumping out are significantly higher in a remote location like this with all the challenges of getting your semis across with all the gear. Bumping in for a major concert like that is pretty significant, which would have to be recouped through ticket sales. And you've got 23,000 seats or, depending on the makeup, it could be a little bit more, a little bit less, depending on where you put the stage and all that sort of stuff. Then you've got the issue with the ground. You know what happened with the G when - who's been there? Was it after Taylor -

Mr WILKINSON - Taylor Swift.

CHAIR - Was it after Taylor Swift? Anyway, it was a quick succession turnover. No, it was someone else whose name's escaped me. Anyway, it did take a little bit to recover the ground when you have a turf. So, do you think people will pay that ticket price? It's well and good to say that they might come, but the only way they can really come and not be that hurt financially is to charge enough.

Mr WILKINSON - It's difficult to say, Ruth. I think all I could do, to be fair, because it would be easy to say 'yes', is look at what's happened in Dunedin. I tried to phone the person in Dunedin yesterday. They said, oh look, can you send an email? I sent an email and they just came back and I showed Russell. I can show you what they said, but they said it's been a major beneficial impact on their community in Dunedin. And so, it is the same type of argument with Dunedin. The strait's not as big, as you know, but still they've got to pay to get down from the North Island to the South Island. And they're significantly getting events at that ground.

Mr HANSON - I've been there and Dunedin is similar to what we are in Hobart, and people want to go to see a concert. The actual concert, whether it be Pink or whoever, they can sit back and they guarantee that concert will happen because it's got a roof. So, where Tasmania may have been able to get certain concerts over here, we're limited because we don't have the size. But once we have a stadium with a roof on it, these people are going to start coming. We had Robbie Williams, for example -

CHAIR - That was the concert I was thinking about that tore up the G.

Mr HANSON - Robbie Williams probably did the best performance two years ago at the AFL grand final. When he interviewed straight afterwards, he said, 'I want to go to the stadium in Hobart', and he has reiterated that 12 months later. So, I'm certainly confident that it would work.

Mr WILKINSON - And that's what Nic told me. He said if the roof's on there, there's certainty and people will definitely come. There's going to be more respect and you've mentioned it, Ruth, because the ground itself can fit a significant amount of people on it. So, if you've got facilities for 23,000, it means facilities for probably - difficult to say, but certainly a lot more,

CHAIR - Well, not a lot more because you lose all the seats behind the stage.

Mr WILKINSON - Yes, it depends if you've got a revolving stage, it depends on the way they do it.

Mr HANSON - I believe that they're talking about it's close on 30,000 in concert format.

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Mr WILKINSON - So, in short, I would say you can get these events, contrary to what some people have said. I understand there's still investigations in relation to that but, certainly, people who are heavily involved in the industry said yes, they will come for those events.

Numerous other events occur as well. I was talking to Chris Webster, who's a former partner of mine and magistrate now, and he said they looked at having the Rotary conference in Tasmania but they needed facilities for 2,000 people and they couldn't have that. Therefore, you miss out on 2,000 people coming into the State. The Institute of Company Directors, Graeme Lynch is in charge of that, they wanted the conference down here. Couldn't happen because they had too many people. We miss out on at least -

CHAIR - Well, the company directors get about 4,500 at the Melbourne summit for their annual government summit.

Mr WILKINSON - They're the things that we're missing out on. But that's right, spot on, what you're saying is right. We miss out on so many conferences. We had to give one away to Geelong Football Oval about a year, year-and-a-half ago.

CHAIR - A conference?

Mr WILKINSON - A conference, yes. We miss out on at least one a week. The Government would know with the inquiries that there are more inquiries than one a week in relation to wanting conferences here.

So, are people excited about it and is there going to be support? There are 195,000 members approximately at the moment. If you drew a line across Tasmania, they are split 50:50. I was speaking with Kath McCann a couple of days ago and terrifically there's a gender balance of 60:40 - 60 males, 40 females. So, females are highly excited about it along with males because they realise as well, I think, the benefits that it's going to have for young children.

CHAIR - I hope you're not suggesting women don't like their footy, Jim.

Mr WILKINSON - No, I'm not suggesting that women don't like their footy. No, my daughter's a sports coordinator at the junior school and senior school at Fahan and footy is the major sport now. They're finding it hard to get players for hockey and other sports because football is the major sport that they want to play. When you look at the female footy and how it's improved over the last few years, it's been astonishing, just like the cricket. Where's it going to be? The world's their oyster really. I think it's going to be a real success, 195,000 people. The AFL Tasmania thought we were going to have 40,000 members by the end of this October. Richard Goyder said you are going to have 100,000 quickly and he was spot on, but we got 195,000.

CHAIR - Is that on the basis of the \$10 fee though the membership fee.

Mr WILKINSON - Yes. \$10 to \$15, as you know, for \$15 you get a couple of stickers.

A member - Yes, we paid \$15.

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Mr WILKINSON - If I can hand over to Russell because I think he knows it far better than I do, he's been dealing with it. He's got 2,700 and over sticks in your computer, I understand, Russell. He is obsessed with it.

Mr HANSON - Yes, 2,700 files on the Tasmanian AFL team.

Mr WILKINSON - The beauty about it in closing is I spoke with three younger children only last week, one of them was doing nursing. She said I might even change when I finish nursing and fast track to psychology and I hope I get a job in the AFL assisting male and females with their psychology needs for football.

One of the boys involved in the under 16 Devils, when he learned that Tasmania was having a VFL team as well said, 'If I don't get picked up, I won't go to South Australia or Queensland now I'll stay in Tasmania because I've got a chance of being on the radar with the VFL'.

The fellow who was vice captain of the Devils a couple of years ago, he's up in Queensland at university. He went there because he had some injuries and wanted to get in through Southport in the VFL. They've got a team and so he went to Victoria.

We're missing out on these young people who are going to try to live their dream with sport in another State because we haven't got the facilities for it in Tasmania.

Last year in Melbourne I spoke with a doctor, a fellow involved in real estate, and also an accountant and partner in an accountant's firm. They all said, 'What is Tasmania doing? I wish they'd hurry up and get this stadium. People like us would come back to Tasmania if there were things like this going on'. It becomes an exciting place to live and they're very well established in Victoria. Thank you for listening to my overview. If I can hand you across to Russell for his comments and any questions, please feel free to ask. Thanks for listening.

Mr HANSON - I won't be long because I've seen through most without, I guess my submission in February [2023], my economic report in September [2023], summary of it in the last couple of days, and a bit of an introduction about myself last night.

Just a couple more that I would like to add. When I started six-and-a-half years ago on this, I started with an attitude that Tasmania not only deserves a team, we should have a team and it's virtually our decision. I was very naive until I started having conversations with the AFL, Gil McLachlan at the time. As it progressed, in my view, McLachlan was totally and absolutely against Tasmania having a team, but I was starting to gain the information as to what it was all about, what was happening with the clubs, what the AFL's attitude was. We got to a point that when we won over Gillon McLachlan, instead of him being the enemy, he ended up being the one who had to convince 18 other clubs to give us that licence because there was a lot of negativity in it.

John Olsen, you mentioned, I have made contact with him, we have been pretty close. When Adelaide come down here. I met him, we had a good meeting and there were certain questions that I put to him as a chairman of a current football club, also vice chairman of the Adelaide precinct. He knows exactly everything about the Adelaide Oval. The sort of questions I put to him were along the lines that if we decided we're going to move that stadium or build

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a stadium somewhere else, like for example Stadium 2.0 at Regatta Point, what would be the attitude of the clubs?

CHAIR - Regatta Grounds, not Regatta Point. That is in Strahan.

Mr HANSON - Yes, the other option. His comment was, the clubs probably wouldn't have a problem with that. It's got another 100 metres further on -

CHAIR - Who said that to you?

Mr HANSON - John Olson, the chairman of the Adelaide Football Club.

CHAIR - Interesting. That contradicts exactly what Andrew Dillon said.

Mr HANSON - Yes, that may be. The other question was, what happens if the decision was to move it somewhere else? Like maybe Cambridge, whatever. He said, just forget it. The clubs will just walk and that's it. You may have a chance of convincing them with the other stadium, Stadium 2.0, but there will be no change of attitude from the 18 clubs. It was crystal clear: we're not going to keep our licence unless we build a stadium at Macquarie Point.

One of the things that's perhaps got very difficult for me is over the period is the debate about the team and the debate about the stadium. Player retention is just not talked about. There appears to be an attitude that we can move the team to somewhere else. We can play all the games in Launceston. One comment actually come out that all the home games should be played in Launceston and all the away games should be played in Hobart. Well, that means that the whole 23 games are going to be played in Tasmania. It is just not the way it works.

Players' support staff are probably 150 people, which means there's 150 partners and if the partners are not happy, if they can't gain employment, if they are not happy, the players aren't happy we will have an exit and player retention will be a massive problem like it has been since 2010 with Gold Coast and GWS. While GWS has been a lot more successful on the field, financially they haven't been. Gold Coast hasn't been financially successful or on the field and players keep abandoning. We don't want that. If we do, we're gone.

Just one more point. A lot of people may say why don't we just set it up, play at Bellerive and in five, six- or seven-years' time work on the stadium? My attitude to that would be what Government in their right mind would take on starting a process of trying to get a new stadium in seven, eight, nine- or ten-years' time after what we've been through over the last two years. The other thing is the AFL wouldn't want a bar of it. They'll walk now.

I guess, probably from the things I have supplied you, hopefully if you've got any questions, I'm able to answer them. If I don't have the answers, I'll certainly go away and get them and shoot them back to you.

CHAIR - I'd like to ask a couple and sure other members will have other questions. The 18 clubs will walk if it's not built at Macquarie Point. Tasmania has its own planning schemes, it has its own process - POSS currently is the process. It seems extraordinary and it certainly does to the people I represent in my area, which is the north-west, that anyone from outside the State, let alone 18 people, who have possibly hardly spent any time in the State to look at what actually or understand the significance of that site to the city and to Tasmania, to dictate the

actual site of such an important development. Even those who agree we need a purpose-built facility or a facility that meets the requirements of the team and the organisation, but to have it dictated to us exactly where it should be seemed extraordinary. What do you say to that?

Mr WILKINSON - If I can if I can start back in the 1990s, I had a conversation with Alan Schwab who was the CEO of the AFL - he unfortunately died - he said Tasmania deserves a team in the AFL. This was before 2000. Michael Kent was involved, Bob Cheek was involved, there was a number of people, and I was one of them, involved as well looking at the TCA ground as a ground, thinking it was close to the city which would be ideal. One of the issues then was there were certain grasses in the TCA area which were deemed to be important grasses. There was a lot of comment from people living in the Glebe. In the end it became too hard. I thought that would have been a good spot for it but, at the time, people said no.

Then what happened is the showgrounds became a place where it was going to be built in the mid-2000s. Again, that proceeding started but again, that didn't proceed. That was a political issue, as Russell could probably attest to, so that didn't proceed.

CHAIR - Was the AFL were involved in these aspects of it?

Mr WILKINSON - Not at the start, no.

CHAIR - Okay. I'm just interested in the AFL imposing that specific requirement around that location. The general view that I hear is that people are not opposed to a new facility, it's the dictating of that site and the sensitivity of that site, in all its forms.

Mr WILKINSON - Sure, but the AFL wasn't involved with the conversations we had in relation to the TCA ground. I wasn't involved then so I can't say exactly, but I believe they were in relation to the showgrounds to some extent, but I don't know how that was. I know AFL Tasmania then tried to look at Cornelian Bay in relation to a high-performance centre. The council said no, you can't have Cornelian Bay.

CHAIR - What about when Premier Gutwein at the time proposed the Regatta Grounds? Were they involved then?

Mr WILKINSON - Who?

CHAIR - The AFL.

Mr WILKINSON - I don't know.

CHAIR - It just seems extraordinary that suddenly we've signed an Agreement that says we have to build it exactly here.

Mr WILKINSON - That's where the goalposts changed because originally it was just a team in the competition, as you know. Then what happened is there was noise - Eddie McGuire started it - in relation to where a ground should be built in order that it was going to be of benefit to the city and you'd get more people into that ground. Therefore, that area came up and it must have been - I don't know and I'm only thinking what could well have been when you look at the evidence behind it - Peter speaking with the AFL at that stage.

CHAIR - Peter Gutwein?

Mr WILKINSON - Yes, and then that prerequisite became part of the Agreement, but you'd have to ask him. I don't know whether Simon knows anything in relation to it, but you'd have to ask Peter Gutwein as to what happened and how it changed. It certainly did change and it probably changed because at that stage a lot of the clubs said, 'We don't think you can afford it' and therefore we needed something in order to be able to get into that competition. So that could have been part of the discussion that took place.

Mr HANSON - If we go back a little bit, in Adelaide you had football being played in the suburbs - a 50,000 capacity stadium at West Lakes - and the arguments went on and on and on that it should be in the city. The AFL, through the previous CEO, Demetriou, was involved in pushing cricket and football in South Australia that they must get it into the city. That's how eventually, in 2009, right on top of the global financial crisis, the decision was made that they were going to combine and rebuild Adelaide Oval.

CHAIR - The oval was already there and it had a significant footprint already.

Mr HANSON - Yes, exactly. Regarding your question, I don't know the answer as to how exactly or when that happened. What I do know is that there were so many clubs dissatisfied and not wanting Tasmania -

CHAIR - Because it was the nineteenth team?

Mr HANSON - Look, there'll be heaps of reasons. It's the nineteenth team, there are the extra byes, they're going to take our money. They just did not want Tasmania. What is Tasmania going to bring to the competition? All these things were happening. You had the Collingwood president, you had Sydney Swans' Andrew Pridham, who were all dead against it. You had Jeff Kennett. we know why with Jeff. But they were very determined that the last thing they wanted was Tasmania to be another Gold Coast, GWS, Melbourne, North Melbourne, St Kilda or Bulldogs, because all of them are on the payroll of the AFL. They're on the purse.

CHAIR - Just going back to the payroll of the AFL, I know it's available publicly how much these clubs get. One of the things that Andrew Dillon said before the Committee in a previous time was that they want the Tassie team to be financially successful from the start, which is code for 'We don't want to give them too much money'. Jim, you talked about how much the range of clubs get and you've mentioned in your submission not the actual amounts but the fact that they get money. One would assume that if Tasmania comes into the competition there will be extra revenue generated just by having an extra team.

Mr WILKINSON - TV rights especially.

CHAIR - Yes, all that sort of stuff, so doesn't the pot grow at that point? GWS and Gold Coast Suns said, 'We don't want our any of our money syphoned off to Tasmania', but that wouldn't necessarily happen, would it?

Mr HANSON - I can answer that. I had arguments for a long time with Brett Godfrey and McLachlan about that very issue of it growing the pot, in my view, and the TV rights will go up accordingly. The AFL argued that it wouldn't happen because the difference between the

Gold Coast and GWS is that they have introduced a new market and will have a game of AFL football every week in those population centres and the TV rights will go up -

CHAIR - Because it's rugby country. Is that why?

Mr HANSON - Yes, and a greater population. They were invading rugby country and they said, 'We're not going to win them all but there are so many people in those populations that the TV rights will go up'. They said, 'With you, Tasmania, you already watch it so where's it all going to come from?' So, I my argument was, 'Let's just look at it along the lines of an additional 11 games a year happening', which I think is what you're saying. There will be an additional 11 games in the competition. You can't tell me that Rupert Murdoch gets those 11 games for free. So, I argued and ultimately Brett Godfrey agreed and put it in the task force report that we can prove it is worth X amount of money to the AFL to the extent that it potentially pays for Tasmania. I think from memory -

CHAIR - So you appear to be arguing, Russell, that GWS and Gold Coast have nothing to worry about.

Mr HANSON - Sorry?

CHAIR - Are you arguing that GWS and Gold Coast Suns haven't got anything really to worry about in terms of the money they get, except to improve their performance and they might make more?

Mr HANSON - There's no way known they have anything to worry about because the AFL will never let GWS or the Gold Coast go broke because they have the Rupert Murdoch commercial broadcasting rights, which is a heap of money.

Mr WILKINSON - But you can see that they're very nervous about it because last year the President of Gold Coast kept coming out and saying, 'We don't want Tasmania in the competition', because they were scared that the money might be taken away from the Gold Coast.

CHAIR - It's a wonder the AFL didn't tell them to pull their heads in.

Mr HANSON - In my view he was grandstanding and that's what he was very good at and he ultimately left and Gold Coast came onside.

Mr WILLIE - Do you have any concerns around the timeline and this Government's ability to deliver the stadium? There's been plenty of promises, whether it's underground bus malls or northern suburbs passenger rail or the Tamar bridge that just failed to materialise. The planning approval has to be done by 30 June 2025. We've got the POSS process and we had Macquarie Point Development Corporation here earlier saying that they're yet to make a submission to that. Do you have some concerns about us being able to deliver that and then potentially the AFL becoming frustrated?

Mr HANSON - I would think there would always be concerns about something like that. A giant step forward was taken by Labor, now supporting the stadium. I think that took away a number of negatives, which was probably holding up a lot of the processes. I think now -

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Mr WILLIE - I don't think they're holding up any processes. The Government's driving the process.

Mr HANSON - Yes, but having the opposition party on board with the stadium versus previously.

CHAIR - Be careful not to verbal anyone.

Mr WILLIE - Where have the processes have been held up because as far as I can tell, it's in the Government's court.

Mr HANSON - Well, I understand that it's a tough ask to get all this up and running. I don't know whether they're going to be able to do it or not. But the steps have got to be taken. Now I know there are penalties in the contract. I don't know whether the AFL would come down and charge us that. By law -

Mr WILLIE - If we don't meet some of the timelines, the AFL could give a notice to terminate the Agreement.

Mr HANSON - Well, they could.

Mr WILKINSON - My view would be, and it's like in anything, your intention means a lot. If you intended to do it and let's say if the spade was put in the ground and building had already started, I think you'd be a very vindictive AFL -

CHAIR - It sounds like some of the clubs are, according to your evidence.

Mr HANSON - Well, it wouldn't be the clubs who make that decision.

CHAIR - Well, didn't they say the clubs have to agree to the inclusion or exclusion of anyone?

Mr WILKINSON - Yes, yes.

CHAIR - Well, that goes to this point. Just to follow up on that, Josh. If we don't meet our timelines and there's a provision that could enable that -

Mr WILLIE - That's just on the planning approvals.

CHAIR - Yes, on the AFL to terminate the Agreement. Could Andrew Dillon make that decision without recourse to the 18 club presidents?

Mr HANSON - He'd have to go back to the presidents.

CHAIR - Yes. I just want to clarify that point. Josh, sorry.

Mr WILKINSON - But my view would be that if there was an actual intention to start the actual process and the process had actually started, you'd have to be a very stubborn person to say you're not going to be part of the league, especially now -

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CHAIR - The AFL isn't stubborn?

Mr WILKINSON - The AFL like it their own way, for sure they do. There's no question about that. My view would be that if they want Tasmania as much in the competition as they say, they would do what they could to assist, as long as they could see that the whistle had blown and the train had left the station, so to speak.

Mr WILLIE - So the provision I'm talking about is just for the planning approvals by 30 June 2025 next year. We haven't seen with the Project of State Significance in other examples where they're extended for significant periods of time. You'd hope that the AFL would come to some compromise on the Agreement.

Mr WILKINSON - I couldn't say that would happen. I'm not in that position to say that. I would hope that that's the case.

Mr HANSON - I would too, and nobody can say they will or they will not. We don't know. I would think that where the Tasmanian Football Club is at the moment, and I know they are \$10 or \$15 memberships, but there are 195,000. It'll push the 200,000. That is a superb database. It's over 100,000 of those Tasmanian. The biggest state outside of Tasmania is Victoria. It's right across the whole country and there's even 50 international countries involved.

CHAIR - Mostly expats.

Mr HANSON - Yes, but it's a lot. The biggest membership in the AFL is about 105,000? Now I know they're \$10 or \$15, but there is some passion out there.

Mr WILLIE - I've got a sticker on my car.

Mr SHELTON - Thank you. My first question to Russell and one to Jim, but to Russell. I know you're not a tourism expert. We've looked at the advantages of the team and the stadium: the team comes with the stadium. From my view, you know, it's got a lot of other benefits connected with Bracknell and country football, all that sort of thing and the effect of seeing it on TV.

From a monetary point of view for Tasmania, have you done any figures on what the advertising worth is to Tasmania for having AFLW women and AFL running around with the Tassie logo on their chest every Thursday, Friday night, Saturday, whatever, at least once or twice a week? What's that worth to Tasmania in advertising?

Mr HANSON - No, I haven't, so I can't answer that question.

Mr WILKINSON - You're right with what you say, Mark. I was in Connecticut about three weeks ago and there was a Devil's sticker on the back of a car outside a restaurant in Connecticut in the United States.

CHAIR - Did you go and see who they were?

Mr SHELTON - My next question then to Jim and look, I just believe it's going to be significant to have that happening every Thursday or Friday or Saturday afternoon whenever it happens on the mainland into our main tourism markets of Melbourne, Sydney, Brisbane.

Mr WILKINSON - Russell's got some figures which might be of assistance in relation to what the Gather Round did for Adelaide and South Australia only a few months ago.

Mr HANSON - It's very interesting, the figures being quoted by the Government in South Australia and the AFL is an \$85 million investment in spending into the State for the Gather Round weekend. What is quite amazing is the NAB did an exercise where they looked at their data for the first Gather Round weekend and compared it with the exact same weekend the previous year without the Gather Round and then re-quantified as to what they believed the spend was and they come up with \$223 million. The answer is somewhere between \$85 million and \$223 million, which is just absolutely fantastic.

When Gillon McLachlan handed the licence on 3 May [2023] at North Hobart Oval, the question was put to him about Gather Round. His instant reaction was, 'I do not see why we would not give Tasmania a Gather Round'. That's when you take it to a new level that you have a covered stadium in Hobart, you have UTAS, you have Dial Park - \$25 million being spent there. Yes, they will get games, practice games, pre-season and that sort of thing, but if we had the Gather Round they would play fair dinkum games at Dial Park, which would be awesome.

Mr. WILKINSON - Interestingly in Dunedin, when Ed Sheeran performed there over three days and they got the record crowd of 108,000 at the Forsyth Barr Stadium, they said 40 per cent of the people who went were from outside of the district. That's a bit of an insight in relation to the tourism.

Mr SHELTON - Talking about the benefits, Jim, and therefore, this one to you. I know how much it costs Bracknell to run and it is a significant amount of money to run a club nowadays. Not quite at the AFL level. Given the fact that a fair bit of this money is underwriting the AFL Tasmania's club, Tasmania's contribution and when it comes around to what's the business worth to Tasmania, Collingwood's annual spend is a lot higher, for instance, than the North Melbourne's, but as a business? We don't have a business that if it's \$50 million or \$60 million. We don't have that business here in the State at the moment. We will have after the team commences. What's the average AFL team business worth?

Mr WILKINSON - In relation to the spend of AFL teams each year, it was significant prior to the pandemic. With the pandemic, it changed a lot. A lot of the coaches left and a lot of the coaches that came back weren't paid the same amount of money they were prior to the pandemic. I couldn't say exactly what it's worth because it has changed over the last couple of years quite significantly as a result of the change from the pandemic. The beauty -

CHAIR - Probably a question for the AFL?

Mr WILKINSON - Yes, I think so, if you could.

CHAIR - We're conscious of time. Is that okay, Mark?

Mr EDMUNDS - I'm conscious we are over time. I might bundle a few questions into one, if that's alright. I agree with the comments you made about player retention being paramount and having a good high-performance centre. The high-performance centre contract has equally, as Josh touched on, time frames. To touch on what you said, Jim, that sentiment if the stadium is being built, the AFL and the clubs would be comfortable because we do have

Blundstone and we have York Park, so you can sort of see it coming. I think the plan is always for the first games in Hobart to be at Blundstone. With a high-performance centre, there isn't another one we can just tap into. I note the timelines on that are closer to we are now than with the stadium. You're from the eastern shore. Do you have any concerns about the state of where things are going with the high-performance centre?

Mr HANSON - From a personal point of view, what they're proposing at the moment is on each side of the highway, Charles Hand Park and the golf course. The mayor, Brendan Bromley's preference is probably that all of it is on the golf course and I think he has come out and said that. In some respects, that probably takes a lot of the aggro out of the whole situation.

Mr EDMUNDS - Totally agree and we feel the same way. But what I'm saying is there are clear timelines. That has to have planning approval by the end of this year -

Mr WILLIE - Completed by the end of next year.

Mr EDMUNDS - And completed by the end of next year. If the high-performance centre isn't there, it is a different conversation to if the stadium is not built. If the stadium is not built, you might play an extra half a season where you might play two games at Blundstone or something like that before you cut the ribbon. Whereas, if the high-performance centre is not built - you talk about player retention - that would be a huge body blow for the team. With your comments about player retention, if that's a concern. Not about the internal politics about the site, I mean, actually just getting the thing built.

Mr HANSON - I think once Agreement is achieved and the thing is under way and then there can be a better timeline. The first game is 2028. In the worst-case scenario the AFL might sit back and say we've seen the complications and they might say we're going to delay it a year. I don't know. But there's got to be flexibility and I think that's what we're trying to say.

CHAIR - Which would also impact on player retention if they delayed it. That was your point?

Mr EDMUNDS - A lot of people are concerned about the delays.

Mr HANSON - It could. It wouldn't be a last-minute decision if there was some sort of delay. It would be something that we see what happens when we have the poll in Clarence and hopefully an answer comes out of that, that we move on and get on with whatever is decided. But when we have all the indecision and all the arguments going on, yes, that does create a problem.

Mr WILKINSON - It's important to note that the academies are already up and running. There's been a few training runs already down here, and I understand that's also the case on the north-west coast.

CHAIR - That's the North Melbourne Academy?

Mr WILKINSON - No. Tasmanian Devils.

CHAIR - Alright, okay.

Mr WILKINSON - They've started. They've had the last couple of weeks training, training at Claremont down here. I also understand that's the case up in Launceston and in the north-west as well. I might be wrong, but that's my understanding.

Mr HANSON - I know the Jack Jumpers are on the smaller scale, but by God, it's sensational stuff and I've two memberships there. Three years in the finals, each of those years in one grand final. Now we've won the grand final. They haven't got a high-performance centre yet, but they will soon. Yes, it is important, but it's a matter of getting all the issues resolved and then get out there and let's build.

Mr WILLIE - That's probably a good example you just brought up that they were promised a high-performance centre and it has been on an ongoing saga.

Mr EDMUNDS - Footy doesn't have the equivalent of the Kingborough Sports Centre either for training. It's a concern.

Mr HANSON - It's got to be done, but we have to solve the immediate opposition to it. If there is a compromise decision, personally, why don't we look at it?

CHAIR - A quick reflection if you can, on what you said, the future of Blundstone Arena and UTAS Stadium, assuming this goes ahead, because that's one of our terms of reference. We haven't heard a lot about the future of those two.

Mr HANSON - About the future of Blundstone or its ability to handle -

CHAIR - Our term of reference states the future of the Blundstone Arena and UTAS Stadium in light of the new stadium, assuming it's built.

Mr WILKINSON - In relation to Blundstone that's still up in the air. I know cricket is looking at moving from Blundstone Arena. They say there's not enough facility in there to account for all the teams now. When it was originally built, there was only the one team involved, but the teams have sprung up a lot since then and they're saying it's just not big enough for them. They've been on the lookout now for a couple of years. I don't know where they've come to at the moment.

In relation to UTAS Stadium, there's already earmarked \$130 million to be spent at UTAS and also, an extra \$25 million to be spent at Dial Park. I understand the \$130 million's going to proceed at UTAS. So, the future of that, as always, because Russell and I have always said it's got to be a State team. It can't be a southern team, which some people are scared that's going to happen, and I don't think it's going to succeed unless it's a State team. A bit like your Jack Jumpers - the whole State's behind it - and a bit like the Hurricanes as well. The whole State's behind it. I'd love to see the football team with the whole State behind it. Therefore, every part of the State has to be catered for. And it's terrific to see that Brendon Gale's going to come down, North-West Coaster -

CHAIR - Worst-kept secret.

Mr WILKINSON - Yes. Grant O'Brien, Penguin boy.

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CHAIR - Yes, I went to school with him. I was in the same high school as him, same class.

Mr WILKINSON - Yes, he has told me. I won't go anywhere -

CHAIR - It's very Tasmanian.

Mr WILKINSON - Yes, but the beauty about it is, I have always felt sorry for the North West Coast, both with cricket and football. I know AFL Tas with Damian Gill is doing everything they can to make sure that they're involved. They really are. Damian's been up there more than any other person in charge that I know. He's certainly got the whole State in his view. And I think everybody who is actually saying the team's going to succeed is saying that on the basis that the whole of the State is going to be behind that team, not just a portion of the State. That's extremely important.

Mr HANSON - The football club itself is going out of its way to make certain that the whole State is involved. The actual official launch was up on the north-west. They've had board meetings up there and I have presented or gifted to the club an interactive membership master plan that revolves around youth, families and, in particular, areas in Tasmania that are two or three hours away from one of the stadiums. In other words, we don't want them to be isolated. There is a package there as to how we can make sure they are included in this magnificent team.

CHAIR - Unless there's any really urgent things, thank you -

Mr WILKINSON - Can I just very briefly, please, Chair, say that what has happened in New Zealand, in Dunedin, in Adelaide, in Townsville and in Victoria, but mainly the first three that I mentioned, there's a real similarity with what's happening in Tasmania now. That is, there was a great deal of objection to anything proceeding, any build proceeding, in those three States that I mentioned at first. Every one of them, well, not everybody, that's exaggeration, beg your pardon, but the vast majority of people who are now involved and are now seeing how those stadiums are working, say that it's been a real boon to not only tourism, as Mark was saying, but also the community and the way people are proud of their development.

They're very proud of it in Adelaide, they're very proud of it in Dunedin, and I know they're very proud of it in Townsville. So, when you look at the proof of the pudding's in the eating, they've already eaten it and they've said, 'Yes, this is good, this is good'. So, there's nothing different. We're at the start, where these other States had to deal with it approximately 10 or so years ago. But now that it's come to fruition, they're more than happy with it. I think we will be in 10 to 15 years' time as soon as we get on and build it and have a team in the competition.

CHAIR - Thanks very much for your evidence.

Mr WILKINSON - Thanks for listening to us and thanks for your time.

THE WITNESSES WITHDREW.

The Committee adjourned at 2:57 p.m.