

Committee Secretary

Senate Standing Committees on Rural and Regional Affairs and Transport

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Canberra ACT 2600

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Supplementary Submission on Australia's preparedness to host
Commonwealth, Olympic and Paralympic Games.

Thank you for giving us the opportunity to make a supplementary submission to the above Inquiry in light of the Victorian Government's withdrawal from hosting the 2026 Commonwealth Games. We fully appreciate Premier Andrew's announcement considering the significant blowout in the cost of the Commonwealth Games, particularly given the paramount need to address Victoria's massive debt position, its housing crisis and cost-of-living pressures.

Regarding the Queensland Government's bid for the 2032 Olympic Games, Queensland faces many of the same problems as Victoria with housing, cost of living and health issues. We think the Queensland Government should reconsider building any new sporting infrastructure that is going to have the potential to adversely impact communities in the future. We have recently been told by an Architect acquaintance that there will be insufficient construction capacity in Queensland for the next twenty years given the impact of current transport upgrades and planned future public works, including housing. What does this say about building new infrastructure let alone upgrading existing facilities?

The "landmark 2020 Oxford University study says that every Olympics host since 1960 has blown its initial estimates. The average spend is about 2.5 times the budget" (The Guardian 22 July 2023 'Full steam ahead' and no way out: how much can we trust cost estimates for the Brisbane Olympics Ben Smee). Given Queensland's initial estimate in July 2021 was \$5bn and

Premier Palaszczuk has recently said the Queensland's budget forecast is at around \$11.5bn (which is apparently "on budget"), the total cost could be in the vicinity of \$30bn! Appropriate venues in other states or even New Zealand could be upgraded to rein in costs. Indeed, we read this morning (Wednesday 2 August 2023) in The Australian that "Annastacia Palaszczuk has defended the decision to build a \$2.7bn stadium during a cost-of-living and housing crisis insisting the new Gabba will 'benefit generations to come'". The original budget in April 2021 for the stadium rebuild, without any business case being done, was \$1bn. This, in only two years, has already blown out by 170%.

We stress again, as in our previous submission, building a new white water rafting facility at the Birkdale Precinct should never have been considered as an option. It would likely follow the path of other expensive specialist facilities and become both a "white elephant" and a drain on its community. Not only is it not what the community wanted for this site but would cater to very few participants and possibly very few spectators. We do not believe a new facility in this area warrants the money that would need to be spent when potentially it has limited future use. The Penrith facility, which has been losing money since the 2000 Sydney Olympics and has now been taken over by the NSW Government in the lead up the 2025 Canoe Slalom World Championships, has been offered for the Brisbane Olympics.

It would seem that the claimed economic and tourist benefits of the Games are largely overstated. According to the Council on Foreign Relations "as the costs of hosting the Olympic Games have skyrocketed revenues only cover a fraction of expenditures."

(<https://www.cfr.org/backgrounder/economics-hosting-olympics-games>).

Host Governments carry out research and studies prior to the Games indicating that there will be a boost in the economy with job creations and tourist benefits. "However, research carried out after the games shows that these purported benefits are dubious." (Council on Foreign Relations link above). Apparently, it took Montreal until 2006 to pay off debts incurred by the 1976 Games and Greece's bankruptcy situation is largely due to its billions in Olympic debts.

Other aspects to consider are the effects on tourism of climate change, the world's poor economic situation and the distance of Australia from other

major continents. The world is becoming warmer and, as indicated this year by the unseasonal heat in Europe, should this continue, people may neither be able to afford nor wish to travel to somewhere as far as Australia.

Yours sincerely,
Jeannette and Brian Douglass