Consolidated Report Summary

Tasmanian Planning Commission

—

8 July 2025

Acknowledgement of Country

KPMG acknowledges Aboriginal and Torres Strait Islander peoples As the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.

At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal And Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia’s First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments In which we operate seriously.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.

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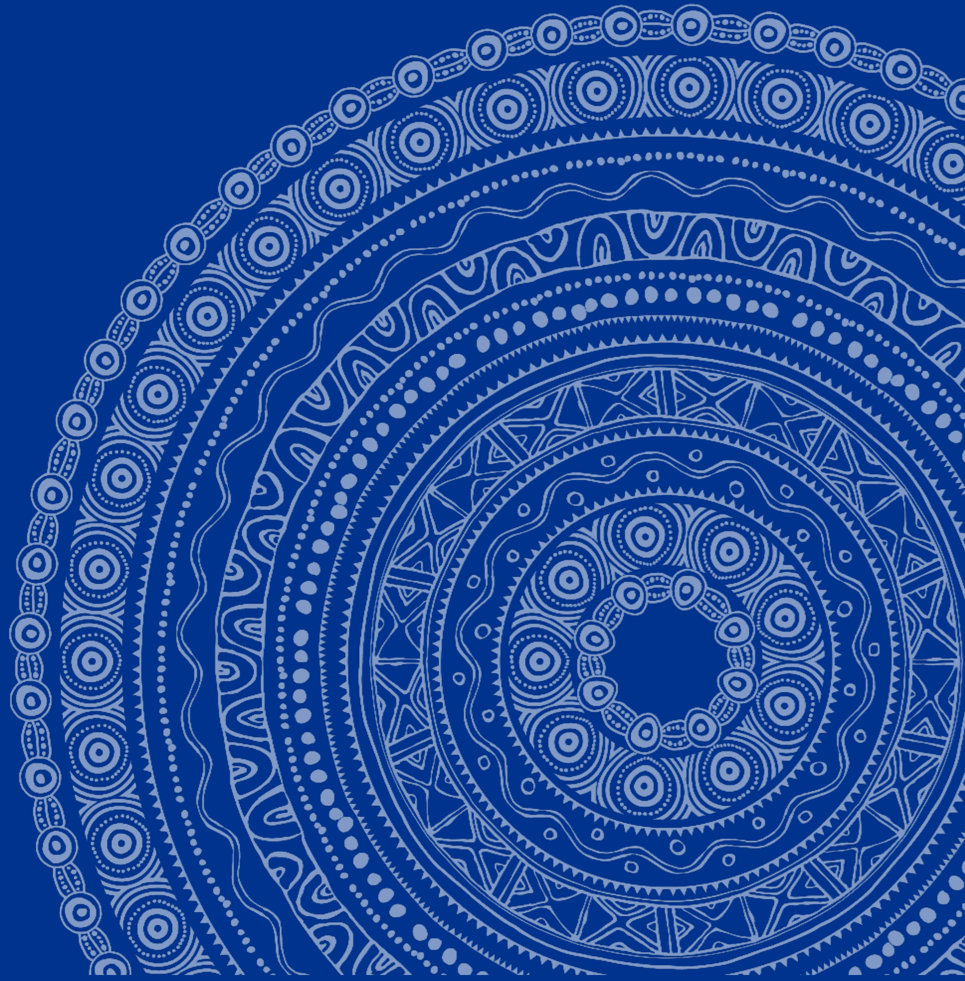


Agenda

Agenda for Panel presentation 8 July 2025:

Introductory remarks

DAVID HARRADINE

Partner, KPMG

State Chair, Tasmania

IN-PERSON

MICHAEL MALAKELLIS

Principal Director, KPMG

Economic Impact

VIRTUAL

01
Introduction

Background and scope of reports

Introduction

KPMG was engaged by the Corporation to prepare 4 reports (KPMG Reports) in accordance with the original scope as agreed with the Corporation.

The Corporation also requested KPMG to prepare a Consolidated Report.

The **purpose** of the **Consolidated Report** is to:

- provide an overview of existing KPMG Reports,
- outline KPMG's background and experience, and
- to consider and comment on any relevant matters within the Commission's Draft Report as it related to the KPMG Reports.

KPMG Reports
September 2024

Supplementary Report
January 2025

Consolidated Report
June 2025

02

Background and experience

KPMG in Australia and relevant experience

KPMG Australia

KPMG Australia employs ~10,000 professionals, with offices in every state and territory capital as well as regional locations

Highly skilled and experienced professionals with diverse expertise

Business consultants, economists, accountants and industry specialists

Supporting clients in policy development, project feasibility, project delivery, asset management and strategic decision-making

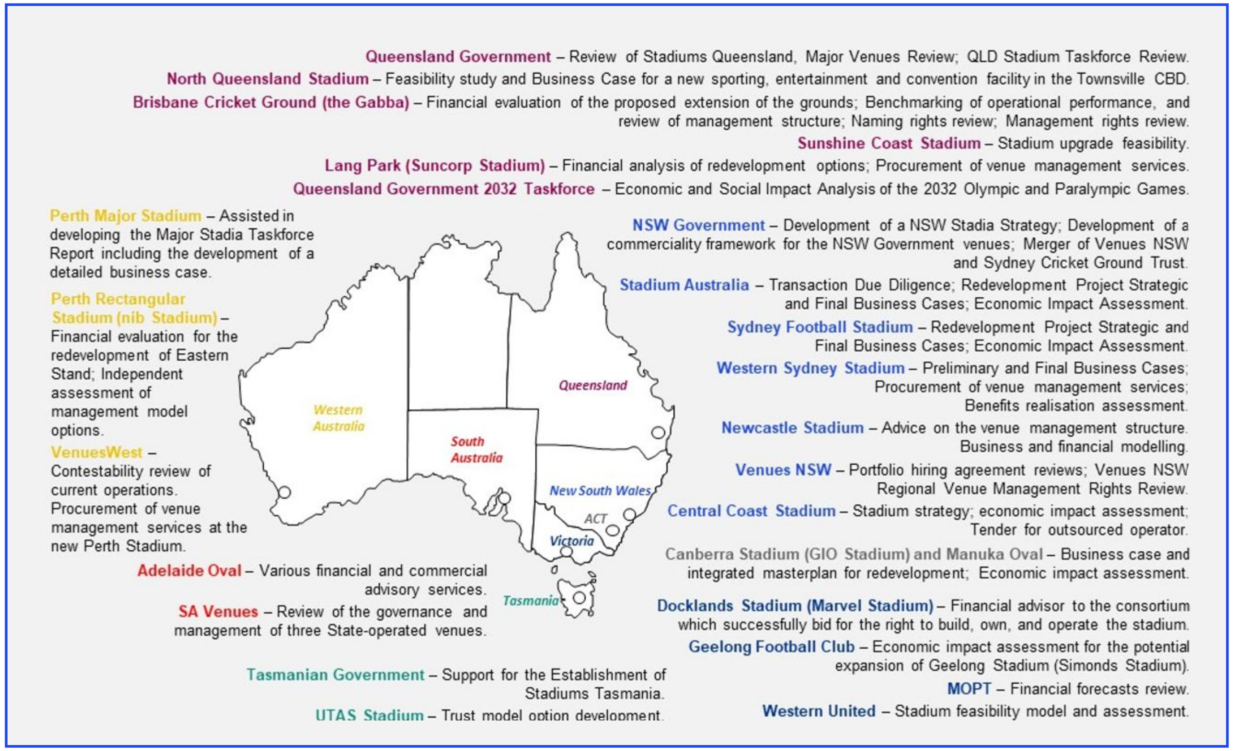
Relevant experience and expertise

KPMG is a leading advisor in the sport, major venues and events sector nationally

KPMG has a long history of analysing economic and social impacts of stadium developments and redevelopments.

Our relevant experience extends to projects in all states and territories (excluding NT). KPMG has advised on stadiums in:

- Townsville, Sunshine Coast & Brisbane
- Central Coast, Newcastle & Sydney
- Canberra
- Geelong & Melbourne
- Launceston & Hobart
- Adelaide
- Perth



A defining feature of KPMG's approach is that It is comprehensive and multi-disciplinary.

03

Updated capital expenditure updates

Overview of updated capital expenditure by the Proponent

Overview of updated capital expenditure estimates

Since KPMG completed its modelling and analysis contained in the four KPMG Reports, the Proponent has refined and updated capital cost estimates for the Stadium

Updated CAPEX directly linked to the Stadium

The Proponent updated estimated costs of the Stadium to **$945m from $775m:**

- **$75m** related to communication, technical services, fit-out of kitchen, food & beverage
- **$38m** related to clarification of the original design
- **$57m** related to inclusion of additional features into the design.

The revenue implications of these changes need to be considered. The Proponent in collaboration with Stadiums Tasmania has modelled a scenario that includes these additional investments.

Other CAPEX associated with the broader precinct

The Proponent provided additional information requested by the Commission:

- **$75m** for the Northern Access Road
- **$97m** to build a car part to serve the broader precinct
- **$49m** to upgrade the bus fleet required for event activation
- **$0.3m** for improvements to the Hunter Street car park
- **$16m** for the re-direction of sewerage for the broader activation of the precinct

Capital expenses that will be incurred in the absence of the Stadium should be included in the base-case. Costs and benefits should be considered for any portion included in the Project scenario.

04

Summary of KPMG analysis

Background to KPMG Reports and key considerations

Considerations in assessing social infrastructure

The four KPMG Reports and the Supplementary Report were designed to give decision-makers a range of information to help inform their decision. KPMG makes no value judgements about the relative importance of different factors.

Policy makers are best placed to make such judgements taking account of a broad range of competing objectives and the preferences of constituents.

Stadia should be recognised as community assets rather than economic assets

Improved liveability is an important attribute, but difficult to measure robustly

Decision-making weighted to economic benefits and costs may result in sub-optimal outcomes

It is rare to find stadia projects where quantified economic benefits exceed costs

Absent government intervention, stadia are unlikely to be developed by private sector

KPMG Reports as a collective provide a range of information to inform decisions

05

Report considerations

Commission’s Draft Report and KPMG Report considerations

Purpose of the analysis

KPMG was requested by the Corporation to review and summarise any significant differences in the analysis and/or findings included in the KPMG Reports and those included in the Commission's Draft Report

- A critique of the Commission's Draft report is unlikely to be productive given inherent uncertainties surrounding key issues and the necessity for subjective judgements
- A range of results is inevitable given that access to relevant information may differ, the scope of work undertaken may differ and different, but valid, analytical approaches may be taken.

The Consolidated Report focuses on key areas of difference, which are summarised below:

Cost Benefit Analysis

- Overall Benefit Cost Ratio (BCR)
- Capital costs
- Opportunity cost of land
- Increased visitation (sport and cultural) benefit
- Retained visitation benefit
- Event attraction costs
- Marginal cost of public funds
- Commonwealth contribution

Economic Impact Analysis

- Use and interpretation of the economic modelling
- Economic impact compared with an alternative investment

Financial Impact Report

The Commissions Draft Report adjusts for the following:

- Additional capital expenditure
- Additional borrowings
- Loss in revenue on transfer of events

Social and Cultural Impact Assessment

The Commissions Draft Report provides further commentary on the following:

- Positive social cultural effects primarily reliant on the team
- Sustained investment necessary to realise the benefits
- Improved subjective wellbeing and health benefits

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