

Comments on Draft Guidelines for the Macquarie Point Stadium POSS

Economic Development

A CBA is only useful if it takes into account ALL costs, including environmental and opportunity costs. I can see that a CBA could result in a possible business case for a new stadium at this location, if environmental and opportunity costs were minimised, a long payback period envisaged and the highest level possible audiences and ticket prices summised.

However, I doubt that a positive CBA would result from the inclusion of all the following:

- Costs of adding more greenhouse gases (GHG) into the atmosphere and further exacerbating climate change (which is already costing Tasmanian and Australia dear) from:
 - o Production of concrete, steel and other materials used during construction
 - o Freight trucks and worker vehicles during construction
 - o Additional traffic to and from stadium for events (including air traffic)
 - o Congestion
- Costs of moving the existing sewage treatment works to further upstream and the higher standard of treatment required to dispose of effluent into the river and achieve the appropriate dispersion rates that would not further harm the spotted handfish and other river and marine life. Additionally, the sewage works should have sufficient capacity to not be overwhelmed during the heavy rainfall events predicted (and already being seen) owing to climate change, plus substantial storage capacity. This may also (and should) require an overhaul of the reticulated sewerage network to eliminate (or minimise) leakage (and thus water infiltration) and illegal/ legacy stormwater connections.
- Cost of creating an appropriate integrated public transit system in and around Greater Hobart, to enable people to easily get to and from the stadium.
- Loss of productivity of businesses and people needing to move through and around the capital during events and being thwarted by crowds and traffic.
- Loss of income (including ticket sales, sponsorship and advertising) for existing stadia, especially that at Bellerive. A better option may have been to consider demolishing (and reusing as much as possible) the Blundstone Arena and rebuilding at Macquarie Point to higher construction and environmental standards. The Blundstone Arena area could then have been repurposed to mixed use affordable residential, social housing, small commercial operations, and open space.
- Loss of income to the proposed new stadia of not being able to host high level cricket events (if the requirement for a roof means this is not possible).
- Other, more necessary and environmentally friendly uses for the vast amount of public money being allocated to this project. Any one of the following projects would likely produce far higher environmental, community and economic gains for Tasmania than the proposed stadium:
 - o Social housing (there is a desperate need)
 - o Improvement in our health sector (again, there is a huge need to reduce waiting lists and bolster primary care, with surgeries and clinics shutting down around the state citing lack of doctors or insufficient funding)

- Investment required to modernise our transport system by upgrading bus stops, developing an integrated public transport system for the state, park and rides, open loop ticketing, creating connectivity with walkways and cycle paths, route-planning apps, timetable planning, investment in electric buses and a charging network, subsidising e-bike purchases and ZEVs and professional car-pooling/ car-share schemes.
 - Investment in our state schools. Tasmania is falling short of Gonski requirements, with state school pupils receiving far less investment than those at independent schools. 'Difficult' children from families not receiving the state support they need and struggling with wealth and housing inequality, are repeatedly suspended and left on the scrap heap - suffering generational disadvantage with no hope of breaking that cycle. Without an excellent education system that leaves no child behind, we will condemn ourselves to backwater status into the future. The modern era requires that we equip everyone with the means to understand, use and develop technology in ways that enables us to live sustainably and equitably, and within planetary boundaries.
 - Investment in regenerating our land, air and marine environments which are suffering badly from invasive species, vegetation clearing, the effects of climate change, and loss of habitat.
- The cost of annual maintenance plus the cost (including environmental, eg site rehabilitation) at end of life. It greatly bothers me that traditional CBA neglects these environmental costs, which adversely affects later generations by laying the clean up costs at their feet, or leaving them to suffer the problems of loss of biodiversity, shade, water quality, soil degradation and erosion, and air quality.

I'm also very concerned that traditional CBAs look only at single figure \$\$ returns on investment, not at where that profit goes. For instance, it is quite possible that profits will leave Tasmania and end up with the AFL, or in pokies which will doubtless be installed in ancillary clubhouses (and therefore end up in Federal Group's pockets). More likely the money and wealth generated will go to people and organisations that are already well-off, whereas the costs will be borne by ordinary people and those on low incomes, sucked in by the promise of 'bread and circuses'. Whereas any of the opportunity cost projects suggested above, would have the opposite effect of redistributing wealth to those most in need and to later generations, on whom we currently lump the consequences of all our poor decisions to exploit resources and not build up our social and environmental capital. Therefore, the effects on equality and intergenerational equity need also to be factored into the CBA.

A very careful specification needs to be laid out for the CBA. As someone who has written and developed many business cases and financial projections, I know how easy it is to end up with the wanted result, rather than the most likely result. Also, how easy it is to exclude costs without even considering them or determining they are out of scope. It is incumbent on governments to be far more responsible than that with our money.

End.

**Jenny Cambers-Smith
Huon Valley Councillor**