

Regional Victoria - Commonwealth Games 2026 Business Case

CONFIDENTIAL DRAFT - Commonwealth Games 2026

Department of Jobs, Precincts and Regions

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Business Case Revisions

A previous version of this Business Case was submitted on 28 January 2022.

Since then, there have been a number of developments:

- The State Government has undertaken further discussions with CGF. This has resulted in changes to the proposal and operating budget
- Further work has taken place on the Games delivery model
- Further consultation with a selection of other State Government agencies has occurred
- Preliminary architect work on a selection of sporting venues has been undertaken.

Any revisions made to the previous version are highlighted throughout the Business Case. Each section that has been revised contains an upfront summary box which describes the changes since the previous version of the Business Case.

1. Executive summary

Business Case Revisions

The Executive Summary has been revised based on the updates throughout the Business Case.

Summary

The Commonwealth Games ('Games') is an international, multi-sport event involving athletes from the Commonwealth of Nations.¹ This business case and supporting Cabinet Submission seeks endorsement from the Victorian State Government for regional Victoria to host the 2026 Commonwealth Games (2026CG).

The successful hosting of the Games will bring significant economic stimulus and social benefits to Victoria. Benefits achieved are not just for the 11-day period of the Games but start to flow to the State well before the Games and continue through the post-Games period.² Based on the preliminary work done to date, the Games is estimated to drive total economic output of between \$2.6 billion and \$3.1 billion (Net Present Value (NPV) direct and indirect) to the State of Victoria and between \$1.6 billion and \$2.1 billion (NPV direct and indirect) to regional Victoria. This stimulates significant regional employment.

In addition to significant economic impact, the Games are expected to generate a net socio-economic return to Government. The hosting of the Games in regional Victoria delivers a Benefit Cost Ratio (BCR) of between 0.7 and 1.6 (refer section 1.6 for a full list of the costs and benefits). Further, there are a range of other benefits which have not been quantified but are discussed in further detail in the report (including improved wellbeing, improved diversity and inclusiveness, and sports diplomacy).

Endorsement of a funding envelope of between \$2.7 billion and \$3.2 billion (\$ nominal over six years) is required to progress negotiations with the Commonwealth Games Federation (CGF) in a one-on-one negotiation which is expected to be completed by April 2022. This funding envelope equates to \$2.5 billion to \$3.0 billion in 2022 real dollar terms.

These are early stage cost estimates (no consultation with venue operators and councils has been able to be undertaken, similarly detailed site visits and design work has not been possible at this early stage). Costs will further be developed and refined as the State moves through the bidding and planning process.

1.1 The opportunity

Victoria is the sporting and events capital of Australia. It has a strong international reputation for hosting major sporting and cultural events including the Australian Open tennis, Formula 1 Grand Prix, Cadel Evans Great Ocean Road Race, T20 Cricket World Cup, Rip Curl Pro Surf Classic, Australian Football League (AFL) Grand Final, Melbourne Spring Racing Carnival and Boxing Day Test. Melbourne also hosted the Commonwealth Games in 2006. Following this legacy, Victoria has the opportunity to host a Commonwealth Games a second time across regional Victoria in 2026.

Victoria has proven itself as an outstanding host of quality international events over many decades. Victoria's major events are well organised, well resourced, well marketed and Victorians are renowned for their passionate support of major events. Major events in Victoria live beyond a venue – they spread life and colour throughout the community and have the opportunity to leave a lasting

¹ The membership of the Commonwealth comprises 72 nations with a population of approximately 2 billion people, equivalent to 30 per cent of the world's population.

² Commonwealth Sport, available at: <https://thecgf.com/news/new-report-reveals-commonwealth-games-consistently-provides-over-ps1-billion-boost-host-cities>, accessed: 04.01.2021

legacy for the community. The 2026 Games will be the first Commonwealth Games held solely outside a major capital city, providing a unique status to regional Victoria.

Rural and regional Victoria is home to 1.6 million people (1 in 4 Victorian residents) and over 147,000 businesses. Hosting the 2026 Commonwealth Games is a rare and exciting opportunity to demonstrate to the world the natural beauty, vibrancy, culture and people of regional Victoria.

It also provides a unique opportunity to provide concentrated investment at a number of critical areas facing the regions, accelerating the growth of regional Victoria. The Games will provide a significant opportunity to drive interstate and international tourism to regional Victoria, boosting businesses, creating jobs and helping the regional economy thrive. It will also deliver investment in much needed regional social and affordable housing, enhance Victorian Government's gender equity, inclusion, health and economic priorities and reaffirm Victoria as a global leader while delivering significant legacies to the community.

The Commonwealth Games Value Framework (2019) reports that all Games since 2002 have recorded a positive benefit cost ratio, ranging from ranging from 1.3 (Gold Coast 2018) to 3.2 (Manchester 2002). In addition, the previous four Commonwealth Games have provided an average economic boost of approximately \$1.9 billion (AUD) to their host cities.

1.2 Key objectives – Why host the Games?

Victoria's economy has suffered significantly as a result of COVID-19 impacts, with business closures and unemployment experienced across the State. These economic impacts along with heightened uncertainty surrounding COVID-19 has also impacted the wellbeing of Victorians.

The State Government is focusing on a range of measures to combat these issues, targeting government policies towards economic growth and improving the health and wellbeing of Victorians. The size and scope of the Games 2026 provides a unique opportunity to target this investment at a number of these critical areas (including jobs, health and wellbeing, accommodation and tourism), accelerating recovery across Victoria.

The Games is not just a celebration of athletic performance, a Games acts as a catalyst for economic growth in the host region, driving tourism and investment, supporting jobs, promoting diversity and inclusion and reducing inequalities.

The Victorian Government's vision for the Regional Victoria Games 2026 is "A world-class Commonwealth Games delivered in regional Victoria that leaves a valuable legacy for our State"

Three goals have been developed by Sport and Recreation Victoria (SRV) and Visit Victoria to ensure that investment in the Games is a success and delivers a "return on investment" for Government. These goals are described below.

Table 1: Key objectives

Objective	Guiding Principles	What this means in practice
To deliver a world-class Games	Deliver excellent athlete, visitor and viewer experiences	<ul style="list-style-type: none"> The planning for the Games will focus on user experience – from athlete and visitor journeys through to viewer enjoyment. Decisions will be made in the context of global and historic benchmarks for Games and similar scale events to ensure experiences meet or exceed expectations Delivering exceptional athlete and visitor experiences will improve the brand of Victoria as a major sporting region and set the path to attract future major events to Victoria Delivering exceptional broadcast / viewer experiences will promote Regional Victoria as a tourist destination globally, driving future economic growth
	Ensure community participation and enrichment	<ul style="list-style-type: none"> Widespread community benefit will be ensured through carefully designed programming of arts, cultural and sporting events, promoting more of what Regional Victoria has to offer and allowing more Victorians to participate in the community This will enhance the social and emotional well-being of Victorians through increased cultural understanding, collaborative participation and shared experiences Sport participation programs will promote and support safe, welcoming and inclusive grass roots to high performance sport development Delivering sport participation programs in line with the sporting events maximizes the number of residents to take up sport and recreational activities. This builds healthier and stronger communities
	Activate volunteer participation	<ul style="list-style-type: none"> The Games is estimated to result in over 7,600 volunteer opportunities Volunteering will focus on recruiting underrepresented groups to provide a steppingstone to the workforce (e.g. youth, Indigenous and immigrants). Providing volunteer opportunities helps build cohesion in the community, brings local residents together towards a common goal, and is linked with increased mental and physical health.
To drive Regional development	Delivered by regional Victoria	<ul style="list-style-type: none"> The Games will be held across regional Victoria and will contribute to the region's growth and resilience through driving tourism, growing employment and improving the liveability of the regions The Games will grow tourism (attract an estimated 330,000 visitors to regional Victoria during the games), attract trade / investment and increase employment in regional Victoria
	Global promotion of Victoria as a tourism destination	<ul style="list-style-type: none"> Marketing activities will be developed in line with Victoria's brand and marketing strategies and directions, and together with local organisations, showcasing key assets and places to the world The 2026 Games will showcase regional Victoria globally on TV and through digital streams, which represents "free branding" for the State that could attract future tourism and investment It is estimated that an additional 1 million visitors will visit regional Victoria from 2022 to 2030 as a result of the Games
	Invest in local capacity and capability uplift	<ul style="list-style-type: none"> The planning and delivery of the Games is proposed to be predominantly led by a Victorian workforce with local resources trained in event delivery to grow the skills in regional Victoria This will ensure the event responds to regional needs and retains the capability to host sport, entertainment and cultural events into the future

Valuable legacy	Partner with and centre Indigenous communities	<ul style="list-style-type: none"> The Games provide an opportunity to present and integrate local Indigenous cultures, arts, tourism initiatives and engage residents and locals in productive conversations around reconciliation Opportunities for Indigenous connection and engagement, such as a Commonwealth First Peoples summit, will be programmed alongside the Games Key leadership and staff roles will be filled by Indigenous Victorians to ensure representation throughout the Games, including the procurement and partnerships with Indigenous groups
	Create jobs and drive ongoing economic activity, especially in the visitor economy	<ul style="list-style-type: none"> The Games will result in sustained economic benefit to Victoria, driving ongoing tourism, trade / investment and employment The Games is estimated to result in an additional \$3.07 billion in Total Output to Victoria's economy and \$2.07 billion in additional Total Output to regional Victoria's economy (from 2022-23 to 2029-30), from increased tourism (during and after the games), increased spending from event operations and increased spending on capital infrastructure In addition, the Games provides an opportunity to further trade and investment opportunities. This will be achieved through engaging visiting guests and showcasing programs that promote Victoria as a place to live, work and invest The Games will support 3,879 annual jobs (FTEs) in Victoria during the Games (2026), 560 annual FTEs before the Games (2022-25) and 3,064 annual FTEs after the Games (2027-30). Employment programs targeted at low-participation cohorts (such as Jobs Victoria's) will be leveraged to support workforce supply Skills development will occur alongside Games planning to ensure that jobs created result in ongoing employment – particularly for regional areas. Leadership and staff roles will be filled by indigenous Victorians and other socially disadvantaged groups to ensure representation throughout the Games, this includes procurement and partnerships with indigenous groups
	Invest in housing and other needed local infrastructure	<ul style="list-style-type: none"> Four Athlete Villages in Ballarat, Bendigo, Geelong and Gippsland will be constructed to service over approximately 7,400 athletes and team officials. A proportion of the accommodation will be provided to the affordable and / or social housing stock post the Games to service the high demand for rental properties in regional Victoria The increased social and affordable housing will support disadvantaged Victorians who struggle to find a home. This includes the indigenous population, people with a disability as well as females (with the number of Victorian women over 55 experiencing homelessness increasing by 31 per cent from 2011 to 2020)³ Venue and training facilities across Victoria will be upgraded to make them 'games ready' with either temporary overlay or permanent upgrades. This includes requirements to make facilities accessible to all spectators and athletes, including those with a disability Existing funding and financing will be leveraged wherever possible, such as existing housing or tourism funds. Funding and financing will also be sourced from private sector and Commonwealth governments, to best leverage state resources.
	Strengthen sporting participation and outcomes	<ul style="list-style-type: none"> The Games will act as a vehicle to increase participation in sport across Victoria, as evidenced through previous Commonwealth Games outcomes. Sport participation programs will be delivered alongside the Games to ensure maximum community engagement. This includes

³ YWMCA, available at: <https://www.ywca.org.au/news/media-release-new-figures-reveal-victorian-women-face-growing-risk-of-homelessness/>, accessed: 18.01.2022

	<p>programs targeted at groups with relatively lower levels of physical activity than the general population (including females, indigenous and those living in socially disadvantaged communities)</p> <ul style="list-style-type: none"> • The Games will host an assumed 10 Para events, making it the largest integrated Para Games sport programme in history (following Birmingham's inclusion of 8 Para events in the 2022 Games). This will celebrate Para athlete achievements globally • Planning and delivery for the Games will be done with community sporting clubs and associations, and local governments, to build capability and ensure benefits are maximised.
Deliver a carbon neutral Games	<ul style="list-style-type: none"> • Spending to host the Commonwealth Games can improve environmental conditions in the host city (and more widely) across multiple dimensions, notable air quality, land, waste, water quality and use, noise and light, biodiversity and climate change • In some cases, the short term impacts before or during the Games may be negative (e.g. as a result of construction), but offset by longer term improvements in the legacy period • The Games will contribute to the State's objective to reduce greenhouse gas emissions by 45-50 per cent by 2030, through delivering carbon neutral games • This will be achieved through renewable energy solutions, zero emission transport options and the promotion of initiatives that reduce emissions.

1.3 2026 Host City Selection Process

The Games are overseen by the CGF, which, amongst other things, controls the sports program and selects the host cities. The next Games are in Birmingham from 28 July to 8 August 2022. The CGF's President, Dame Louise Martin recently expressed that the Birmingham Games would be 'the last of its size' and that future CG would be more aligned to the priorities and interests of the host country rather than dictated by the CGF or tradition.

The host city for 2026 has not yet been confirmed. The CGF are seeking to announce the host for the 2026 Games at the 2022 Birmingham Games. There has been interest previously expressed by Auckland, Perth, Adelaide, New South Wales (Western Sydney), Hamilton (Canada), Calgary (Canada), and Victoria (Canada), but none of these cities have progressed their interest to a formal bid to host the 2026 Games.⁴

Due to the limited interest in, and time until, the 2026 Games, the CGF has foregone its standard bidding process in favour of directly awarding the event. In early-December 2021, Visit Victoria held preliminary discussions with the CGF and CGA about the Victorian Government's concept for hosting the 2026 CG in regional Victoria. On 15 December 2021, the Victorian Government, CGF and CGA signed a Memorandum of Understanding (MOU) to undertake an exclusive evaluation and due diligence process for Victoria to host the 2026 CG. The MOU expired on 31 January 2022.

On 28 January 2022, Visit Victoria and DJPR submitted an initial version of this Business Case to the State Government. The Business Case provided an assessment of the costs and benefits of the Games to Victoria. This enabled the Government to determine whether they should proceed with securing the Games. Following the Business Case submission, a pre-emptive offer which included a MOU and draft HOA was submitted to the CGF.

In preparation for the final Host Contract between Victoria and CGF, there is now significant and ongoing negotiation between the State of Victoria and CGF on the terms, responsibilities and rights of Victoria in hosting the Games. These negotiations will continue until 14 April 2022 when the Host Contract is executed. Material matters will be settled before submission of the Proposal.

⁴ There is significant interest in hosting the Games in 2030 partly because of the 100th anniversary of the Commonwealth Games. Canada has elected to focus on seeking to host the 100th anniversary Games, preferably in Hamilton where the first Empire Games were held.

Figure 1: Timing for CGF selection process



1.4 Proposed delivery model

Given CGF's urgent need to confirm the host of the 2026 Games and its willingness to be flexible with future delivery models, there is an opportunity for the Victorian Government to create an event that delivers a unique set of benefits that align with its broader policy priorities.

The proposed delivery model is for the 2026 CG to be hosted throughout regional Victoria. Four Athlete Villages in the main activity hubs (Ballarat, Bendigo, Geelong and Gippsland) will be constructed to service over 7,400 athletes and team officials. The traditional Queen's Baton Relay, a five-day road cycling tour and an extensive cultural and business program will ensure as much of regional Victoria participates in, and is showcased during, the 2026 CG.

The sports program is proposed to be tailored to meet the needs of the Australian audience whilst being of interest to major broadcast markets, with the continuation of T20 cricket and road cycling from the 2022 Games and the inclusion of golf.

The proposed delivery model will utilise 29 venues across regional Victoria, including:

- Three new venues
- 21 existing venues (requiring a range of minor and more significant upgrades)
- Five pop-up/temporary venues.

This delivery model would result in significant economic and social benefits to regional Victoria, in excess of typical prior Games delivery models (including the Melbourne 2006 Games model). The economic impact of the Games alone is estimated to contribute \$2.07 billion in additional Total Output to Regional Victoria (not including additional social benefits), \$887.9 million in additional Value-Add and support 3,256 annual jobs (FTEs) during 2026 (as well as 545 FTE jobs from 2022 to 2025 and 1,892 FTE jobs from 2027 to 2030).

While the proposed model will deliver a range of benefits, it should be noted that the distributed model comes at additional cost that would not necessarily be incurred in a more centralised delivery model.

1.5 Overview of major investments to support key objectives

1.5.1 Community Recreation and Sport Facility Legacy

Where possible, existing venues will be made 'games ready' with either temporary overlay or permanent upgrades to minimise upfront and ongoing costs to the State and venue operators, as well as extend the longevity of key regional sports and recreational infrastructure. These upgrades will help to improve the capacity of venues to host major events in the future.

Many of the existing sporting facilities in regional Victoria proposed to host Games events are in need of some level of renewal and expansion already. Indeed, some of this renewal will be required in the near future regardless of the outcomes of the bid as much of this infrastructure is approaching end of life. It is integral that sporting facilities across the state are maintained and grown with increased demand in major regional centres. The Games provides a catalyst for investment which will ensure that these sporting and recreational facilities can continue to function for another 30 years.

New infrastructure will be required to host gymnastics, diving and aquatics. The new developments proposed include:

- **Aquatics and diving:** Kardinia Aquatic Centre will undergo a redevelopment, including pools (competition, warm up and diving), development of a compliant dive tower and springboards as well as improvements to amenities such as changerooms, entry zone etc.
- **Gymnastics facility:** A new gymnastics venue of up to c.9,000sqm will also be developed with large indoor spaces that can be used for community indoor sport and elite Australian Rules training post Games.

The proposed Geelong Convention Centre has been put forward as the venue for weightlifting and powerlifting. This venue is currently being considered for construction and is not part of this capital budget.

These new developments and additional facility upgrades across the proposed venues will enhance community sport participation, elite sport training and improve the ability of regions to host future events.

1.5.2 Housing legacy

Victoria has a critical shortage of social and affordable housing stock. Not only is this an issue in Melbourne but also in key parts of regional Victoria, particularly following the COVID-19 pandemic and the transition of the population to key regional areas alongside rising house prices. This is significantly restricting economic growth across regional Victoria. Providing social and affordable housing can lead to the following benefits to Victorians:

- **Reduced inequality** – Increasing the social and affordable housing stock in Victoria helps reduce inequality in Victorian communities
- **Economic security** - High housing costs can reduce the ability of families to budget for health care and other critical expenses. Providing affordable housing increases the amount that families can put toward other important household needs and savings for the future
- **Improved health and wellbeing** – Providing affordable and good quality homes in regional centres can improve the health and wellbeing of vulnerable Victorians by providing them access to services, health care, transport services and social and economic support
- **Improved education** - Housing instability can impact a children's performance and success in school and contributes to long-lasting achievement gaps. Quality affordable housing helps create a stable environment for children, contributing to improved educational outcomes.

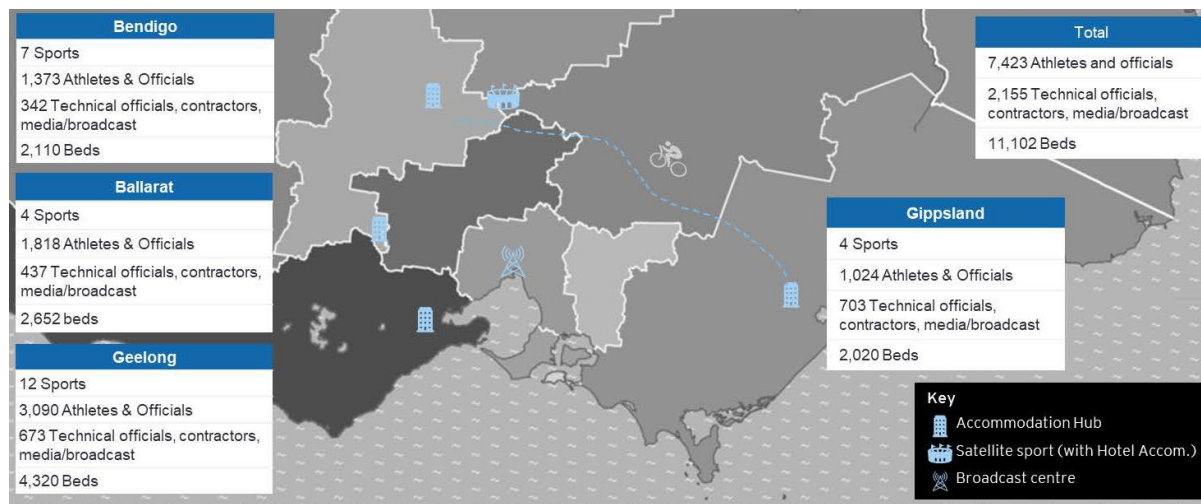
The construction of athlete and officials' accommodation will be a key legacy outcome of the 2026 Games. Following the Games, approximately 20 to 30 per cent of the accommodation will be converted into social and affordable housing stock, to accommodate the high housing demand in regional Victoria.

Based on advice from the Department of Jobs, Precincts and Regions (DJPR), there is a need for general housing in a number of the regions hosting the Games. In addition, there is a high demand for

social and public housing in Bendigo, Ballarat and Geelong. The athlete and officials' accommodation can alleviate part of the shortfall in social and affordable housing in the regions.

In addition, the work being done by DJPR indicates that there is adequate supply of residential zoned land for these developments in the regions.

Figure 2: Sport and accommodation locations



1.5.3 Overlay investments

Victoria's major venue network is recognised as one of the world's best. It sets the benchmark for operational standards and user needs. The network's most powerful advantage is the diversity of venue types and sizes which allows for close matching to the events that they are hosting.

Given the range of infrastructure already available, where possible existing training and competition venues will be made 'Games ready' with either temporary overlay or permanent upgrades. This will minimise the upfront and ongoing costs to the State and venue operators, respectively. These upgrades will help to improve the capacity of venues to host major events in the future.

Overlay infrastructure works relate to temporary works which are required at sites to enable them to host the games. These include temporary works to the field of play, for spectators and for back of house operations (media, official, athlete areas). These temporary works will be delivered prior to the games and removed immediately afterwards (much like the Grand Prix set up).

1.5.4 Legacy Fund

The Games will deliver a significant legacy for Victoria and regional Victoria in particular. While the upgrade works to sporting and recreational facilities as well as athlete accommodation will leave valuable assets for our communities, an additional \$30 million fund will be established to extend the legacy of the Games for a broader set of government priorities. This includes the following:

- \$20 million legacy grants program to support sports participation in Victoria
- \$10 million for capability building in the regions and to support regional Victoria to attract and host further major events post the Games
- \$10 million for trade investment program to support and increase trade with Commonwealth nations.

1.5.5 Operating costs and revenues

A high-level approach has been undertaken to develop the estimates for the operations of the 2026 Games, based on benchmarking of other games delivered here in Australia. Key operating costs, operating revenues are outlined in Table 2 below. Funding from the private sector and Commonwealth Government will be sought to assist funding the Games.

The Gold Coast 2018 Games cost the Queensland Government \$1.34 billion in capital and operational funding (net) (\$1.41 billion in 2022 dollars), however given the distributed delivery model proposed for the regional Victoria 2026 Games concept it is expected that the Victorian Government's investment will be higher. As such, the 2026 Games will require careful planning to ensure that a positive return on investment is realised.

1.5.6 Overview of the Games Hosting and Operations

The planning and delivery of the 2026 Games is proposed to be led by a Victorian workforce, with support from key personnel from the CGF. This structure will ensure the event responds to regional needs and retains the capability to host sport, entertainment and cultural events into the future. This is a departure from the traditional management model that relies upon skilled migrants relocating to the host city for two to three years before departing for the next major event.

1.5.7 Summary of investments

Preliminary cost estimates have been derived based on desktop analysis by DHW Ludus, MI Associates, SRV and Ernst & Young (EY). Given the early stage of works, limited consultation and limited ability to undertake venue site visits within this short period of time upper and lower estimates have been provided. These estimates will require further validation.

Table 2: Financial analysis (real \$2022)

Financial analysis (\$m real)	Worst case	Best case
Capital costs		
Competition venues	\$745.0	\$430.0
Games Village Housing Program	\$250.0	\$200.0
Public Domain Improvements	\$7.3	\$7.3
Other	\$2.1	\$2.1
Lifecycle costs of State-owned assets (Kardinia Park Aquatics and Gymnastics Centres)	\$0.0	\$0.0
Total capital costs	\$1,004.4	\$639.4
Operating costs		
Ceremonies and Queen's Baton Relay	\$41.9	\$41.9
Arts and Culture	\$50.0	\$50.0
Games Legacy Benefits	\$40.0	\$40.0
Corporate and Admin	\$71.2	\$71.2
Workforce	\$240.0	\$240.0
Games Operations	\$173.2	\$173.2
City Operations	\$16.7	\$16.7
Venue and Village Overlay	\$291.1	\$257.4
Marketing and Comms	\$65.0	\$65.0
Media, Tech and Broadcast		
Transport	\$110.0	\$110.0
Security	\$200.6	\$200.6
Carbon neutral games costs	\$60.0	\$45.0
Games Fees		
Operating contingency (applied to total operating expenditure)	\$250.3	\$163.2
Total operating costs		
Non-LOC costs		

Office of Commonwealth Games / governance costs	\$119.0	\$119.0
Village delivery	\$35.0	\$25.0
Transport costs (DOT)	\$0.0	\$0.0
Security costs (VicPol)	\$0.0	\$0.0
Total Non-LOC costs	\$154.0	\$144.0
Operating revenues		
Broadcast Rights (CGF)		
Sponsorship		
Ticketing	\$63.4	\$77.0
Licensing and Merchandising		
Victorian Government Grants and Funding	\$0.0	\$0.0
Australian Government Grants / Funding	\$0.0	\$2.0
Local Government Grants / Funding	\$15.0	\$80.0
Interest and Others	\$37.7	\$37.7
Total operating revenues		
Public sector contribution for capital expenditure		
Federal Government Grants / Funding	\$205.0	\$215.0
Victorian Government Sport Infrastructure Funding	\$0.0	\$215.0
State Government Housing Program	\$0.0	\$200.0
Local Government Grants / Funding	\$15.0	\$20.0
Total public sector contribution for capital expenditure	\$220.0	\$650.0
Net financial impact (\$Real)	\$2,535.8	\$1,514.4
Gross cost	\$3,005.1	\$2,494.2
Commercial operating revenue and public sector contribution	\$469.3	\$979.9
Gross costs less commercial operating revenue and public sector contribution	\$2,535.8	\$1,514.4

1.6 Economic impact to the State and regional Victoria

The successful hosting of the Commonwealth Games brings significant economic stimulus and social benefits to a host region. Benefits achieved are not just for the 11-day period of the Games but flow to the State well before the Games start and continue post-Games for several years. An economic impact assessment of the 2026 Games was conducted on the impact of the Games on regional Victoria and Victoria's economies. The economic impact assessment measures the amount of new money that flows into Victoria and regional Victoria that can be directly attributed to the 2026 Games.

It estimated that the 2026 Games would result in the following benefits to Victoria (from 2022 to 2030):

- \$3.07 billion in additional Total Output (including \$1.91 billion Indirect Output)
- \$1.43 billion in additional Total Value-Add (including \$907.4 million Indirect Value-Add)
- Supporting 560 FTEs before the Games, 3,879 FTEs during the Games and 3,064 FTEs after the Games.

It estimated that the 2026 Games would result in the following benefits to regional Victoria (from 2022 to 2030):

- \$2.07 billion in additional Total Output (including \$1.00 billion Indirect Output)
- \$887.9 million in additional Total Value-Add (including \$451.7 million Indirect Value-Add)
- Supporting 545 FTEs before the Games, 3,256 FTEs during the Games and 1,892 FTEs after the Games.

Refer to Section 1.11 for full details of the economic impact assessment segregated by pre, during and post games economic activity.

1.7 Cost Benefit Analysis (CBA)

A CBA is a commonly used evaluation framework that examines the advantages and disadvantages of a project by assessing its costs and benefits from the perspective of society. A CBA analysis has been undertaken from the perspective of the State of Victoria. Included in the CBA analysis is the net cost to Government of hosting the Games as outlined above. In addition, The CBA analysis also monetises a number of key benefits including expected tourism spend (prior to the games, during the Games, beyond the Games), consumer surplus for attendees to the games, volunteering, civic pride, increased major events to regional Victoria following the games and additional trade investment in Victoria.

The Games is expected to deliver a BCR of between 0.7 and 1.6 to Victoria assuming a real discount rate of 7 per cent.

Table 3: Cost benefit analysis (NPV, \$m)

Games 2026	Worst case	Best case
Costs (NPV, 7 per cent real discount rate)		
Operating expenditure (net of operating revenue)	\$1,190	\$1,029
Capital expenditure	\$793	\$506
Non-LOC costs	\$114	\$107
Lifecycle costs of new facilities at Kardinia Park and Velodrome	\$18	\$12
Less assumed Federal Government funding for capital expenditure	(\$165)	(\$173)
Less assumed Victorian Government Sport Infrastructure Funding	\$0	(\$173)
Less assumed funding for State Government Housing Program	\$0	(\$161)
Less assumed Local Government funding for capital expenditure	(\$12)	(\$16)
Total costs	\$1,939	\$1,130
Benefits (NPV, 7 per cent real discount rate)		
Value add from increased tourism (pre and during the Games)	\$298	\$325
Value add from induced tourism (post-Games)	\$184	\$265
Value add from increased tourism from future major events	\$38	\$47
Value add from induced exports	\$324	\$377
Value add from induced business investment	\$90	\$120
Social housing benefits	\$153	\$153
Avoided health costs and reduced productivity costs from increased physical activity	\$228	\$352
Consumer surplus	\$46	\$97
Civic pride	\$21	\$38
Increased volunteerism	\$9	\$9
Total benefits	\$1,390	\$1,782
Benefit-cost Ratio	0.7	1.6

1.8 Other Hosting benefits

Major international sport events provide an undisputable opportunity to bring together athletes, spectators, and tourists from across the world and to showcase Victoria on the world stage. Hosting

the Games will offer Victoria a powerful catalyst to drive economic growth (and recovery from COVID-19) as well as support social change. Some of the key hosting benefits include:

- The Games can provide a significant opportunity for inspiring the Victorian community to participate in sports and recreation. There are expected to be significant mental and physical benefits as well as avoided health costs and productivity improvements as a result of Victoria hosting the Games.
- Increased elite sport success, given the historic advantage of competing at a 'home' event, hosting the 2026 CG will provide Victorian athletes with an excellent opportunity to realise their ambitions and provide a springboard to success at the 2032 Brisbane Olympics.
- Improve access to affordable housing for those Victorians in need. The Games will require athlete accommodation which can later be provided as affordable housing in key regional areas. Housing is a basic right, and the Games will support regional housing in locations where it is most needed. Following the Games, 20 to 30 per cent of the accommodation will be converted into social and affordable housing stock, to accommodate the high housing demand in regional Victoria.
- The ability to progress the diversity and inclusivity agenda. The 2018 Gold Coast CG had an even number of medals for male and female athletes, and the para program ran concurrently with the able-bodied program. A similar approach will be taken at the 2026 Games, building on the Victorian Government's commitment to gender equity, diversity and inclusion in sport (and society more broadly).
- Opportunities for sports diplomacy - Sport is widely recognised as a universal language that can break down cultural barriers. It can help advance our national interests, project our values and identity and serve as a bridge between peoples and nations. Some of the key areas of focus will be empowering Australian sport to represent globally, building linkages with neighbours, maximising trade, tourism and investment opportunities for Victoria and strengthening communities in the Indo-Pacific and beyond.
- Aboriginal reconciliation and self-determination – The Games represents an opportunity to continue to build and promote the economic and social interests of Victoria's First People's, by advancing the Victorian Aboriginal Economic and Employment Strategy and facilitating and identifying opportunities for Victoria's First Peoples' leadership and culture in the design, management, and legacy of the Games.

- Aboriginal reconciliation and self-determination – The Games represents an opportunity to continue to build and promote the economic and social interests of Victoria's First People's, by advancing the Victorian Aboriginal Economic and Employment Strategy and facilitating and identifying opportunities for Victoria's First Peoples' leadership and culture in the design, management, and legacy of the Games

1.9 Key risks and issues

Table 4: Key risks and issues

Risk	Rating	Management strategy
Lack of time to undertake due diligence prior to signing the Heads of Agreement creates a commercial or delivery risk to the Victorian Government	High	<ul style="list-style-type: none"> Where significant uncertainty remains (e.g. venue compliance), ensure the Heads of Agreement provides the Victorian Government flexibility to alter elements of the delivery model.
Lack of time to prepare for 2026 CG impact cost, quality and benefits realisation	High	<ul style="list-style-type: none"> Commence planning to transition to 'delivery' as early as possible. Resource key positions with people with a demonstrable track record at delivering mega events. Minimise permanent infrastructure works. Utilise and accelerate appropriate statutory planning pathways and innovative procurement and construction methods to fast track infrastructure works.
Lack of stakeholder engagement to date leads to delayed delivery or heightened criticism	Medium	<ul style="list-style-type: none"> Create a comprehensive stakeholder engagement plan. Ensure engagement is thoroughly planned, targeted and outcome focussed. Ensure engagement is led by people with expertise in relevant areas (e.g. local government, Aboriginal affairs, and international sport events).
Novel delivery model is poorly executed resulting in benefits not being realised	Medium	<ul style="list-style-type: none"> Centre activity on four main hubs so that athlete and visitor experience is maximised. Ensure event venues and host cities are presented to a high quality to reflect positively on regional Victoria's brand.
Supply chain constraints delay infrastructure delivery	Medium	<ul style="list-style-type: none"> Carefully consider professional services to be procured and infrastructure designed and built to maximise efficiencies and reduce lead times whilst retaining quality.

1.10 Next Steps and timeframes

Below is a summary of the key milestones to secure the 2026 CG in regional Victoria.⁵

Table 5: Key milestones

Task	Due Date
CGA Board Decision to Endorse Victoria's Proposal	10 March 2022
Proposal Submitted to CGF	15 March 2022
LOC and OCG Establishment	March 2022
Athlete Village and Major Venue Project Establishment	March 2022
CGF Board Decision on Host City	31 March 2022
Host Contract Executed	14 April 2022

⁵ A delay in executing the HOA may impact the timeframes of the proceeding activities. This is not assumed to impact the delivery model.

Victoria Announced as Host of 2026 CG	14 April 2022
Inclusion / Exclusion of Track Cycling and Rowing Confirmed	July 2022
Updated Business Case #1	October 2022
Final Sport Program Confirmed	December 2022
Updated Business Case #2	Early-2023
Athlete Village and Major Venue Construction Commences	Late-2023 / Early 2024
Athlete Village and Major Venue Construction Completion	October 2025
Athlete Village and Competition Venue Overlay Bump-In	October 2025 – February 2026
Test Events and Commissioning	October 2025 – February 2026
2026 CG Hosted in Regional Victoria	March 2026
Post-2026 CG Modification Works	April 2026 – October 2027

1.11 Summary Statistics

Outlined below are the key economic impact results and the funding sought for the 2026 Games.

The funding sought is a gross cost of the capital and operating expenditures required to deliver the Games. This is considered to be a conservative estimate, as we have accounted for a larger number of sports than is expected to feature. In addition, this gross cost will be offset by operating revenues and funding received from other funding sources (e.g. Federal and Local Government and other State Government programs).

Table 6: Economic impact (NPV, \$m) - State analysis

Economic indicator	Pre-Games years (2022-25)		Games year (2026)		Post-Games years (2027-30)		Total (2022-30)	
	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case
Direct output	\$116.1	\$123.0	\$307.6	\$336.8	\$548.1	\$698.0	\$971.8	\$1,157.8
Indirect output	\$227.0	\$240.5	\$501.5	\$549.0	\$878.0	\$1,118.1	\$1,606.6	\$1,907.6
Total output	\$343.1	\$363.6	\$809.0	\$885.8	\$1,426.2	\$1,816.1	\$2,578.3	\$3,065.5
Direct value add	\$36.2	\$38.3	\$139.0	\$152.3	\$257.9	\$328.4	\$433.1	\$519.0
Indirect value add	\$100.9	\$107.0	\$240.1	\$262.9	\$422.1	\$537.5	\$763.2	\$907.4
Total value add	\$137.1	\$145.3	\$379.1	\$415.2	\$680.0	\$865.9	\$1,196.2	\$1,426.4
Direct jobs (FTEs) ⁶	198	210	1,723	1,887	1,229	1,508	-	-
Indirect jobs (FTEs)	330	349	1,819	1,992	1,267	1,556	-	-
Total jobs (FTEs)	527	560	3,543	3,879	2,496	3,064	-	-

Table 7: Economic impact (NPV, \$m) – Regional Victoria analysis

Economic indicator	Pre-Games years (2022-25)		Games year (2026)		Post-Games years (2027-30)		Total (2022-30)	
	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case
Direct output	\$82.1	\$177.1	\$331.4	\$365.2	\$403.3	\$523.9	\$816.8	\$1,066.2

⁶ Jobs (FTE) relates to average annual jobs in each period.

Indirect output	\$96.8	\$220.6	\$296.8	\$326.9	\$351.8	\$457.0	\$745.4	\$1,004.5
Total output	\$179.0	\$397.7	\$628.2	\$692.2	\$755.1	\$980.9	\$1,562.2	\$2,070.7
Direct value add	\$25.7	\$54.3	\$139.8	\$154.1	\$175.3	\$227.8	\$340.8	\$436.2
Indirect value add	\$41.1	\$90.9	\$136.0	\$149.9	\$162.4	\$210.9	\$339.5	\$451.7
Total value add	\$66.8	\$145.1	\$275.8	\$304.0	\$337.7	\$438.7	\$680.3	\$887.9
Direct jobs (FTEs)	146	249	1,890	2,083	987	1,229	-	-
Indirect jobs (FTEs)	144	296	1,064	1,172	533	663	-	-
Total jobs (FTEs)	290	545	2,954	3,256	1,520	1,892	-	-

Table 8: Funding sought (\$m nominal)

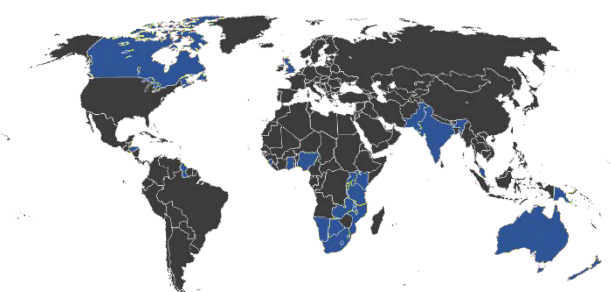
Description	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	6-year total	Ongoing
Net output funding sought (\$ million) - Worst Case	37.990	241.913	637.661	767.119	1,522.946	21.009	3,228.638	3.479
Net output funding sought (\$ million) - Best Case	36.996	209.649	456.984	593.530	1,363.862	19.740	2,680.762	2.319

2. The opportunity

2.1 Background

2.1.1 Commonwealth Games

The Commonwealth Games ('Games') is an international, multi-sport event involving athletes from the Commonwealth of Nations.⁷ The first official Games (called the British Empire Games) were held in 1930 in Hamilton, Canada. Since 1930, the Games have taken place every four years, except in 1942 and 1946 (due to World War II). The Games were renamed the 'Commonwealth Games' in 1978.



Prior to 2022, the host nation was required to include at least 10 core sports on their program, with the option to include up to seven additional sports if desired. However, this mandated minimum will change after the 2022 Commonwealth Games with future host nations only required to include two core sports (swimming and athletics).⁸ The CGF has now recommended that host nations aim for approximately 15 sports at future Commonwealth Games.⁹ In Manchester (2002), the Games became the first multi-sport event to include para sports events in a fully inclusive program. Host cities must include four core para sports in their program and may also include up to three additional para sports.

The successful holding of the Commonwealth Games brings significant economic stimulus and social benefits to a host region. The previous four Commonwealth Games have provided an average

⁷ The membership of the Commonwealth comprises 72 nations with a population of approximately 2 billion people, equivalent to 30 per cent of the world's population.

⁸ The Scotsman, available at: <https://www.scotsman.com/sport/other-sport/commonwealth-games-radical-shake-up-announced-as-hosts-given-greater-flexibility-for-events-3415251>, accessed: 13.01.2022

⁹ ABC News, available at: <https://www.abc.net.au/news/2021-10-12/more-flexible-commonwealth-games-to-help-cut-costs-attract-hosts/100531196>, accessed: 13.01.2022

economic boost of approximately \$1.9 billion to host cities. In addition to economic and employment benefits, the Commonwealth Games also provides other key benefits such as increased community sport participation and elite sport success, the regeneration and transformation of regions and improved community pride and confidence. Benefits achieved are not just for the 12-day period of the Games but start to flow to the State well before the Games and continue through the post-Games period.¹⁰

Hosting the games has been demonstrated to lead to increases in tourism of up to 25 per cent in the three years post hosting, as well as result in Commonwealth trade deals and investments of up to \$750 million in benefit to the host city. The Games also delivers significant increases in Gross Domestic Product (GDP); Gold Coast 2018 demonstrated the biggest uplift of \$2.3 billion, followed by Manchester 2002 (\$2.1 billion), Melbourne 2006 (\$1.9 billion) and Glasgow 2014 (\$1.5 billion).¹¹

Commonwealth Games in Australia

Australia has hosted the Games five times: 1938 (Sydney), 1962 (Perth), 1982 (Brisbane), 2006 (Melbourne), and 2018 (Gold Coast).

The Gold Coast Games in 2018 provided a projected economic boost of \$2.5 billion to the State, which included a \$1.8 billion boost to the Gold Coast. These figures represent the Games' contribution to Gross State Product, and it includes the additional tourism expenditure, events, and employment induced by the Games. It should be noted that these figures likely understate the Games total economic contribution as they fail to capture key socio-economic benefits provided by the Games such as the community's improved mental and physical wellbeing, improved destination branding and diplomacy, and increased social cohesion. The Games attracted more than 6,600 participants from 71 nations to the Gold Coast for 11 days. It was supported by almost 15,000 dedicated volunteers, delivered events across 22 sports, and broadcasted to a world-wide audience of 1.5 billion people. Australia brought home 198 medals, the highest tally among all attending countries.¹²



The direct Games expenditure, tourism, construction and other commercial activity generated by the Melbourne 2006 Games provided a projected \$1.6 billion economic boost to the State. The higher-than-expected economic return was largely due to the higher number of international tourists. More than 100,000 tourists visited Victoria for the Games and spent an estimated \$270 million. Following the Games, the CGF declared the Melbourne Games the best ever, delivering improved world class infrastructure, lasting legacies and a positive economic impact.¹³

For the 2006 Melbourne and 2018 Gold Coast Games, the State Governments were the key funder of the Games, contributing between 75 per cent (Melbourne 2006) and 79 per cent (Gold Coast 2018) of total public sector Games-related expenditure.¹⁴

2022 Commonwealth Games

Birmingham is scheduled to host the next Games from 28 July to 8 August 2022. The Games in Birmingham is expected to bring short-term rapid economic growth. The Games is estimated to generate approximately \$1.4 billion to the local economy and generate around 4,500 jobs. Further,

¹⁰ Commonwealth Sport, available at: <https://thecgf.com/news/new-report-reveals-commonwealth-games-consistently-provides-over-ps1-billion-boost-host-cities>, accessed: 04.01.2022

¹¹ Commonwealth Sport, available at: <https://thecgf.com/news/new-report-reveals-commonwealth-games-consistently-provides-over-ps1-billion-boost-host-cities>, accessed: 04.01.2022

¹² T.D. Pham, S. Becken, M. Powell, Griffith University, The economic impacts of the Gold Coast 2018 Commonwealth Games – 2018 Post-Games Report, November 2018

¹³ Sport and Recreation Victoria, available at: <https://sport.vic.gov.au/our-work/events/commonwealth-games-legacy>, accessed 04.01.2022

¹⁴ PWC, The Commonwealth Games Federation, Commonwealth Games Value Framework, December 2019

due to the driving effect of the event on national sports and fitness, it is expected to save the Birmingham economy \$14.3 billion in medical insurance funds over the next ten years.¹⁵

Commonwealth Games Federation (CGF)

The CGF is the organisation responsible for the direction and control of the Commonwealth Games and the Commonwealth Youth Games. The CGF is also responsible for delivering on the vision of the Commonwealth Sports Movement, which is to build peaceful, sustainable, and prosperous communities globally by inspiring Commonwealth Athletes to drive the impact and ambition of all Commonwealth Citizens through Sport. Although the CGF is headquartered in the UK, it works across 72 member nations and territories.

2026 Commonwealth Games (“XXIII”)

The CGF are seeking to announce the host for the 2026 Games at the 2022 Birmingham Games. However, the host city for the 2026 Games is yet to be determined. There has been interest previously expressed by Auckland, Perth, Adelaide, New South Wales (Western Sydney), Hamilton (Canada), Calgary (Canada), and Victoria (Canada), but none of these cities have progressed their interest to a formal bid to host the 2026 Games.¹⁶

Due to the delays in the CGF securing a 2026 host, an opportunity exists for regional Victoria to secure the hosting rights to the 2026 Games outside of a competitive bid process. The increased flexibility of the CGF (see Section 2.1.1) provides a strong negotiating position and an ideal set of circumstances to secure the most cost effective and high value Commonwealth Games to date.

Discussions to date

Business Case Revisions

Revisions were made to the following Section given progress in negotiations.

In a normal bidding process, the CGF would prepare a list of its requirements and conditions in bid documents for potential host cities and these would be put out to the market. Multiple cities/regions would then prepare formal bid responses and the CGF would review these and make an announcement of the preferred host city.

As the CGF would like to have a host city confirmed by the Birmingham Games (in July 2022) there is a significantly restricted timeframe and a typical ‘bidding process’ will not be followed. Visit Victoria met with the CGF in November 2021 to discuss the opportunity for regional Victoria to host the 2026 Games. In December 2021, Visit Victoria secured an exclusivity agreement with the CGF stating that no other region could provide CGF with an offer to host the 2026 Games prior to 31 January 2022.

On 28 January 2022, Visit Victoria and DJPR submitted an initial version of this Business Case to the State Government. The Business Case provided an assessment of the costs and benefits of the Games to Victoria. This enabled the Government to determine whether they should proceed with securing the Games. Following the Business Case submission, a pre-emptive offer which included a MOU and draft HOA was submitted to the CGF.

In preparation for the final Host Contract between Victoria and CGF, there is now significant and ongoing negotiation between the State of Victoria and CGF on the terms, responsibilities and rights of Victoria in hosting the Games. These negotiations will continue until 14 April 2022 when the Host Contract is executed. Material matters will be settled before submission of the Proposal.

Victoria is working from a strong negotiating position enabling us to tailor the hosting of the games (including the sports program, locations, governance, accommodation and operation of the Games) to

¹⁵ University of Birmingham, The 2022 Birmingham Commonwealth Games and potential economic benefits, September 2021

¹⁶ There is significant interest in hosting the Games in 2030 partly because of the 100th anniversary of the Commonwealth Games. Canada has elected to focus on seeking to host the 100th anniversary Games, preferably in Hamilton where the first Empire Games were held.

deliver the greatest value for money and benefits to Victoria. There is an opportunity for Victoria to radically change the way host cities deliver the games and through this maximise the social and economic benefits to Victoria and regional Victoria

If the State decides that it does not in fact want to host the 2026 Games, it can withdraw prior to the provision of the Proposal to the CGF on the 15 March 2022.

This Business Case

The purpose of this Business Case is to assist the Victorian Government to decide if hosting the 2026 Games is worthwhile. Specifically, it describes and quantifies the key costs and benefits to Victoria and regional Victoria of hosting the Games.

This Business Case has been prepared in coordination with members of DJPR, Visit Victoria, the Department of Treasury and Finance (DTF), EY, MI Associates and DHWL. Given the confidential nature of this project, the discussions were confined to a core project team of key stakeholders and have not involved sporting organisations, venue operators, other government departments or the Commonwealth Government.

2.2 Hosting requirements

The Games need to become “smaller, easier and less costly to host”- CGF President Dame Louise Martin¹⁷

Following the conclusion of Gold Coast 2018, the CGF Executive Board and Management Team commenced a refresh process of the Games, set out in their Strategic Plan 2019 - 2022 ('Transformation 2022 Refresh'). As part of this refresh, the CGF recognised that:¹⁸

The Games can be delivered more efficiently, at less cost and with less time, and with a greater focus on generating sustainable benefits for host cities

Prospective candidate cities to host the Commonwealth Games, under increasing scrutiny from taxpayers, need to be able to justify the commitment of scarce government resources as good value for money

The costs of staging a global event such as the Commonwealth Games can deter those cities that have competing priorities for funding.

“We can't stay as we are – it's not sustainable. We have to move on, we have to modernise,”

“In my opinion Birmingham will be the last one of this size. In the future it will be more in keeping with what the country it's going to wants.”

CGF President Dame Louise Martin

Transformation 2022 has led to a willingness of the CGF to be far more flexible regarding hosting conditions service standards and the sports program.

Commonwealth Games 2026/30 Strategic Roadmap

Following the Transformation 2022 Refresh, the CGF developed a 2026/30 Strategic Roadmap which outlined key changes to the hosting requirements of Games. This included the following recommendations:

- The number of compulsory sports has been reduced from 16 to two. Athletics and swimming will be the only compulsory sports at the 2026 and 2030 Commonwealth Games as hosts are afforded greater flexibility in choosing a suitable programme for their audience and budget
- An integrated Para sport programme must remain a key, focal part of the Games
- Future potential hosts would be encouraged to consider alternative Athlete Village solutions, rather than being required to accommodate athletes in a new build environment or on a single site

¹⁷ Sports Promedia, Commonwealth Games set to downsize after Birmingham 2022, available at: <https://www.sportspromedia.com/news/commonwealth-games-downsize-birmingham-2022-louise-martin-host/>, accessed: 04.02.2022

¹⁸ Commonwealth Sport, Transformation 2022 Refresh – Strategic Plan (2019-2022)

- International Federations would be encouraged to propose new innovations and sports/disciplines to drive growth and youth engagement
- The Federation will continue to prioritise sustainability, social purpose and legacy planning as part of discussions with potential hosts
- Hosts would be encouraged to consider mass participation events as part of their health and well-being programmes.

2.2.1 Key changes to the 2026 Games

The 2026 Games offering has been developed in line with the vision of the Strategic Roadmap. Extensive consultation was undertaken with DJPR, Visit Victoria and key stakeholders to assess how the Games could be delivered to ensure maximum benefits to regional Victoria.

This includes changes to the typical offering of accommodation, sports and employment. Table 9 below outlines the key changes proposed to the 2026 Games, relative to historic hosting requirements.

Table 9: Key changes - 2026 Games

Area	Hosting requirements / trends – Pre 2022	Regional Victoria 2026 Games (aligned with the 2026/2030 Strategic Roadmap recommendations)
Sport program	The host city must provide 16 compulsory sports ¹⁹	<ul style="list-style-type: none"> • The sports program proposed is tailored to meet the needs of the Australian audience whilst being of interest to major broadcast markets • The sports program will not include Indoor Cycling which has featured in every Games since 1934, as Victoria does not have an indoor cycling venue in regional Victoria and there is not a need for one. However, it will include Road Cycling tour across regional Victoria • The sports program will not include Judo and Wrestling which were previously considered compulsory sports. • Netball Fast 5, Para Tennis and Golf (men's, women's and teams) will be played at the Games for the first time • Rowing will be held for the first time since 1986
Accommodation	The host city must provide a centralised athlete accommodation	<ul style="list-style-type: none"> • The 2026 Games will place athlete accommodation in four dispersed accommodation hubs in Geelong, Ballarat, Bendigo and Gippsland • Following the games, 20 to 30 per cent of the accommodation will be provided as affordable / social housing stock to assist with the high demand of social housing • The accommodation hubs will be within a reasonable distance to their competition and training venues
Local skills	Skilled migrants are relocating from overseas to the host city for two to three years before departing for the next major event	<ul style="list-style-type: none"> • The planning and delivery of the Games is proposed to be predominantly led by a Victorian workforce to ensure the event responds to regional needs and retains the capability to host sport, entertainment and cultural events into the future • Capability development will occur alongside Games planning to ensure that jobs created result in ongoing employment – particularly for regional areas. This will help achieve legacy social benefits (e.g. skills and employment).

¹⁹ Aquatics (including Para), Athletics (including Para), Badminton, Cycling (Road), Boxing, Gymnastics (Artistic), Hockey (Men and Women), Judo, Lawn Bowls (including Para), Netball (Women), Rugby Sevens (Men & Women), Squash, Table Tennis, Triathlon, Weightlifting, Powerlifting (Para), and Wrestling (Freestyle).

2.3 Why should Government be involved?

2.3.1 The need for Government investment

Hosting the Games accelerates and otherwise enhances spending by Governments to support their wider objectives. This has encouraged public investment in the Games over the past number of years, with Governments contributing discretionary operating expenditures to meet their legacy objectives.

For previous Games, resources have been committed to ancillary initiatives such as business, cultural and community sports programmes and events to enhance the attractiveness of the city to visitors and sponsors and to boost the legacy benefits from volunteering and increased community sports participation. This expenditure has been funded mainly by local government and the state/regional government across the Games, often by re-directing or re-purposing of existing budgets.

In addition, the host cities have been able to accelerate or enhance capital investment in infrastructure related projects to achieve wider objectives. Similar to discretionary operating expenditure, more often these are funded from re-directing/re-purposing existing city/regional/federal budgets.

The 2026 Games provides a unique opportunity to accelerate multiple existing Victorian Government policy objectives such as increasing access to accommodation, driving employment in regional areas, improving participation in sport and increasing tourism. These are outlined further in Section 2.3.3.

2.3.2 Economic development

Business Case Revisions

Revisions were made to the following Section given updates to the economic analysis and CBA.

Victoria's economy has suffered significantly as a result of COVID-19 impacts, with business closures and unemployment experienced across the State. These economic impacts along with heightened uncertainty surrounding COVID-19 has also impacted the mental health and wellbeing of Victorians.

The State Government is focusing on a range of measures to combat these issues, targeting government policies towards economic growth and improving the health and wellbeing of Victorians. The size and scope of the Games 2026 provides a unique opportunity to target this investment at a number of critical areas (including jobs, health and wellbeing, accommodation and tourism), accelerating recovery across Victoria.

The Games is not just a celebration of athletic performance, a Commonwealth Games celebrates a region and its various cultures and brings together communities. In addition to driving tourism, the Games can bring together communities, reduce inequality and drive diversity and inclusion through sport and culture.

The return on public sector investment to host the Commonwealth Games has ranged from 1.3 (Gold Coast 2018) to 3.2 (Manchester 2002).²⁰ This Business Case estimates that the 2026 Games will result in a return on investment from between 0.7 to 1.6 to the State of Victoria.

The Business Case also estimated the economic impact of the 2026 Games on Victoria and regional Victoria. It estimated that the 2026 Games would result in the following benefits to Victoria (from 2022 to 2030):

- \$3.07 billion in additional Total Output (including \$1.91 billion Indirect Output)
- \$1.43 billion in additional Total Value-Add (including \$907.4 million Indirect Value-Add)
- Support 560 FTEs before the Games, 3,879 FTEs during the Games and 3,064 FTEs after the Games.

Supporting the regions

²⁰ PWC and CGF, Commonwealth Games Value Framework, 2019

Business Case Revisions

Revisions were made to the following Section given updates to the economic analysis and CBA.

The 2026 Games will be held across regional Victoria and will contribute to the region's growth and resilience to withstand future economic shocks. DJPR's draft Regional Economic Development Strategies for Barwon, Loddon Campaspe, Central Highlands and Gippsland, where the majority of the sport program will be held, all identify improvements to the visitor economy playing a key role in supporting the regions' economic development.

Rural and regional Victoria is home to 1.6 million people, or 1 in 4, of Victoria's residents and over 147,000 businesses. Prior to COVID-19, tourism was a key driving force for growth in regional Victoria, attracting visitors from interstate and overseas, leading to significant investment in the regions.²¹

Total tourism expenditure across Victoria was \$12.8 billion in the year ending June 2021, representing a significant decline of 50 per cent or a loss of \$12.7 billion compared to the year ending June 2020, due to the dual crises of bushfires and coronavirus (COVID-19).²² The events of 2020 and 2021 will likely be felt for years to come, as the reluctance to travel remains.

As Melbourne is more dependent than the regions on the international market and major events calendar, it is assumed that regional Victoria may recover more quickly than Melbourne because of its appeal to the domestic market. However, regions with a high dependence on tourism will continue to be affected if key products, services and events are not available.²³

"Attracting and facilitating new investment and business growth opportunities across regional and rural Victoria to increase jobs, strengthen local economies and build thriving, vibrant and inclusive communities is a strategic priority."

DJPR's Strategic Plan

Across Australia, there is increased competition from other Australian destinations for visitor spend with other states investing heavily to develop distinct brands. In order to compete with other states, retain Victoria's tourism brand and rebuild the regions, Victoria needs to continually invest Victoria's tourism offering.²⁴

The Games 2026 event will result in significant tourism growth to regional Victoria during the Games and for years following the Games, aiding in the regions' recovery.

It is estimated that the 2026 Games would result in the following benefits to regional Victoria (from 2022 to 2030):

- \$2.07 billion in additional Total Output (including \$1.00 billion Indirect Output)
- \$887.9 million in additional Total Value-Add (including \$451.7 million Indirect Value-Add)
- Support 545 FTEs before the Games, 3,256 FTEs during the Games and 1,892 FTEs after the Games.

2.3.3 Policy alignment

The 2026 Games represents a significant opportunity for the Victorian Government to pursue its complementary policy objectives through hosting of the Games. The positioning of the regional Victorian games also aligns strongly to Commonwealth and Local Council policy priorities. An outline of alignment to relevant government priorities is summarised in Table 10 below, organised by priority policy areas, and secondary policy areas.

²¹ Department of Environment, Land, Water and Planning, Population and Housing in Regional Victoria 2020, available at: https://www.planning.vic.gov.au/_data/assets/pdf_file/0035/469178/Population-and-Housing-June-2020.pdf, accessed: 13.01.2022

²² DJPR, Economic value of tourism, available at: <https://djpr.vic.gov.au/what-we-do/events-and-tourism/visitor-economy/economic-value-of-tourism#:~:text=Total%20tourism%20expenditure%20in%20Victoria,devastating%20impact%20on%20the%20visitor>, accessed: 20.01.2022

²³ DJPR, 2021 – 2025 Strategic Plan

²⁴ DJPR, 2021 – 2025 Strategic Plan

Table 10: Summary of Policy Intent and Opportunity relevant to the Commonwealth Games

Policy Area	Policy intent	Opportunity
Primary Policy Areas		
Tourism <ul style="list-style-type: none"> Visitor Economic Recovery and Reform Plan (2021) Austrade THRIVE 2030 (The Re-Imagined Visitor Economy) Strategy (In Consultation) Destination Management Plan (DMP) 	<ul style="list-style-type: none"> Core to these policies is the intent build on the potential of regional and rural Victoria to enhance Victoria's visitor economy This includes tourism as a vehicle for post COVID-19 recovery, and a commitment to growing new, unique, and high-quality experiences including supporting the return of major events. 	<ul style="list-style-type: none"> Events are a core part of Victoria's destination brand and drive visitation. The Visitor Economic Recovery and Reform Plan (2021) articulates the needs for a strong forward calendar of events to help underpin recovery of the visitor economy. Hosting the Games would help build this calendar of events and could be used to further build the brand and reputation of Victoria and more specifically the global promotion of regional Victorian Tourism Hosting the Games would align to Priority Action 7 of the Austrade THIRVE 2030 Strategy to 'Grow new, unique and high-quality experiences' which includes the support for return of events including major events. The Strategy specifies the opportunity to leverage and support major sporting events rolled out in the led up to the Brisbane 2032 Olympics and Paralympics The Destination Management Plan's for Bendigo, Ballarat, Gippsland and the Murray have similar objectives of destination development and enhanced events to promote visitation which align to the delivery and objectives of the Games.
Regional Development <ul style="list-style-type: none"> Department of Jobs, Precincts and Regions (DPJR) Strategic Plan 2021-2025 Regional Economic Development Strategy (REDS) Victoria's 30-Year Infrastructure Strategy 2021 Commonwealth Building Better Regions Fund 	<ul style="list-style-type: none"> The DJPR Strategic Plan outlines how the department will further accelerate Victoria's economic recovery and growth Each region has drafted a Regional Economic Development Strategy (REDS). Key partnerships for the Games include Barwon (Geelong), Loddon Campaspe (Bendigo) and the Central Highlands (Ballarat) Victoria's Infrastructure Strategy 2021-2051 presents a vision for thriving, inclusive and sustainable Victoria over the next 30 years The focus on regional development is also seen at the Commonwealth level through the \$1.38 billion Building Better Regions Fund to drive economic growth and build stronger regional communities. 	<ul style="list-style-type: none"> The DJPR Strategic Plan priorities include Tourism, Sport and Major Events, Regional Development and Community Sport. Hosting the Games aligns to these priorities in reviving the major events calendar with this world-class event and strengthening the state's position as a global events destination. Through tourism, trade and investment the Games will achieve sustained economic benefit to regional Victoria and present opportunities for increased participation in sport. The objectives of the REDS align with the delivery of the Games. Locating the Games in these regional areas will assist in promoting the regions as premiere locations for international events and foster partnerships between industry and training providers to develop professional career pathways in tourism Developing regional Victoria is a key theme of Victoria's Infrastructure Strategy. Key recommendations that align to hosting the Games include to foster regional Victorian's health, wellbeing and inclusion The Games represents an opportunity to further benefit from investments made by the Building Better Regions Fund including the \$10 million investment into the expansion of the Ballarat Sports & Events Centre which added six new sports courts including a show court seating 3,000 spectators.

<p>Trade and Investment</p> <ul style="list-style-type: none"> • Victoria's India Strategy • Global Victoria Trade Alliance 	<ul style="list-style-type: none"> • Victoria released its India strategy in 2018, aimed at building a close relationship with India to grow expenditure by Indian visitors to Victoria from AU\$367 million to AU\$885 million • Victoria's Global Trade Alliance is aimed at supporting Victorian exporters adapt their export strategies to respond to the rapidly changing global market conditions by connecting them to new markets, helping them adapt their export strategies and helping them remain globally competitive. 	<ul style="list-style-type: none"> • As outlined within the Emerging Sectors and Opportunities section of Victoria's India Strategy, India and Victoria are passionate about sport. The camaraderie and entertainment enjoyed through sport can serve as a bridge to strengthen transnational friendship. Additionally, as outlined in the Strategy, India is one of the world's fastest growing outbound travel markets, and Tourism Australia identified India as a priority market because of the potential for growth. The 2026 Games will showcase regional Victoria on TV and through digital streams globally which represents "free branding" for the State that could attract future tourism and investment from India (an assumed Commonwealth Games participant country) • The Games represents an opportunity to deepen ties within Victoria's Global Trade Alliance and explore new trade opportunities and strategic partnerships (with Commonwealth Games nations). This could be through a structured in-bound trade program that could be established complimentary to the Games, to maximise relationship building opportunities, and showcase the best of Victorian business (including high growth sectors like AgTech and Renewables).
<p>Housing</p> <ul style="list-style-type: none"> • Big Housing Build 	<ul style="list-style-type: none"> • Through the \$5 billion Big Housing Build, the government is investing in social and affordable housing. Key priority areas include \$1.25 billion directed to regional Victoria through the Minimum Investment Guarantee including \$390 million directed towards Geelong, Ballarat, Bendigo and Shepparton 	<ul style="list-style-type: none"> • The Games goal to create a valuable legacy presents an opportunity for organisers to collaborate with Homes Victoria and align on Victoria's social and affordable housing agenda • With Victoria's Big Housing Build ongoing until 2027, the Games represent an opportunity to rethink design of accommodating for major sporting events as the secondary use, for social and affordable housing.
<p>Aboriginal Reconciliation and Self Determination</p> <ul style="list-style-type: none"> • Victorian Aboriginal Employment and Economic Strategy 2022 • Korin Korin Balit-Djak: Aboriginal Health, Wellbeing and Safety Strategic Plan 2017-2027 • Victorian Aboriginal Affairs Framework 2018-2023 	<ul style="list-style-type: none"> • Victoria has a strong policy focus on Aboriginal Reconciliation and Self-Determination, focused on economic and social empowerment • The Victorian Aboriginal Health, Wellbeing and Safety Strategic Plan outlines a strategic priority to increase the participation of Aboriginal people in sports and recreation activities. 	<ul style="list-style-type: none"> • The Games represents an opportunity to promote the economic and social interests of Victoria's First People's • Priority Focus 5.2 of the Aboriginal Health, Wellbeing and Safety Strategic Plan is 'Aboriginal Victorians are health and well' with Action 5.2.3 to 'Increase Participation of Aboriginal people in sport and recreation activities' • The delivery of the Games will strive to align to the 10-year success status of the Strategic Direction where Aboriginal people participate in sport and recreation at a rate on par with, or higher than non-Aboriginal people, racism is not tolerated in Victorian sport and recreation and is not a barrier to accessing sport and recreation and for Aboriginal women to be in leadership roles in the Games.
Secondary Policy Areas		

<p>Sports Participation</p> <ul style="list-style-type: none"> Active Victoria - A strategic framework for sport and recreation in Victoria 2017 – 2021²⁵ Victorian Public Health and Wellbeing Outcomes Framework Sport 2030: The Australian Government's National Sports Plan 	<ul style="list-style-type: none"> Common across these policies is the aim of encouraging Victorians to be more active and investing in state and regional facilities that underpin Victoria's event calendar Active Victoria and Sport 2030 also aim to create new trade and business opportunities through 'sport diplomacy' and strengthen linkages between events and high-performance sport and grassroots sport. 	<ul style="list-style-type: none"> As set out in Active Victoria, sport and active recreation is a large part of the cultural, social and economic life of Victoria. The Games aim to drive ambition and impact through sport, with a strong focus on inspiring young people through sport Major and significant sporting events such as the Games encourage grassroots participation, build capacity to deliver future events, provide legacy programs and facilities, provide opportunities for Victorian businesses to connect with overseas markets and deliver significant economic benefits The delivery of the Games aligns to Outcome 1.3 of the Victorian Public Health and Wellbeing Outcomes Framework, 'Victorians act to protect and promote health' and would assist in the 'Proportion of people participating in organised sport'. The Games will result in an increase in participation in sport across Victoria with sporting programs to be delivered alongside the Games to ensure maximum community engagement As set out in the Sport 2030: The Australian Government's National Sport Plan, opportunities and pathways for Australian athletes to compete on the world stage is a core focus. The delivery of a Victorian 2026 Commonwealth Games would enable aspiring athletes to witness established pathways to the world stage.
<p>Liveability and Civic Pride</p> <ul style="list-style-type: none"> Municipal Public Health and Wellbeing Plan 	<ul style="list-style-type: none"> There are common themes across the Municipal Wellbeing Strategies for regional Victorian Councils which include: Building proud and inclusive communities Improving young people's resilience and connection to community Providing equitable and accessible community facilities, services and events including for priority population groups Identifying opportunities to host major events and Increasing volunteering. 	<ul style="list-style-type: none"> The legacy of the games can contribute the overall liveability and pride of communities by: highlighting regional Victoria to an international audience (regional pride) improving young people's connection to their community through volunteering upgrading regional major event infrastructure to support their capacity to host or co-host major events, improving access to local sports infrastructure through accessibility upgrades (e.g., ramps, grab rails)

²⁵ This strategy is currently being refreshed

<p>Gender Equality and Social Inclusion</p> <ul style="list-style-type: none"> • Change Our Game • Australia's Disability Strategy 2021-2031 • Victoria's LGBTIQ+ Strategy (in consultation) 	<ul style="list-style-type: none"> • Across the gender equality and social inclusion policies, access and participation is a key theme. All acknowledge the role of sport in providing safe spaces for marginalised communities to connect, and as a platform for social issues. 	<ul style="list-style-type: none"> • Victoria, through the delivery of the Games, has the opportunity to promote gender and social inclusion through participation and advocacy opportunities across the Game by embedding diversity and inclusion as a key principle of the Games • As set out in Victoria's LGBTIQ+ Strategy, sports settings are important community locations for building connection and inclusion, promoting LGBTIQ+ inclusion and visibility, and celebrating individual contributions and community strengths • Hosting of the Games aligns to Policy Priority 3 of Australia's Disability Strategy where 'People with disability are able to fully participate in social, recreational, sporting, religious and cultural life'. The Games will be accessible to all and move beyond physical accessibility providing easily accessible information about community services, events and facilities, and providing low sensory spaces to help support the inclusion of people with disabilities.
<p>Social Procurement</p> <ul style="list-style-type: none"> • Victorian Social Procurement Framework • Local Jobs First Initiative 	<ul style="list-style-type: none"> • Victoria's social procurement framework and local jobs first initiative aims to promote sustainable Victorian regions, and opportunities for marginalised and disadvantaged Victorians. 	<ul style="list-style-type: none"> • The Games procurement will target women led and Indigenous businesses as well as social enterprises • The Games represent a significant direct and indirect opportunity for small to medium regional enterprises to supply a range of goods and services to the Games.

2.4 Why Government needs to act now

Traditionally a decision is made to host the Commonwealth Games six to eight years in advance of hosting the Games. This is not the case with the 2026 Games. There will be only approximately four years between a decision to host and the event. As a result, there is no opportunity for the State Government to delay making a decision for two key reasons:

- The CGF are seeking confirmation for the 2026 Host prior to the Birmingham Commonwealth Games (proposed for July 2022)
- Hosting the Games will require a number of permanent works to be made to existing regional sporting infrastructure as well as the planning, construction and delivery of athlete villages. These can be delivered by 2026 but already require compressed timeframes to achieve this.

CGF and Victoria are currently under negotiations on the delivery model, fee structures and roles and responsibilities of the parties. On 31 March 2022, CGF will make a decision on whether Regional Victoria should deliver the Games.

As a result, it is not recommended to delay a decision to proceed (or not) with the CGF.

2.4.1 Key decision points and impacts

Business Case Revisions

Revisions were made to the following Section given progress in negotiations.

On 28 January 2022, Visit Victoria and DJPR submitted an initial version of this Business Case to the State Government. The Business Case provided an assessment of the costs and benefits of the Games to Victoria. This enabled the Government to determine whether they should proceed with securing the Games. Following the Business Case submission and Expenditure Review Committee (ERC) approval, a pre-emptive offer which included a MOU and draft HOA was submitted to the CGF.

In preparation for the final Host Contract between Victoria and CGF, there is now significant and ongoing negotiation between the State of Victoria and CGF on the terms, responsibilities and rights of Victoria in hosting the Games. These negotiations will continue until 14 April 2022 when the Host Contract is executed. Material matters will be settled before submission of the Proposal

If the State decides that it does not in fact want to host the 2026 Games, it can withdraw prior to the provision of the Proposal to the CGF on the 15 March 2022.

Below is a summary of the key milestones and decision points to secure the 2026 Games in regional Victoria.

The proposed timeframe and milestones are presented below.²⁶

Table 11: timeframe and milestones

Task	Due Date
CGA Board Decision to Endorse Victoria's Proposal	10 March 2022
Proposal Submitted to CGF	15 March 2022
LOC and OCG Establishment	March 2022
Athlete Village and Major Venue Project Establishment	March 2022
CGF Board Decision on Host City	31 March 2022
Host Contract Executed	14 April 2022
Victoria Announced as Host of 2026 CG	14 April 2022

²⁶ A delay in executing the HOA may impact the timeframes of the proceeding activities. This is not assumed to impact the delivery model.

Inclusion / Exclusion of Track Cycling and Rowing Confirmed	July 2022
Updated Business Case #1	October 2022
Final Sport Program Confirmed	December 2022
Updated Business Case #2	Early-2023
Athlete Village and Major Venue Construction Commences	Late-2023 / Early 2024
Athlete Village and Major Venue Construction Completion	October 2025
Athlete Village and Competition Venue Overlay Bump-In	October 2025 – February 2026
Test Events and Commissioning	October 2025 – February 2026
2026 CG Hosted in Regional Victoria	March 2026
Post-2026 CG Modification Works	April 2026 – October 2027

3. Recommended solution

3.1 Base Case

Under the Base Case, it is assumed that regional Victoria does not proceed with the offer to host the 2026 Games. Under the Base Case the following would still occur:

- Existing committed regional sports
- Government's Big Build – social housing investment

3.2 Recommended Solution

Given CGF's urgent need to confirm the host of the 2026 Games and its willingness to be flexible with future delivery models, there is an opportunity for the Victorian Government to create an event that delivers a unique set of benefits that align with its broader policy priorities.

The proposed delivery model (or 'recommended solution') was developed in consultation with key members of DJPR, Visit Victoria and major sport event specialists.

The main components of the model are outlined in the proceeding sections:

1. Strategic vision for the Games
2. Sport program
3. Regional investment profiles
4. Capital infrastructure
5. Temporary overlay works
6. Operating costs and revenues
7. Additional legacy program investment.

The delivery model is not final and is subject to approval by the CGF, venue operators, local councils and the International Federations for each sport.

3.3 Strategic Vision for the Games

“A world-class Commonwealth Games delivered in regional Victoria that leaves a valuable legacy for our State” – 2026 Games Strategic Vision

A Games Strategic Vision drives the goals and guiding principles of a Games delivery. If executed successfully, the Vision will maximise the potential for the regional Victoria to generate lasting social and economic returns.

Figure 3: Commonwealth Games Vision Statements



Birmingham 2022 Vision – “Games for Everyone”

Birmingham is one of the most culturally diverse areas of the UK, home to 187 nationalities and over 100 languages are spoken.

Birmingham’s vision for the Games celebrates this diversity, through creating a “Games for everyone”. Examples of this diversity include:

Birmingham 2022 will be the first ever major multi-sport event in history to have more women’s medal events than men’s

There will also be the largest Para sports programme in the Commonwealth Games, with eight sports being held.



The Victorian Government’s Vision for a regional Victoria Games in 2026, is **“a world-class Commonwealth Games delivered in regional Victoria that leaves a valuable legacy for our State”**. This is proposed to be driven through the following Goals:

Delivering a ‘world-class games’ – Providing an exceptional experience for athletes, visitors, viewers and volunteers through the inspirational and connecting power of sport

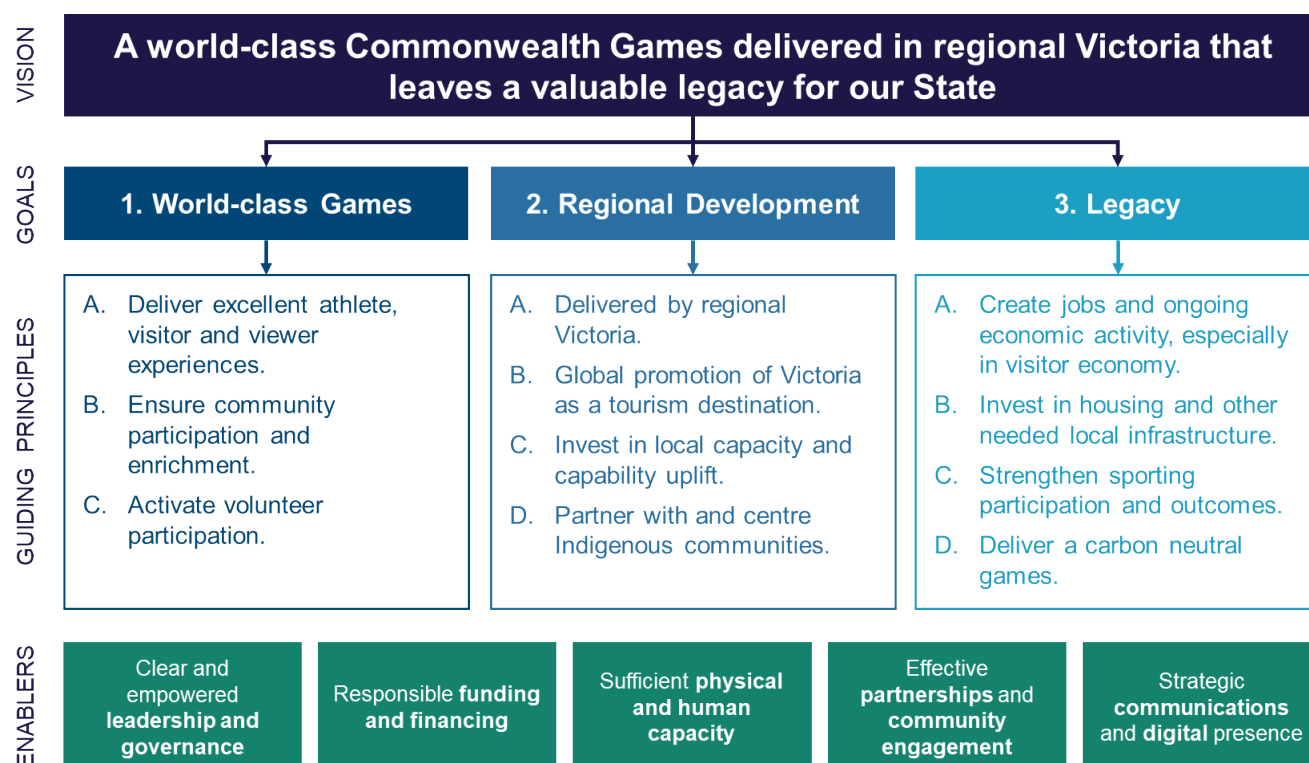
Driving regional development – The Games will be owned and delivered by regional Victoria, building local capacity and showcasing our regions to the world

Creating a valuable legacy - The Games will enrich Victorians through lasting and financially responsible investments in local infrastructure, sport, tourism, sustainability and social opportunity across our communities.

The Framework for delivering the Vision and Goals was developed by DJPR, considering the following factors:

- The current and future needs of Victorians and the regions
- The legacy outcomes and achievements from historic Commonwealth Games
- The key requirements of the CGF
- The Framework for delivering the Vision and Goals is outlined in Figure 4 below.

Figure 4: Strategic Vision - Regional Victoria 2026



3.3.1 Goal 1: Delivering a ‘world-class games’

The first goal is to deliver a ‘world-class games’ to Victoria, ensuring that Victoria maximises on the opportunity that a Commonwealth Games can bring to a nation.

Table 12: Goal 1

Goal 1	Guiding Principles	What this means in practice
World-class Games	<p>A. Athlete, visitor and viewer experience</p> <p>The Victorian Games will offer an unparalleled experience for athletes, visitors and viewers, enhanced through regional delivery.</p>	<ul style="list-style-type: none"> • The planning for the Games will focus on user experience – from athlete and visitor journeys through to viewer enjoyment. Decisions will be made in the context of global and historic benchmarks for Games and similar scale events to ensure experiences meet or exceed expectations • Delivering exceptional athlete and visitor experiences will improve the brand of Victoria as a major sporting region and set the path to attract future major events to Victoria • Delivering exceptional broadcast / viewer experiences will promote Regional Victoria as a tourist destination globally, driving future economic growth
	<p>B. Community participation & enrichment</p> <p>Victorian communities, especially those in regional areas, will be able to benefit from participation in the Games and complementary programming.</p>	<ul style="list-style-type: none"> • Widespread community benefit will be ensured through carefully designed programming of arts, cultural and sporting events, promoting more of what Regional Victoria has to offer and allowing more Victorians to participate in the community • This will enhance the social and emotional well-being of Victorians through increased cultural understanding, collaborative participation and shared experiences • Sport participation programs will promote and support safe, welcoming and inclusive grass roots to high performance sport development • Delivering sport participation programs in line with the sporting events maximizes the number of residents to take up sport and recreational activities. Building healthier and stronger communities
	<p>C. Volunteer participation</p> <p>Celebrating the spirit of Victorian volunteerism, opportunities for volunteers to participate in delivering the games will be maximised.</p>	<ul style="list-style-type: none"> • Volunteer participation will be maximised to minimise costs and allow for meaningful contribution from Victorians of all walks of life • The Games is estimated to result in over 7,600 volunteer opportunities • Volunteering will focus on recruiting underrepresented groups to provide a steppingstone to the workforce (e.g. youth, Indigenous and immigrants) • Providing volunteer opportunities help further build cohesion in the community, brings local residents together towards a common goal, and is linked with increased mental and physical health.

3.3.2 Goal 2: Regional development

The second goal is to ensure that the Games provide growth to regional Victoria that can be sustained into the future.

Table 13: Goal 2

Goal 2	Guiding Principles	What this means in practice
Regional development	A. Regional delivery This will be a genuinely regional Commonwealth Games –held and delivered to the fullest extent possible by Victoria’s regional communities.	<ul style="list-style-type: none"> The Games will be held across regional Victoria and will contribute to the region’s growth and resilience through driving tourism, growing employment and improving the liveability of the regions The Games will grow tourism (attract an estimated 330,000 visitors to Regional Victoria during the games), attract trade / investment and increase employment in regional Victoria
	B. Showcase regional Victoria The Games will be used to further build the brand and reputation of Victoria – particularly the global promotion of Regional Victorian tourism.	<ul style="list-style-type: none"> Marketing activities will be developed in line with Victoria’s brand and marketing strategies and directions, and together with local organisations, showcasing key assets and places to the world The 2026 Games will showcase regional Victoria globally on TV and through digital streams, which represents “free branding” for the State that could attract future tourism and investment It is estimated that an additional 1 million visitors will visit regional Victoria from 2022 to 2030 as a result of the Games
	C. Local capacity and capability Uplift Regional capacity in major events, tourism, arts, culture and sports will be enhanced through the investment in and experience of Games delivery.	<ul style="list-style-type: none"> The planning and delivery of the Games is proposed to be predominantly led by a Victorian workforce with local resources trained in event delivery to grow the skills in regional Victoria This will ensure the event responds to regional needs and retains the capability to host sport, entertainment and cultural events into the future
	D. Indigenous partnership and leadership The history and vibrancy of Victorian indigenous communities will be showcased through the Games, leading to tangible benefits.	<ul style="list-style-type: none"> The history and vibrancy of Victorian indigenous communities will be showcased through the Games, leading to tangible benefits for those communities The Games provide an opportunity to present and integrate local Indigenous cultures, arts, tourism initiatives and engage residents and locals in productive conversations around reconciliation Opportunities for Indigenous connection and engagement, such as a Commonwealth First Peoples summit, will be programmed alongside the Games Key leadership and staff roles will be filled by Indigenous Victorians to ensure representation throughout the Games, including the procurement and partnerships with Indigenous groups

3.3.3 Goal 3: Create a valuable legacy

“Merely hosting the games is not enough to develop a sustained legacy. Legacy must be leveraged and ... be part of an integrated legacy strategy”²⁷

The third goal is to ‘create a valuable legacy’, to ensure the Games provides lasting benefits to Victorians. Legacy is all planning and unplanned, tangible and intangible structures created for and by a sport event that remain longer than the event itself.²⁸

This goal will form part of a detailed legacy strategy which will be developed once regional Victoria secures the rights to host the 2026 Games.

²⁷ Department of Health London, A systematic review of the evidence base for developing a physical activity and health legacy from the London 2012 Olympic and Paralympic games, 2009

The guiding principles of the goal were developed around three interconnecting themes:

- Aboriginal reconciliation – The Games will recognise, respect and celebrate Aboriginal and Torres Strait Islander communities
- Gender equity – The Games continue to advance gender equity in sport
- Para and disability – The Games will provide a fully inclusive event for all athletes, spectators, volunteers and officials.

Table 14: Goal 3

Goal 3	Guiding Principles	What this means in practice
To create a valuable legacy	A. Jobs and Economic Activity Planning for the Games will aim to create new jobs and stimulate economic activity across Victoria in tourism, events, sports and beyond. These will cause lasting economic benefits beyond the immediate Games timeframes.	<ul style="list-style-type: none"> The Games will result in sustained economic benefit to Victoria, driving ongoing tourism, trade / investment and employment The Games is estimated to result in an additional \$3.07 billion in Total Output to Victoria's economy and \$2.07 billion in additional Total Output to Regional Victoria's economy (from 2022-23 to 2029-30), from increased tourism (during and after the games), increased spending from event operations and increased spending on capital infrastructure In addition, the Games provides an opportunity to further trade and investment opportunities. This will be achieved through engaging visiting guests and showcasing programs that promote Victoria as a place to live, work and invest The Games will support 3,879 annual jobs (FTEs) in Victoria during the Games (2026), 560 annual FTEs before the Games (2022-25) and 3,064 annual FTEs after the Games (2027-30). Employment programs targeted at low-participation cohorts (such as Jobs Victoria's) will be leveraged to support workforce supply Skills development will occur alongside Games planning to ensure that jobs created result in ongoing employment – particularly for regional areas Leadership and staff roles will be filled by indigenous Victorians and other socially disadvantaged groups to ensure representation throughout the Games, this includes procurement and partnerships with indigenous groups
	B. High-demand infrastructure Public funding and resources used to host the 2026 Games will be demonstrably necessary and deliver a net positive return on investment.	<ul style="list-style-type: none"> Four Athlete Villages in Ballarat, Bendigo, Geelong and Gippsland will be constructed to service over approximately 7,400 athletes and team officials. Approximately 20 to 30 per cent of the accommodation will be provided to the affordable and / or social housing stock post the Games to service the high demand for rental properties in regional Victoria The increased social and affordable housing will support disadvantaged Victorians who struggle to find a home. This includes the indigenous population, people with a disability as well as females (with the number of Victorian women over 55 experiencing homelessness increasing by 31 per cent from 2011 to 2020)²⁹ Venue and training facilities across Victoria will be upgraded to make them 'games ready' with either temporary overlay or permanent upgrades. This includes requirements to make facilities accessible to all spectators and athletes, including those with a disability Existing funding and financing will be leveraged wherever possible, such as existing housing or tourism funds. Funding and financing will also be sourced from private sector and Commonwealth governments, to best leverage state resources.

²⁹ YWMCA, available at: <https://www.ywca.org.au/news/media-release-new-figures-reveal-victorian-women-face-growing-risk-of-homelessness/>, accessed: 18.01.2022

C. Sporting participation and achievement

Sport in Victoria – both community sport and our professional sporting sector – will be measurably strengthened as a result of hosting the Games.

- The Games will act as a vehicle to increase participation in sport across Victoria, as evidenced through previous Commonwealth Games outcomes.
- Sport participation programs will be delivered alongside the Games to ensure maximum community engagement. This includes programs targeted at groups with relatively lower levels of physical activity than the general population (including females, indigenous and those living in socially disadvantaged communities)
- The Games will host 10 Para events, making it the largest integrated Para Games sport programme in history (following Birmingham's inclusion of eight Para events in the 2022 Games). This will celebrate Para athletes achievement globally
- Planning and delivery for the Games will be done with community sporting clubs and associations, and local governments, to build capability and ensure benefits are maximised

D. Carbon Neutral Games

Hosting the 2026 Games will be environmentally sustainable and carbon neutral.

- Spending to host the Commonwealth Games can improve environmental conditions in the host city (and more widely) across multiple dimensions, notable air quality, land, waste, water quality and use, noise and light, biodiversity and climate change
- In some cases, the short term impacts before or during the Games may be negative (e.g. as a result of construction), but offset by longer term improvements in the legacy period
- The Games will contribute to the State's objective to reduce greenhouse gas emissions by 45-50 per cent by 2030, through delivering carbon neutral games
- This will be achieved through renewable energy solutions, zero emission transport options and the promotion of initiatives that reduce emissions.

3.3.4 Sport Program

Visit Victoria have developed a sport program which satisfies the requirements of the CGF while maximising the benefits to the Victoria. The proposed program will take place over 11 days and consist of:

- **23 sports and 30 disciplines/events³⁰** - Including 3 new events to the Commonwealth Games (Netball Fast5, Wheelchair Tennis and Golf)
- **10 Para events** - Making the 2026 Games the largest integrated Para sport programme in history following Birmingham's inclusion of 8 Para events in the 2022 Game
- **29 female events, 28 male events and 8 mixed gender team events** – Delivering a fully inclusive Games
- **4,635 athletes including 2,596 male athletes and 2,039 female athletes** – Hosting the second highest number of athletes in Game's history (following Glasgow 2014)
- **An Opening Ceremony at the MCG** - Acting as the iconic gateway to the regions hosting the Games



³⁰ Note that most 'sports' have a number of disciplines. Each discipline is counted as a separate event. For example, shooting is one sport with four events i.e. Full Bore, Small Bore, Pistol and Clay Target.

- **A Closing Ceremony at the GHMBA (Geelong)** - To celebrate Regional Victoria's offerings to the Games
- **A Queen's Baton Relay** – To conclude the closing journey of the Queen's Baton Relay. The Relay will drive celebration, connection and excitement in communities from across the Commonwealth during the build up to the Games.

The program of 23 sports includes three optional sports, i.e. Basketball 3x3 (including Para), Mountain Biking and BMX Freestyle. The rationale for including these sports in the sports program is outlined in the table below. These sports are yet to be confirmed with the CGF.

There have also been indications from the CGF that one of the optional sports will need to include Track Cycling. As such, for the purposes of conservatism we have included the potential capital cost for the development of a regional velodrome in our worst case scenario.

Table 15: Optional sports for inclusion

Sport	Benefits / Rationale
Basketball 3x3 (including Para)	<ul style="list-style-type: none"> • Basketball 3x3 is the world's number one urban team sport³¹ • Basketball 3x3 provides an opportunity to expand the audience base for Basketball. The game involves three players a side, a shorter format, a smaller ball and non-stop music.
Mountain biking	<ul style="list-style-type: none"> • Mountain biking is one of the fastest growing recreational sports globally with membership in Australia increasing by 60 per cent from 2014 to 2019³² • Mountain biking events attract large audiences as seen with the 2018 UCI Mountain Bike World Championships broadcast which had a cumulative audience of 46 million and hours viewed of 6.5 million³³
BMX Freestyle	<ul style="list-style-type: none"> • The success of BMX Freestyle at the 2020 Tokyo Olympics has seen huge growth in its popularity with BMX membership and participation at record levels³⁴ • Commonwealth athletes have been very successful in the sport with Australia winning gold at the Olympics in the men's event, and Great Britain winning gold in the women's event and bronze in the men's event

As noted, Netball Fast5, Golf (men's, women's and teams) and Para Tennis will be played for the first time at the Games. Rowing will also be held for the first time since the 1986 Games. The rationale for including these sports in the program is outlined in the table below.

³¹ IOC, available at: <https://olympics.com/en/sports/3x3-basketball/>, accessed: 18.01.2022

³² GHD Advisory, Mountain Biking in Australia, available at: <https://assets.auscycling.org.au/s3fs-public/2021-03/mountain-biking-in-australia-final-report-march-2021.pdf?sOhdYZLJUG1eZnmPE8yYmFQbbuOqrfm4=>, accessed: 18.01.2022

³³ UCI, available at: <https://www.uci.org/article/record-television-audience-for-2018-uci-mountain-bike-world-championships-presented-by-mercedes-benz/5wLEfYadlLeGc5MulKAPlo>, accessed: 18.01.2022

³⁴ Sky News, available at: <https://news.sky.com/story/the-buzz-for-bmx-and-how-a-golden-olympics-has-seen-participation-soar-across-the-uk-12502009>, accessed: 18.01.2022

Table 16: Additional sports

Sport	Benefits / Rationale
Golf	<ul style="list-style-type: none"> Golf is an increasingly popular spectator / television sport across the globe. There are many leading players of golf in the Commonwealth, including England, Scotland (home of golf), Northern Ireland, South Africa, Australia, Canada, New Zealand, India, Fiji and Malaysia Golf is becoming an increasingly popular female sport and the Games provides an opportunity to showcase female golf talent It also provides an opportunity to showcase mixed teams (1 female and 1 male member per team)
Rowing	<ul style="list-style-type: none"> Since the last showcase of rowing in the Games in 1986, the universality of rowing has increased markedly across Asia, Africa, South America and Oceania Rowing talent continues to be strong in the established Commonwealth Rowing nations New Zealand (No 1) Australia (No 2), Canada (No 5), Great Britain (No 7)
Netball Fast5	<ul style="list-style-type: none"> The finals of Netball are one of the core events at the Games and very popular on TV and attendances Fast5 provides an opportunity to grow the audience base of Netball. The game includes five players a side, shorter quarters, power plays and super shots Netball New Zealand will host the FAST5 Netball World Series from 2022 until 2024 which will help grow the audience base for the game prior to the 2026 Games.
Wheelchair Tennis	<ul style="list-style-type: none"> Over the last decade, the global popularity of Wheelchair Tennis has grown from having 50 players per a week in 2011, to it now having a professional tour comprising of over 160 tournaments across 40 different countries³⁵ There is strong representation from Commonwealth nations, including Great Britain, South Africa, and Australia at the elite level of open and quad Wheelchair tennis events Australia is one of the leading destinations for Wheelchair Tennis tournaments with it hosting the second largest competition in the world based on prize money, the Melbourne Wheelchair Open

The final sport program list will be subject to consultation and agreement with the CGF and the International Federations for each sport. However, feedback from the CGF indicates broad support for the proposed Sports Program.

The proposed sport program is outlined in Table 17 below.

³⁵ Wimbledon, available at: https://www.wimbledon.com/en_GB/news/articles/2015-07-12/10_things_you_may_not_know_about_wheelchair_tennis.html, accessed: 17.01.2022

Table 17: Proposed sport program

Event #	Sport	Discipline	Location	No. of Medal Events	Assumed # Athletes	Assumed Male*	Assumed Female*	Para Male event	Para Female event	# Comp Days
1	Ceremonies	Opening	Melbourne							1
2	Aquatics	Swimming & Para Swimming	Geelong	54	367	157	123	Y	Y	6
3	Aquatics	Diving	Geelong	12	70	36	34			5
4	Athletics	Athletics & Para Athletics	Ballarat	59	956	513	367	Y	Y	6
5	Athletics	Marathon & Walks & Para	Ballarat							2
6	Badminton		Latrobe Valley	6	153	79	74			11
7	Basketball 3x3	3x3 & Para 3&3**	Bendigo	4	112	32	32	Y	Y	5
8	Boxing		Ballarat	16	230	173	57			9
9	Cricket	T20	Bendigo, Geelong, Gippsland, Ballarat	2	240	120	120			9
10	Cycling	Mountain Bike**	Ballarat	2	50	29	21			1
11	Cycling	BMX Freestyle**	Ballarat	2	10	5	5			2
12	Cycling	Road (tour)	Bendigo / State-wide	10	160	113	47			5
13	Golf	Single gender and mixed teams	Geelong	3	67	37	30			4
14	Gymnastics	Artistic	Geelong	14	100	53	47			5
15	Hockey		Geelong	2	360	180	180			11
16	Lawn Bowls	Lawn Bowls & Para Lawn Bowls	Bendigo	11	252	121	107	Y	Y	9
17	Netball	Traditional	Bendigo	1	96		96			5
18	Netball	Fast5	Bendigo	1	120		120			3
19	Rowing	Rowing & Para Rowing	Shepparton (Lake Nagambie)	9	90	35	26	Y	Y	3

20	Rugby Sevens		Latrobe Valley	2	288	192	96			3
21	Shooting	Full Bore	Bendigo	2	33	33				5
22	Shooting	Clay Target	Geelong	12	249	163	86			5
23	Shooting	Pistol	Little River	18						6
24	Shooting	Small Bore	Little River	8						6
25	Squash		Bendigo	5	106	66	40			11
26	Table Tennis	Table Tennis and Para Table Tennis	Geelong	11	160	88	56	Y	Y	11
27	Tennis	Team Tennis & Para Team Tennis	Bendigo	3	32	8	8	Y	Y	7
28	Track Cycling	<i>Further analysis required on the ability to include Track Cycling</i>								
29	Triathlon	Triathlon & Para Triathlon	Geelong	5	82	42	28	Y	Y	2
30	Volleyball	Beach volleyball	Geelong	2	50	26	24			9
31	Weightlifting		Geelong	16	183	112	71			5
32	Powerlifting	Para	Geelong	4	32	21	11	Y	Y	1
33	Ceremonies	Closing	Geelong							1
Total (core sports)				288	4476	2529	2021	9	9	
Total (core plus optional sports)				296	4648	2619	2103	10	10	

*Para numbers included in the Assumed athlete numbers

** Optional sports for inclusion

3.3.5 Regional investment profiles

Business Case Revisions

The following revisions have been made to the regional investment profiles:

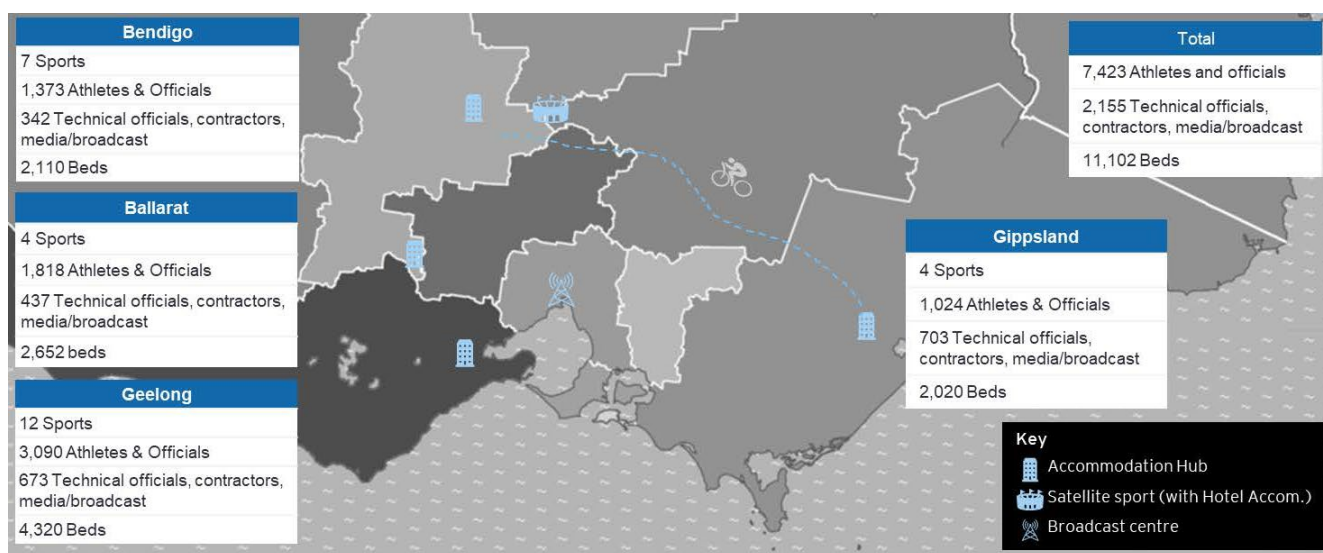
- The athlete and officials bed numbers have been revised
- Technical officials, media and contractor bed numbers have been included
- Golf has been relocated from the Mornington Peninsula to Geelong.

The Games will be held and delivered to the fullest extent possible by Victoria's regional communities. Geelong, Bendigo, Ballarat, Gippsland will host the majority of competition events as well as the accommodation for the athletes and officials during the Games. Additional events and activity will be dispersed throughout regional Victoria to ensure the entire region participates in and is showcased during the Games. This includes:

- **Regional targeted marketing activities** – Marketing will align with regional tourism strategies, directions and local organisations, showcasing key assets and places in regional Victoria to the world
- **Local resources** – Resources in regional Victoria will be trained to deliver the event. This will ensure that skills in major event delivery are retained in regional Victoria, growing the capability to host major events in the future.
- **Road Cycling Tour** – A 5 day road cycling tour will provide an opportunity for spectators to view areas of regional Victoria not showcased in other events
- **Satellite regions** – Rowing will take place near Shepparton on Lake Nagambie given the quality of facilities available
- **Supporting events** – Additional supporting events will be held throughout regional Victoria in the lead up to and during the Game
- **Cultural and business program** – regional Victoria will be showcased through an extensive cultural and business program during the Games to highlight the offerings of the entire region.

The figure below provides a summary of the number of sports to be held in each region as well as the number of athletes, officials, technical officials, broadcast, media, contractors and beds.

Figure 5: Distribution of sports



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Table 18: Regional distribution of sports, athletes and athlete accommodation

Region	Sports	Number of athletes and officials'	Number of technical officials, broadcast, media and contractors	Total number of beds to be provided
Ballarat	<ul style="list-style-type: none"> • Athletics • Boxing • Cricket • Cycling - Mountain Bike (optional sport) • BMX Freestyle (optional sport) 	1,818	437	2,652
Bendigo	<ul style="list-style-type: none"> • Lawn Bowls • Netball • Fast 5 • Shooting • Tennis • Cycling • Squash • Cricket³⁶ • Basketball 3x3 (optional sport) 	1,373	342	2,110
Gippsland	<ul style="list-style-type: none"> • Rugby Sevens • Badminton, Traralgon • Cricket T20 • Table Tennis 	1,024	703	2,020
Geelong	<ul style="list-style-type: none"> • Aquatics swimming • Aquatics diving • Golf • Shooting pistol / clay • Table tennis • Triathlon • Powerlifting • Weightlifting • Hockey • Triathlon • Table Tennis • Cricket T20 • Gymnastics • Beach Volleyball 	3,090	672	4,320
Shepparton	<ul style="list-style-type: none"> • Rowing 	119	0	0

³⁶ Cricket will be a distributed sport, with finals played in Geelong.

3.3.6 Capital investment and overlay

In order to successfully host the Games, the host city's infrastructure must meet specific CGF requirements. The CGF have requirements related to venues, accommodation and transport infrastructure. As such, the quality of a city's existing infrastructure will have a significant impact on the cost associated with hosting the Games.

3.3.6.1 Venues

Victoria's major venue network is recognised as one of the world's best. It sets the benchmark for operational standards and user needs. The network's most powerful advantage is the diversity of venue types and sizes which allows for close matching to the events that they are hosting.³⁷

Given the range of infrastructure already available, where possible existing training and competition venues will be made 'Games ready' with either temporary overlay or permanent upgrades. This will minimise the upfront and ongoing costs to the State and venue operators, respectively. These upgrades will help to improve the capacity of venues to host major events in the future.

New infrastructure will be required for gymnastics, diving and aquatics. The venues are proposed to be located at Kardinia Park, Geelong. Kardinia Park Stadium Trust (KPST) is the likely venue manager.³⁸

A summary of the overlay, permanent upgrades and new infrastructure to be included at each competition and training venue is provided in the attached Facilities Assessment Report.

Sports Architects, Populous Sports, were engaged to undertake further work on a selection of venues. The scope of work included the development of block plans for Mars Stadium, Kardinia Park Stadium, Stead Park, Bendigo Tennis Complex and Bendigo Lawn Bowls Club. In addition, high level renders were developed for Kardinia Park and Mars Stadium. This additional work has resulted in some minor updates to capital and overlay which are reflected in the updated budget numbers.

³⁷ DJPR, Home Ground Advantage, Victoria's Major Stadia Strategy.

³⁸ KPST's management will ensure that the venue management is aligned with the State's sport and event policies beyond the 2026 CG

Facility Assessment methodology

DHW Ludus were appointed by DJPR and EY to undertake a Facility Assessment on the sites and facilities for the 2026 Games.

The following high-level approach was undertaken:

- Reviewed international sport federation technical documents, with a focus on the field of play, broadcast lighting, athlete amenity
- Reviewed CGF regulations to understand spectator capacity requirements by sport and make an assessment of each venue's capacity to meet the requirement (through either temporary or existing seating)
- Desktop review of each selected venue to determine the capacity of the venue to:
 - Meet international federation requirements (field of play, broadcast, athlete experience, etc.)
 - Achieve spectator capacity (mainly via temporary overlay)
 - Provide a presentable venue for an international event
- The Facilities Assessment identified both permanent and temporary overlay opportunities (with costs associated with temporary overlay estimated by MI, and provided in a separate report prepared by MI)
- If it was identified that a facility / site could not reasonably host the relevant sport as part of the Games, then alternate sites were identified and assessed (with approval provided by the Government to commenced with the additional assessment).

The detailed methodology, information reviewed and facility by facility reporting is provided in DHW Ludus' full Facilities Assessment Report attached to this Business Case.

Table 19 below details the proposed venue for each event and whether temporary overlay, a permanent upgrade or new infrastructure is required.

Table 19: Venue investment summary

Sport	Discipline	Venue	New infrastructure	Permanent upgrade	Temporary overlay
Region: Ballarat					
Athletics	Athletics & Para Athletics	Mars Stadium		✓	✓
Athletics	Marathon & Walks	Pop-up/Temporary Venue			✓
Boxing	Boxing	Ballarat Sports and Events Centre		✓	✓
Cricket	T20	Eastern Oval		✓	✓
Cycling	Mountain Bike	Buninyong	✓		✓
Cycling	BMX Freestyle	Pop-up/Temporary Venue		✓	✓
Region: Bendigo					
Lawn Bowls	Lawn Bowls & Para Lawn Bowls	Bendigo Lawn Bowls Club		✓	✓
Netball	Traditional	Bendigo Stadium		✓	✓
Netball	Fast5	Bendigo Stadium		✓	✓
Shooting	Full Bore	Wellsford Rifle Range		✓	✓
Cricket	T20	Queen Elizabeth Oval		✓	✓
Tennis	Team Tennis & Para Team Tennis	Bendigo Tennis Complex (Fosterville Gold Tennis Centre)		✓	✓
Squash	Squash	Pop-up/Temporary Venue			✓
Basketball 3x3	Basketball 3x3	Bendigo Stadium		✓	✓
Region: Geelong					
Triathlon	Triathlon & Para Triathlon	Eastern Beach Geelong (Geelong Waterfront)			✓
Table Tennis	Table Tennis and Para Table Tennis	Geelong Arena		✓	✓
Weightlifting	Weightlifting	Geelong Convention and Exhibition Centre	*		✓
Powerlifting	Powerlifting (Para)	Geelong Convention and Exhibition Centre	*		✓
Cricket	T20	GMHBA Stadium			✓

Aquatics	Swimming & Para Swimming	Kardinia Aquatic Centre	✓	✓
Aquatics	Diving	Kardinia Aquatic Centre	✓	✓
Gymnastics	Artistic	New Indoor Sports Centre (Kardinia Park)	✓	✓
Hockey	Hockey	Stead Park	✓	✓
Shooting	Clay Target	Geelong Clay Target Club	✓	✓
Shooting	Pistol	Little River Shooting Range	✓	✓
Shooting	Small Bore	Little River Shooting Range	✓	✓
Volleyball	Beach	Pop-up/Temporary Venue (Bellarine Peninsula)		✓
Golf	Singles and Teams	TBC		✓
Ceremonies	Closing	GMHBA Stadium		✓
Region: Gippsland				
Rugby Sevens	Rugby Sevens	Latrobe City Stadium	✓	✓
Badminton	Badminton	Gippsland Regional Indoor Sports Stadium	✓	✓
Cricket	T20	Ted Summerton Reserve	✓	✓
Region: Shepparton				
Rowing	Rowing	Lake Nagambie	✓	✓
Region: Various				
Cycling	Road (tour)	Pop-up/Temporary Venue (note: specific course to be determined)		✓
Region: Melbourne				
Ceremonies	Opening	Melbourne Cricket Ground (MCG)		✓

*The proposed Geelong Convention Centre is currently being considered for construction and is not part of this capital budget

A summary of the key investments is provided below

Table 20: Permanent infrastructure and upgrades

Existing facility and expansion	Impact and legacy from Investments
Mars Stadium (Athletics)	<ul style="list-style-type: none"> There is an opportunity to improve amenity (e.g. changerooms) and undertake track surface replacement at Llanberis Athletics Reserve This will help to improve permanent amenity and may provide further opportunity for events to be held at Llanberis Athletics Reserve An additional 5,000-7,000 permeant seats may be developed at Mars Stadium to increase capacity for the Games. This will enable Mars Stadium to hold a greater number of major sporting events in future
Ballarat (BMX Freestyle)	<ul style="list-style-type: none"> While not essential as a permanent upgrade, there is an opportunity to develop permanent BMX freestyle infrastructure to be used by the community post Games
Kardinia Park (Swimming, diving and gymnastics)	<ul style="list-style-type: none"> Kardinia Aquatic Centre will undergo a redevelopment, including pools (competition, warm up and diving), development of a compliant dive tower and springboards as well as improvements to amenity such as changerooms, entry zone, etc. A new venue of up to c.9,000sqm will also be developed for the gymnastics program, with large indoor spaces that can be re-purposed post Games for community indoor sport and elite Australian Rules training This will provide a boost for community sport and elite sport in Geelong and improve the ability of Geelong to host future major events given upgraded infrastructure (especially for aquatics)
Gippsland Regional Indoor Sports Stadium (Badminton)	<ul style="list-style-type: none"> Gippsland Regional Indoor Sports Stadium could benefit from minor permanent upgrade works to improve lighting lux levels and improvements to amenity such as changerooms. This would improve the quality of the facilities and potentially bring forward for the requirement for certain future upgrades
Bendigo Stadium (Basketball 3x3)	<ul style="list-style-type: none"> There is an opportunity for community legacy with the installation of permanent 3x3 basketball courts, potentially leading to greater participation in the sport within the local community
Ballarat Sports and Events Centre (Boxing)	<ul style="list-style-type: none"> Ballarat Sports and Events Centre could have minor upgrades to facilities for community legacy including changerooms, technology enhancements, and upgraded light lux levels. This would improve the quality of the facilities and the experience for community users
Eastern Oval, Queen Elizabeth Oval and Ted Summerton Reserve (T20 Cricket)	<ul style="list-style-type: none"> Eastern Oval, Queen Elizabeth Oval and Ted Summerton Reserve are likely to require upgrades to improve amenity for spectators, officials, and Games operations Improvements to permanent amenity could include upgrades to changerooms and club rooms, while there may be an opportunity to install permanent lighting as a legacy to improve the present standard Further permanent upgrades at Queen Elizabeth Oval are likely to include the development of turf nets, which will improve the overall on-site training amenity
Moonah Links (Golf)	<ul style="list-style-type: none"> There is a low expectation of major capital works, assuming the clubhouse remains in good condition
Stead Park (Hockey)	<ul style="list-style-type: none"> Stead Park would undergo a site reconfiguration, including the installation of two new compliant pitches (and a further compliant pitch elsewhere for training), some permanent lighting, and a rebuild / relocation of the changerooms and clubhouse This will improve the ability of Stead Park to host future events and with improved lighting and changing facilities, could increase the capacity of the facility
Bendigo Bowls Club (Lawn Bowls)	<ul style="list-style-type: none"> Bendigo Bowls Club is likely to require upgrade works to all bowling greens, lighting lux level upgrades and improvements to amenity such as the clubhouse, changerooms, etc. Upgrades could also be considered for surrounding club facilities for croquet and tennis (given potential imposition on those facilities) This will improve the quality of the facility and potentially bring forward for the requirement for certain future upgrades
Buninyong (Mountain Bike)	<ul style="list-style-type: none"> There is likely to be a requirement to develop a competition course as well as amenity such as power and water This will lead to the development of a compliant competition course that could be utilised for future events

Bendigo Stadium (Netball)	<ul style="list-style-type: none"> Bendigo Netball Stadium is likely to require works to recondition courts (including potentially outside of Bendigo Stadium if additional courts are required), and could have upgrades to light lux levels and improvements to amenity such as changerooms This would improve the ability of Bendigo Netball Stadium to host future events
Lake Nagambie (Rowing)	<ul style="list-style-type: none"> Lake Nagambie could require significant works to the field of play, including dredging of the course. It could also require upgrades to the finish tower, vehicle access along course bank (where possible) and improvements to amenity such as changerooms and boat house This would improve the ability of Lake Nagambie to host future events
Latrobe City Stadium (Rugby 7's)	<ul style="list-style-type: none"> Latrobe City Stadium could benefit from a refurbishment of the grandstands (including changerooms and clubrooms), minimal upgrades to lighting, and any necessary resurfacing of pitches (including training pitches) This would improve the ability of Latrobe City Stadium to host future events and enhance the facilities for community sport
Geelong Clay Target Club, Wellsford Rifle Range, Little River Shooting Range (Shooting)	<ul style="list-style-type: none"> Upgrade and redevelopment works are likely to be required across all shooting ranges including new pistol range (indoor) and small-bore ranges (including finals ranges), compliant skeet and trap ranges, target system upgrades and improvement of amenity such as club rooms and changerooms This will improve the ability of the nominated shooting ranges to host future events and enhance the facilities for community sport
Geelong Arena (Table Tennis)	<ul style="list-style-type: none"> Geelong Arena is likely to require a refurbishment of the venue and improvement of amenity such as changerooms, lighting lux levels and technology, etc. This will improve the ability of Geelong Arena to host future events and enhance the facilities for community sport
Fosterville Gold Tennis Centre (Tennis)	<ul style="list-style-type: none"> The Tennis Centre could have minor refurbishment of the existing facilities on-site. This includes installation of compliant courts across the precinct (including any necessary resurfacing) along with improvements to lighting.

Overlay infrastructure only will be required at the following sites:

Table 21: Overlay infrastructure sites

Existing facility	Temporary overlay infrastructure required
Mars Stadium (Athletics)	<ul style="list-style-type: none"> Temporary overlay required in addition to permanent infrastructure. While the overlay is temporary, there is an opportunity to improve amenities such as changerooms, replace the track surface replacement at Llanberris Athletics Reserve and relocate the temporary track installations to other parts of Victoria.
MCG	<ul style="list-style-type: none"> Temporary overlay infrastructure for the opening ceremony
GMHBA Stadium	<ul style="list-style-type: none"> Temporary overlay infrastructure for the closing ceremony
Cycling race	<ul style="list-style-type: none"> No permanent infrastructure proposed – to be delivered using temporary overlay
Ballarat (Marathon)	<ul style="list-style-type: none"> No permanent infrastructure proposed – to be delivered using temporary overlay
Bendigo Pop-up (Squash)	<ul style="list-style-type: none"> No permanent infrastructure proposed – to be delivered using temporary overlay
Eastern Beach Geelong (Triathlon)	<ul style="list-style-type: none"> No permanent infrastructure proposed – to be delivered using temporary overlay
Bellarine Peninsula (Beach Volleyball)	<ul style="list-style-type: none"> No permanent infrastructure proposed – to be delivered using temporary overlay
Geelong Convention and Exhibition Centre (Weightlifting)	<ul style="list-style-type: none"> New building and no permanent infrastructure proposed for the Games (with necessary temporary overlay)

3.3.6.2 Accommodation

Athlete and officials

Providing social and affordable housing can lead to the following benefits to Victorians:³⁹

- **Reduced inequality** – Increasing the social and affordable housing stock in Victoria helps reduce inequality in Victorian communities
- **Economic security** - High housing costs can reduce the ability of families to budget for health care and other critical expenses. Providing affordable housing increases the amount that families can put toward other important household needs and savings for the future
- **Improved health and wellbeing** – Providing affordable and good quality homes in regional centres can improve the health and wellbeing of vulnerable Victorians by providing them access to services, health care, transport services and social and economic support
- **Improved education** - Housing instability can impact a children's performance and success in school and contributes to long-lasting achievement gaps. Quality affordable housing helps create a stable environment for children, contributing to improved educational outcomes.

The construction of athlete and officials' accommodation will be a key legacy outcome of the 2026 Games. Following the Games, approximately 20 to 30 per cent of the accommodation will be converted into social and affordable housing stock, to accommodate the high housing demand in regional Victoria.

Based on advice from DJPR we understand that there is a need for general housing in a number of the regions hosting the Games. In addition, there is a high demand for social and public housing in Bendigo, Ballarat and Geelong. The athlete and officials' accommodation can alleviate part of the shortfall in social and affordable housing in the regions.

In addition, the work being done by the Department indicates that access to land for these villages will not be an issue as there is adequate supply of residential zoned land for these developments.

The accommodation will require minimum repurposing as the athlete requirements largely match the preferred social and affordable housing dwelling types. This includes one and two bedroom dwellings which are typically in short supply in the private market in the regions.

While there will be a significant level of work that will need to be undertaken to determine the ultimate location, mix, design and funding structure arrangements of the athlete villages, the approach for the purposes of this business case has been to assume similar funding arrangements to Melbourne and Gold Coast Commonwealth Games. That is, a net payment by Government to achieve agreed social and affordable housing legacy outcomes, with the remainder of the cost of development absorbed by the private sector through the sale of the remaining housing stock to the open market.

Media and spectators

Media, spectators and other attendees will be accommodated in existing accommodation available throughout Victoria. No new accommodation will be built to provide for this short-term demand.

3.3.6.3 Transport overlay

Note: This section has been modified following the previous Business Case submission on the 28 January 2022.

The LOC will draw on its extensive experience in delivering major events to develop a fully accessible and sustainable transport solution for the Games. This will incorporate existing and planned road and rail networks across Victoria. No additional transport overlay will be required for the Games.

The key objectives of the transport solution are as follows:

- **Integrated approach** - An integrated approach to games planning and communications around transportation will be implemented. This will ensure the efficient movement of spectators and minimal disruptions to major networks
- **Public transport** - High priority will be placed on the efficient use of public transport including the use of existing road and rail networks, prioritising public transport on roads and promoting cycling and walking

³⁹ Knowledge, impact, strategy - Impact of Affordable Housing on Families and Communities, 2014

- **Games Family offering** - A customised strategy for the movement of all Games Family constituent groups to and from hub locations will be delivered
- **Innovation** - Innovation and new transport technologies will be utilised
- **Environmental impact** – The transport solution will be delivered with minimal impact of the environment, supporting a carbon neutral Games.



A transport strategy is being developed to deliver these objectives. The strategy incorporates international best practice and CGF requirements. The key attributes of the Strategy are outlined in the table below.

Table 22: Transport strategy initiatives

Initiatives	Implementation
A multi-modal public transport offering will be provided	<ul style="list-style-type: none"> • Public transport will be the dominant means of accessing Games events for spectators, volunteers and staff. This will consist of rail and a dedicated bus network • There will be no provision for private car access to major venues within the key Games hubs. This will be clearly communicated via all channels prior to and during the Games • Public Transport will be supported by an extensive network of Park and Ride facilities to service all attendees, with sites to be nominated in and around each of the regional Games hubs.
Host City and Regional City clustering	<ul style="list-style-type: none"> • All major venues and facilities are located within each of the four proposed host city footprints and some central services to be provided in Melbourne. Travel times between venues within each hub will be relatively short • A robust strategy will be planned and delivered to efficiently and safely move all constituent groups between regional hub cities as required • Dedicated teams in Melbourne and in each regional host city will work with the relevant authorities to plan operations
Customised strategies for each constituent group	<ul style="list-style-type: none"> • The Games Family will enjoy separate transport fleets dedicated to each constituent group. Their transport routes will be segregated from the public access to ensure safety and reliability • Spectators and the Games workforce will access events via an enhanced public transport network.
Utilisation of existing and planned core transport infrastructure, supplemented by dedicated Games-only transport lanes	<ul style="list-style-type: none"> • Already planned investments in priority infrastructure on all regional routes prior to 2026 will ensure appropriate capacity • Conversion of existing transit and general traffic lanes into Games lanes is proposed for some supporting corridors between Melbourne and each of the four hubs as necessary.

The Victorian Department of Transport (DoT) will be the lead agency for managing transport activities before and during the Games. DoT will be responsible for:

- Coordinating Games Family, spectator and workforce transport solutions. This includes the provision of access to all venues by public transit or dedicated Games transport (e.g. extended services and transit routes)
- Coordinating of traffic management through the Traffic Management Centre
- Planning for park and ride lots to provide Games dedicated motor coaches to venues
- Planning for Games Family Transport priority lanes on key arterial roads to ensure timely transit times. These will be determined in the detailed transport strategy

- Integrated planning with VicPol to support the implementation of dedicated Games-only transport lanes across dedicated corridors to reduce traffic related risks.

Appendix I provides further detail on the Transport Strategy and the Governance for delivery.

3.3.6.4 Operating revenues and costs

Operating revenue

The State will generate commercial revenues through ticketing, local broadcasting, sponsorship, licensing and merchandising. The CGF will also pay the State government a rights fee. The CGF receives revenue generated through international broadcast rights and sponsorship.

Operating costs

The State will be required to fund the full operating cost of the Games, including paying rights fees to the CGF and CGA. The main categories of operating costs include:

- **Host fee payable to the GCF** - The CGF finance its ongoing operations through the hosting fees paid by Commonwealth Games host cities. The knowledge transfer and consulting services of CGFP are paid for within the hosting fee.
- Overlay
- Games Legacy Budget
- Ceremonies and Queen's Baton Relay
- Workforce
- Marketing and communications
- Transport
- Arts and culture
- City operations
- Games operations
- Security.

The operating revenue generated by the State partly offsets the operating costs. Additional funding is required to fund the operating budget from State and federal resources.

3.3.7 Additional legacy program investment

Business Case Revisions

The following revisions have been made to the Legacy Fund:

- The legacy grants program to support sports participation in Victoria has increased by \$10 million (i.e. from \$10 million to \$20 million).

As outlined in Section 3.2, the Games will deliver a significant legacy for Victoria and regional Victoria in particular. While the upgrade works to sporting and recreational facilities as well as athlete accommodation will provide a legacy, a dedicated fund will be set up to support the ongoing legacy of the Games this includes the following:

- \$20 million legacy program to support sports participation in regional Victoria
- \$10 million for capability building in the regions and support regional Victoria to attract and host further major events post the Games
- \$10 million for trade investment program to support and increase trade with Commonwealth nations.

3.4 Interdependencies and interfaces

Business Case Revisions

The following revisions have been made to Interdependencies and interfaces:

- Inclusion of the proportion of social and affordable housing
- Inclusion of information on security requirements, healthcare services, anti-doping services, ICT and energy provision.

As outlined in Section 3.2, the Games will deliver a significant legacy for Victoria and regional Victoria. Given the size and scale of the 2026 Games, the event's delivery depends on the successful coordination and cooperation across Government departments and local councils. The key interdependencies and interfaces are outlined below.

3.4.1 Social housing

As outlined in Section 3.3.6, approximately 20 to 30 per cent of the athlete, officials and technical officials' accommodation will be converted into social and affordable housing stock following the Games. In order to access funding, the investment will seek to align with Home's Victoria's 10-Year Strategy for Social and Affordable Housing and their commitment to invest 25 per cent of the \$5 billion Big Housing Build program across regional Victoria.⁴⁰

In line with policy requirements, the accommodation must provide for an existing demand for social / affordable housing. Analysis shows a current shortage of social and affordable housing in Geelong, Ballarat, Bendigo and Gippsland. This demand is expected to continue given a growing population and an increase in vulnerable people across Victoria. Applications registered for public housing (Public Housing Waiting List – PHWL) across all segments outpaces allocations with a greater number of applicants remaining on the wait list every year.

To ensure successful provision of accommodation, the planning, procurement and delivery of the accommodation will be conducted in close consultation with Homes Victoria. Negotiations will also need to take place with commercial developers to ensure the Government retains a maximum return from the social and affordable housing stock.

3.4.2 Venue owners

The competition and training venues proposed for the Games are a mix of State-owned, council owned and privately owned facilities. Consultation has not yet been conducted with venue owners to confirm the availability of venues due to the confidential nature of the bid at this stage.

In the instance where a venue has been secured for April 2026 by another event, the State may be required to pay a fee to the venue owner to terminate their contract for the conflicting event.

Where a venue owner is unable to provide their venue for the Games, an alternative venue will be secured.

3.4.3 Local councils

The successful delivery of the Games will rely on cooperation with multiple local councils in regional Victoria hosting the Games. Local councils may need to assist in the Games delivery through:

- Providing access to facilities
- Coordinating potential road closures
- Planning for increased tourism activity
- Providing access to local resources.

Given the benefit the Games will provide to local communities, it is assumed that local councils will be willing to cooperate and work closely with the State to deliver the event.

⁴⁰ Homes Victoria, available at: <https://www.vic.gov.au/regional-investment>, accessed: 17.01.22

3.4.4 Key sporting bodies

The National Sporting Organisations (NSOs) are the primary bodies for sport in Australia (e.g. Aus Cycling, AFL, Golf Australia, Rugby Australia). Endorsement from the NSOs will be required to deliver the Games as the event may disrupt scheduled programs, for example:

- Community sport programs may be delayed due to venues being unavailable
- Venues in Victoria that traditionally host annual major sporting events may be unavailable (e.g. Kardinia Stadium for AFL games)
- Athletes may be conflicted with competition events overseas (e.g. PGA Masters Tournament).

3.4.5 Security requirements

A desktop review of numerous major sport events since the Commonwealth Games in 2006 has demonstrated there have been no large-scale security incidents at any of the sporting events hosted in the State of Victoria.

Australia has a Strategic Governance Model for national security to support global events. The Federal Government together with National and State security agencies and organisations, work together in order to maximise effort and security response. This shared security group model ensures that all intelligence, threats and details are built into planning and operations to reduce risk.

The LOC will develop and implement strict security protocols at all levels to support the Commonwealth Games in Victoria (the Games), overseen by a dedicated Head of Security working closely with the relevant levels of Government and stakeholders responsible for the delivery of safety and security for the Games.

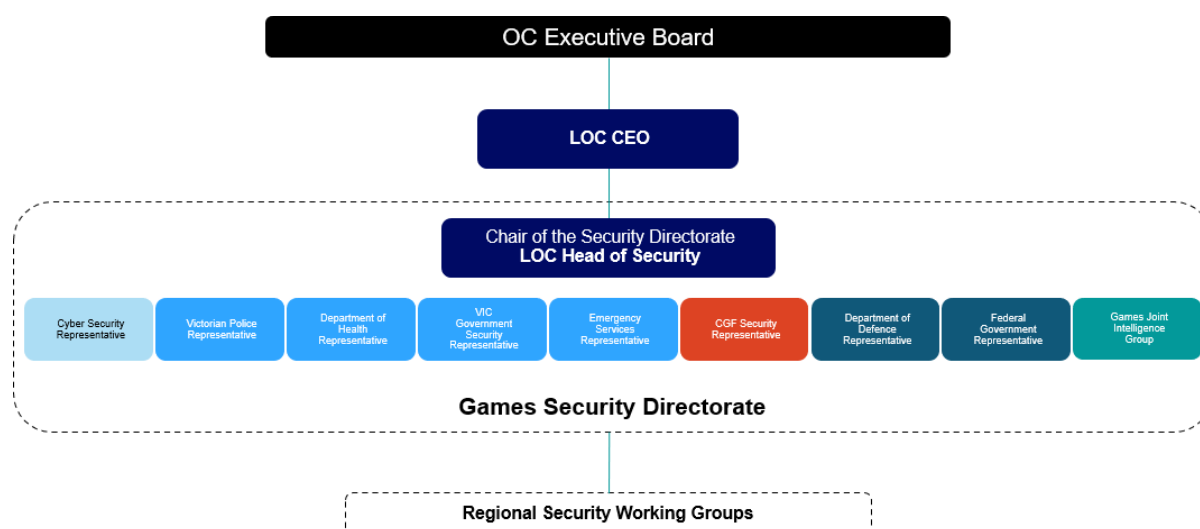
The underpinning principles that will shape event security planning include:

- Effective coordination between key security stakeholders including the CGF, Australian Government and agencies, Victorian Government agencies and security stakeholders, venues and the private security sector
- Intelligence led, risk-based approach to planning
- Policing security arrangements within existing statutory and jurisdictional responsibilities
- Security arrangements in a friendly and discreet manner.

It is proposed that the delivery of security for the Games is managed under the integrated delivery approach through the establishment of a Security Directorate (SD). The creation of the SD provides the highest level of assurance for a safe and secure environment for the Games. Under this model, the SD will undertake all Games security planning, working closely with all parties regarding requirements.

The SD will also have ultimate responsibility for the identification, recruitment, training and deployment of Games security personnel, recognising that the majority of these resources will be drawn from existing agencies with law enforcement and emergency response mandates and reputable contract security agencies.

Figure 6: Security Governance Structure



The Security Strategy for the Games will be developed to set out the vision, mission, strategic goals and objectives to enable the delivery of highly effective security operations. Appendix J provides further detail on the Security Concept and Governance.

3.4.6 Healthcare services

Healthcare services for athletes and officials will be provided in line with the medical standards required by the CGF. Games facilities and accommodation are in close proximity to public and private hospitals offering world standard care. Leading hospitals offer a full range of services and 24-hour emergency departments.

Treatment will also be provided to CGF officials and delegates within close proximity to the proposed accommodation sites. This includes immediate medical treatment at no cost and the allowance for one additional family member to also be covered.

It is assumed that the Victorian health system will have the capacity in 2026 to accommodate the healthcare needs of athletes, spectators and other visitors to Victoria for the Games. The hospital system adequately serviced the 2006 Melbourne Games.

The Australian Government has Reciprocal Health Care Agreements (RHCA) with Belgium, Finland, Ireland, Italy, Malta, Netherlands, New Zealand, Norway, Slovenia, Sweden and the United Kingdom. Citizens of these countries who meet the necessary conditions will be entitled to emergency treatment for illnesses and injuries through Australia's Medicare system and public hospitals.

In the instance of a large-scale public emergency, the Australian Government and Victorian Government will implement emergency response arrangements. Legislation provides for any large-scale emergency response to be led by the relevant state agency in accordance with clearly documented emergency and disaster management plans. These plans assign an appropriate lead agency, supported by all emergency services including police, ambulance and fire brigade and supported by other relevant specialist agencies. Appendix K provides further detail on healthcare services to be provided at the Games.

3.4.7 Anti-doping compliance

CGF's Anti-Doping Standards (CGF-ADS) sets out the anti-doping rules, regulations and specific technical procedures and policies that apply to all athletes and other persons. Australia is a signatory to the UNESCO International Convention against doping in sport and meets the requirements to implement anti-doping arrangements in accordance with the CGF-ADS.

The CGF-ADS provides information on the roles and responsibilities involved in the Doping Control Program developed by the CGF. Sport Integrity Australia (SIA) is Australia's national anti-doping

organisation and will assist in the delivery of the Doping Control Program. SIA maintains operational autonomy in compliance with the Sport Integrity Australia Act 2020¹⁰ and the World Anti-Doping Code 2015¹¹. SIA has contractual arrangements with external pathology providers who provide qualified staff to act as blood collection officers at testing venues.

The Australian Sports Drug Testing Laboratory is a World Anti-Doping Agency accredited laboratory in Sydney which has the capacity to meet the demands of the CGF. The transport system will ensure that the identity and security of samples and documentation are safely transported to the laboratory. A comprehensive plan will be developed for the event and coordinated through the expert advice of the Chief Medical Officer. A Medical and Doping sub-committee will oversee all arrangements for the event and will cooperate with a SIA, Victoria Ambulance, Victoria Health, and health and medical practitioners. Appendix K provides further detail on anti-doping service arrangements to be provided at the Games.

3.4.8 Information and Communications Technology

Information and Communications Technology (ICT) services will play a critical role in the successful execution of the Games. Service suppliers will provide a range of solutions to support voice and data network connectivity across the Games, including platforms that will support the delivery of critical applications such as the Games Results System (GRS). The GRS will capture and distribute live Games data as well as the Games Management System (GMS).

In light of the rapid evolution of technology the LOC will work with the CGF to assess the changes required from previous Games. This ongoing review will take into consideration:

- The systems and services delivered by the CGF and the established partners
- The latest infrastructure and application platforms
- The latest networking and internet technologies
- Market trends for engaging with sports fans
- The provision of information such as news, results, and statistics to the media
- Information systems in venues and public viewing areas
- Mobile services
- Other infrastructure in comparable major events.

Australia is supported by an extensive and mature ICT industry that has a wide range of telecommunications and other technology service providers with proven experience in the provision of ICT services to support major events. The LOC also has extensive experience in the delivery of ICT solutions to support the client groups and users across all Games locations.⁴¹ As part of the planning for the Games, the LOC Head of Technology will work with the appropriate ICT service providers and carriers to ensure that the existing network infrastructure is fit for purpose. Appendix L provides further detail on the ICT system planning for the Games.

3.4.9 Energy provision

The provision of resilient power is critical to the overall success of the Games. Any interruption to the power supply could have significant implications on the running of the event or the ability to send broadcast pictures around the globe.

The LOC Head of Energy will take a holistic approach to the provision of power to all Games venues to ensure that all power loads can be assessed in the context of the main supply of the venue and the need to back up and or supplement existing power supplies.

There are three types of power requirements which will be considered for each of the Games venues:

1. **General power / venue domestic power:** This is the everyday house power or mains power that is used to power elements such as the general lights, catering equipment and televisions

⁴¹ ICT system users will include transportation, security, accommodation, doping control, the CGF, IF, media, broadcasters, workforce, spectators and other key clients

2. **Broadcast Technical Power:** This is delivered utilising either dedicated twin-pack generators as a primary means or through the provision of Uninterrupted Power Supply (UPS) equipment connected to the main supply. The provision of technical power needs to be carefully considered due to the critical services it supports
3. **Event Continuation Power:** Certain critical services will need to be supported by temporary twin-pack generators and in some cases UPS devices (particularly technology equipment) to provide continual power supply in the event of a loss of mains power.

Table 23 below outlines the types of power required for each area of the Games.

Table 23: ICT power

Item	General / Venue Domestic Power	Broadcast Technical Power	Resilient Power
Media Tribunes	X		
Venue media center	X		
Commentary Positions	X	X	
Commentary Studios	X	X	
Outside Broadcast – technical		X	
Outside Broadcast – general	X		X
Technology equipment rooms			X
Technology network equipment			X
Floodlighting			X
Video Replay Screens			X
LED advertising signage	X		
Catering outlets	X		
Ceremonies power	X		X
Commercial display areas	X		

Appendix M provides further detail on the energy provision planning for the Games.

4. Costs and benefits

The Framework for assessing the costs and benefits of the 2026 Games was developed in consultation with DTF. This Framework aligns with the Commonwealth Games Value Framework, which was developed to help host cities stakeholders assess the costs and benefits of hosting a Commonwealth Games.⁴²

The Framework applied is outlined in Figure 7 below. The following sections detail the components of the Framework.

Figure 7: Costs and benefits assessed

	Benefits	Costs
Financial analysis	<ol style="list-style-type: none"> 1. Operating revenues 2. Assumed alternative funding 	<ol style="list-style-type: none"> 1. Capital expenditure 2. Operating expenditure (including overlay)
Economic impact assessment	<ol style="list-style-type: none"> 1. Increased tourism expenditure (pre and during the Games) 2. Increased tourism expenditure post games (induced tourism) 3. Increased tourism from future major event uplift 4. Induced exports 5. Induced business investment 6. Capital expenditure impact (regional Victoria assessment only) 7. Operating expenditure impact 	N/A
Cost Benefit Analysis	<ol style="list-style-type: none"> 1. Value-add from increased tourism (pre and during the Games) 2. Value-add from increased tourism post games (induced tourism) 3. Value-add from increased tourism from future major events 4. Value-add of induced exports (post Games) 5. Value-add of induced business investment 6. Social housing benefits 7. Avoided health costs and productivity costs from increased physical activity 8. Consumer surplus 9. Civic pride 10. Increased volunteerism 	<ol style="list-style-type: none"> 1. Capital expenditure (net of assumed federal funding) 2. Operating expenditure (net of operating revenue)
Qualitative assessment	<ol style="list-style-type: none"> 1. Increased elite sport success 2. Improved capacity to host major events 3. Improved diversity and inclusiveness 4. Improved sports diplomacy 	<ol style="list-style-type: none"> 1. Increased travel congestion

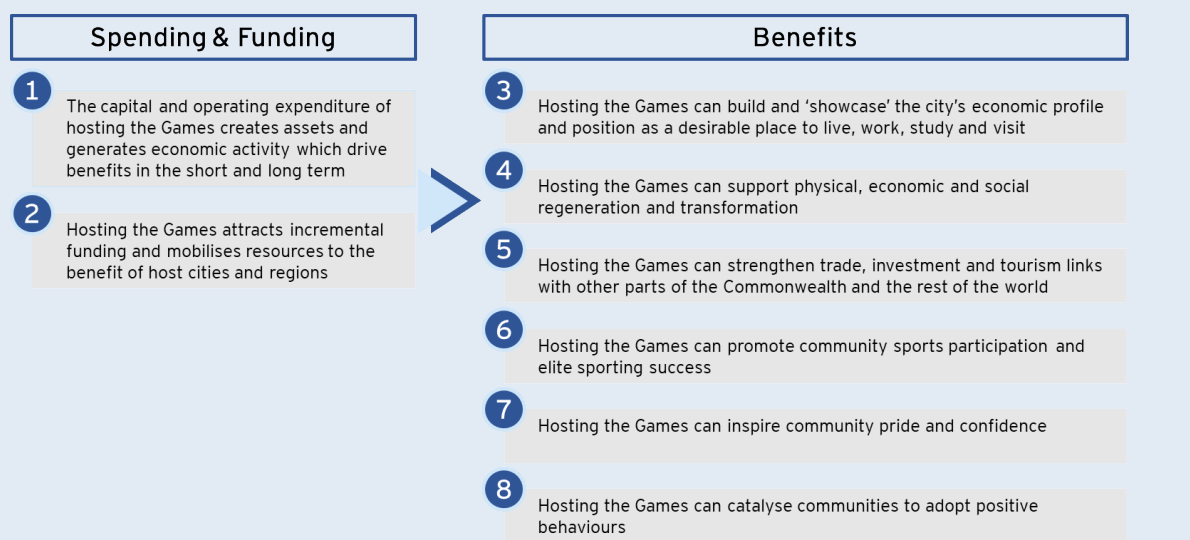
⁴² PWC and CGF, Commonwealth Games Value Framework, 2019

Games Value Framework

The overarching premise of the Games Value Framework is that hosting the Commonwealth Games can deliver a positive return on public investment and can reposition and transform a city. It is based on eight underlying statements which have been developed through engagement with key stakeholders from previous host cities. These define the structure and scale of:

- The financial costs of hosting the Games (e.g. Games-related operating expenditure and capital investments for Games venues and village) and funding
- The resultant benefits, including their type, timing and spatial distribution.

These eight statements enable a prospective host city to assess the potential costs and benefits of hosting the Games. They are used to structure, summarise and then interpret the available evidence of the costs and benefits of four of the last five editions of the Games from Manchester 2002 to Gold Coast 2018.



Limitations of this analysis

As with any type of economic and financial analyses, EY acknowledges that there are limitations to our analysis. These limitations are outlined below.

The economic impact analysis utilises an input-output model, which provides estimates of the direct and indirect economic impacts of economic activity. This method treats changes in economic activity like an economic shock and is based on the interdependencies between different sectors or industries within an economy. All types of economic models have their shortfalls, and the limitations of the input-output approach include:

- Input coefficients are assumed to be constant, when in reality these coefficients would likely change with different economic conditions
- The model does not account for the possibility of factor substitution between sectors
- The available supply of goods and services within an economy is not considered, meaning that it does not account for the potential for demand of a good or service to outweigh supply.

A cost benefit analysis (CBA) is complex because it involves converting (where possible) a project's costs and benefits into dollar terms (i.e. "monetised"). This can be difficult, as it looks to monetize both market values and non-market values (i.e. those values that are not transacted in the economy).

In an ideal world, where there are no limitations to information available, all costs and benefits would be presented in monetary terms. In reality, this is not always possible because there are significant challenges with obtaining the required information. Many of the benefits of major sporting events, such as the 2026 Games, are non-monetary in their nature, which means they are inherently difficult to quantify for the CBA.

Our CBA relies on a benefit transfer approach. This involves the application of estimates and assumptions from previous studies or research to approximate the value of an outcome being assessed. Benefit transfer approaches are used in situations where valuation using primary research is logistically difficult, too expensive, or time consuming. There are a number of limitations to the

benefits transfer approach, which should be understood when interpreting the analysis included in this Report⁴³:

- The quality of the estimates from the original study greatly affects the quality of the benefit transfer process
- Most primary research is not designed for benefit transfer purposes and results depend on the choice of research method and how questions are framed. Different statistical methods for estimating models can lead to large differences in values estimated
- Some studies may be based on valuing activities at unique sites and under unique conditions, and as such, characteristics of the study site and the “policy site” may be substantially different, leading to quite distinct values.

Next steps for this analysis

Due to the time constraints experienced in developing this analysis, there is further work that should occur to refine the analysis. The results presented in this section may change subject to further research and consultation.

Further work may include:

- The quantification of other costs and benefits (e.g. increased congestion for local residents during the Games)
- More certainty on funding from other sources, including Federal and Local Government
- Specific impacts (e.g. costs and benefits) to be achieved in certain regional areas.

4.1 Financial analysis

A financial analysis has been conducted on the estimated costs to Victoria of delivering the Games and the potential revenue that can be generated. The analysis is conducted for the period 2022/23 to 2025/26 and includes the costs and revenues associated with both planning and delivery of the Games.

For the purposes of this Business Case, a financial analysis was undertaken to assess the impact of the capital costs of the project as well as the incremental operating costs and revenues. The financial analysis is an incremental analysis, with the Base Case used as a point of reference. The financial analysis comprises an assessment of:

- Capital expenditure
- Operating expenditure
- Operating revenue
- Assumed alternative funding.

4.1.1 Assumptions

The financial analysis is shown in:

- Real terms
- Net Present Value (NPV) terms, (discounted by a real discount rate of 7 per cent).⁴⁴ The NPV represents the discounted value of future cash flows. NPV is an accepted method of comparing different cash flows that vary over time, as it takes into account the time value of money.
- Base date of escalation is 1 July 2022

The key overarching assumptions used in the analysis are presented below.

⁴³ Rosenberger and Loomis, Benefits Transfer of Outdoor Recreation Use Value

⁴⁴ 7 per cent discount rate based on Department of Treasury and Finance (DTF) Technical Guidelines on Economic Evaluation (2013). This is the real discount rate suggested for a “Category 2 Provision of goods and services in traditional core service delivery areas of government (i.e., non-commercial investments), but those for which the benefits attributed to the project are more easily translated to monetary terms. The use of a 4 per cent discount rate was considered, however the analysis uses a 7 per cent discount rate to be conservative.

Table 24: overarching assumptions

Item	Assumption
Discount rate (real)	7 per cent
Base date for escalation	1 July 2022
Construction period	4 years
Operating revenue and expense period	5 years
Forecast end date	30 June 2042

4.1.2 Scenario analysis

The nature of this project is highly confidential, this has meant there is limited opportunity to engage with venue operators (and confirm capital works required), work with other funding partners (and confirm alternative sources of funding), verify operating budgets and so on. As such the financial analysis includes both worst and best case scenario for each of the key items, this will provide a funding envelope for the project which can be refined over time.

The assumptions underlying the best and worst case scenarios are outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

4.1.3 Capital expenditure

Business Case Revisions

The following revisions have been made to capital expenditure:

Table 25: Capital expenditure revisions

Capital expenditure (\$m real)	Change in Worst case	Change in Best case	Revised Worst case	Revised Best case	Rationale
Competition venues	\$195.0	\$0.0	\$745.0	\$430.0	<ul style="list-style-type: none"> Addition of 5,000-7,000 permanent seats at Mars Stadium Addition of an indoor velodrome
Lifecycle costs of State-owned assets (Kardinia Park Aquatics and Gymnastics Centres)	\$15.0	\$0.0	\$45.0	\$30.0	<ul style="list-style-type: none"> The lifecycle cost increase relates to the indoor velodrome. This cost is only incurred from 2027-28 onwards
Total capital cost change	\$210.0	\$0.0			

The Games MI Associates were commissioned by DJPR and EY to develop the operating budget for the 2026 Games. DHW Ludus was commissioned by DJPR and EY to estimate the preliminary capital costs of the 2026 Games. This includes the construction of new facilities and permanent upgrades. Overlay costs are included in the section below.

Given the confidential nature of the investment, a desktop assessment was undertaken. Consultation was not possible with venue operators to assess the current state of venues. Further, detailed design has not been undertaken on the permanent upgrades and new infrastructure required. Cost estimates are based on:

- CGF venue and facility guidelines
- Information provided by DJPR related to previous capital works upgrades at the venues
- A detailed list of assumptions applied is outlined in the Facility Assessment Report attached to this Business Case.

Total estimated capital costs from 2021-22 to 2026-27 are estimated at:

- Best case – \$669.4 million (\$real)

- Worst case – \$1,209.4 million (\$real).

A breakdown of the estimates are provided in the tables below.

Table 26: Total capital costs (new infrastructure and permanent overlay) – 2021-22 to 2026-27 (\$ real)

Capital costs (\$m real)	Worst case	Best case
Competition venues	\$745.0	\$430.0
Games Village Housing Program	\$250.0	\$200.0
Public Domain Improvements	\$7.3	\$7.3
Other	\$2.1	\$2.1
Lifecycle costs of State-owned assets (Kardinia Park Aquatics and Gymnastics Centres)	\$0.0	\$0.0
Total capital costs	\$1,004.4	\$639.4

4.1.4 Lifecycle costs

The new gymnastics, diving and aquatics facilities proposed to be operated by Kardinia Park Stadium Trust and the potential new velodrome will incur ongoing lifecycle costs to be funded partly by the State. These lifecycle costs have been included in the operating budget at \$30 million (real) from 2027-28 to 2041-42 in the Best Case and \$45 million (real) in the Worst Case.

4.1.5 Operating costs (including overlay) and revenues

Business Case Revisions

The following revisions have been made to operating expenditure and revenues:

Table 27: Operating expenditure revisions

<i>Operating expenditure (\$m real)</i>	<i>Change in Worst case</i>	<i>Change in Best case</i>	<i>Revised Worst case</i>	<i>Revised Best case</i>	<i>Rationale</i>
Arts and Culture	\$24.9	\$24.9	\$50.0	\$50.0	<ul style="list-style-type: none"> Increase in arts and culture by \$25m to ensure there is sufficient budget to take the Games experience to non-host regions
Games Legacy Benefits	\$12.8	\$12.8	\$40.0	\$40.0	<ul style="list-style-type: none"> Increase in sport participation legacy to reflect legacy revisions
Workforce	(\$61.4)	(\$61.4)	\$240.0	\$240.0	<ul style="list-style-type: none"> Revised based on a bottom up workforce budget prepared by MI. This excludes costs for the Office of Commonwealth Games which are included below Overlay costs for technical villages totalling \$4.0m added into both cases
Venue and village overlay	\$23.9	\$21.8	\$291.1	\$257.4	<ul style="list-style-type: none"> Minor changes in overlay budget following block plan work undertaken by Populous Current Athlete Village overlay of \$41m has been increased to \$50m for the worst case scenario given uncertainty in overlay requirements
Marketing and Comms	\$12.7	\$12.7	\$65.0	\$65.0	<ul style="list-style-type: none"> Increase in marketing and communications to \$65m based on CGF feedback
Carbon neutral games	\$60.0	\$45.0	\$60.0	\$45.0	<ul style="list-style-type: none"> Based on high level information from other major events, the Games could produce between 1.5 to 2.0 million tonnes of emissions. This can be offset through the purchase of carbon credits, which may cost from \$10 to \$50 per tonne.
Games Fees					
Operating contingency	(\$133.4)	(\$62.3)	\$250.3	\$163.2	<ul style="list-style-type: none"> Worst Case reduced to 13.6% and Best Case reduced to 9.5% of operating costs.
Total operating cost change					

Table 28: Non-LOC costs revisions

<i>Non-LOC costs (\$m real)</i>	<i>Change in Worst case</i>	<i>Change in Best case</i>	<i>Revised Worst case</i>	<i>Revised Best case</i>	<i>Rationale</i>
Office of Commonwealth Games / governance costs	\$119.0	\$119.0	\$119.0	\$119.0	<ul style="list-style-type: none"> Revised costs as per Governance developments
Village delivery	\$35.0	\$25.0	\$35.0	\$25.0	<ul style="list-style-type: none"> Revised costs as per HomesVic advise
Total non-LOC cost change	\$154.0	\$144.0			

Table 29: Operating revenue revisions

Operating revenues (\$m real)	Change in Worst case	Change in Best case	Revised Worst case	Revised Best case	Rationale
Operating revenue					
Broadcast Rights (CGF)					
Sponsorship Licensing and Merchandising					
Funding and other income					
Federal government funding	(\$2.0)	\$0.0	\$0.0	\$2.0	• Best Case – Updated as per the Melbourne 2006 budget (inflated to 2022 dollars)
Local government funding	(\$65.0)	\$0.0	\$15.0	\$80.0	• Worst Case - Updated as per the Melbourne 2006 budget (inflated to 2022 dollars)
Total operating revenue change					

The Games MI Associates were commissioned by DJPR and EY to develop the operating budget for the 2026 Games. Input was also provided by DHW Ludus on the estimated overlay costs. The operating budget was developed based on an analysis of previous Commonwealth Games budgets and the proposed sports program for the 2026 Games.

The operating budget was developed based on:

- The estimated budget has been built on a 'top down' basis and baselined from the Gold Coast 2018 Commonwealth Games.
- Time has not permitted a more robust 'bottom up' approach as key elements of Games planning are not yet understood
- The estimated budget assumes that the baseline is a valid budget to deliver a recent Commonwealth Games in Australia in a semi-regional context
- Adjustments have been made to the baseline where the proposed budget will be materially different to the Gold Coast 2018 Games.

Detailed assumptions are provided in Appendix F – Operating Budget Assumptions.

Total estimated operating costs from 2021-22 to 2026-27 are estimated at:

- Best case – [REDACTED]
- Worst case – [REDACTED]

Table 30: Operating expenditure – 2021-22 to 2026-27 (\$ real)

Operating expenditure (\$m real)	Worst case	Best case
Ceremonies and Queen's Baton Relay	\$41.9	\$41.9
Arts and Culture	\$50.0	\$50.0
Games Legacy Benefits	\$40.0	\$40.0
Corporate and Admin	\$71.2	\$71.2
Workforce	\$240.0	\$240.0
Games Operations	\$173.2	\$173.2
City Operations	\$16.7	\$16.7
Venue and Village Overlay	\$291.1	\$257.4
Marketing and Comms	\$65.0	\$65.0
Media, Tech and Broadcast	[REDACTED]	[REDACTED]
Transport	\$110.0	\$110.0
Security	\$200.6	\$200.6
Carbon neutral games costs	\$60.0	\$45.0
Games Fees	[REDACTED]	[REDACTED]
Operating contingency (applied to total operating expenditure)	\$250.3	\$163.2
Total operating costs	[REDACTED]	[REDACTED]

Total estimated non-LOC costs from 2021-22 to 2026-27 are estimated at:

- Best case – \$144.0 million (\$real)

- Worst case – \$154.0 million (\$real).

Table 31: Non-LOC cost – 2021-22 to 2026-27 (\$ real)

Non-LOC costs (\$m real)	Worst case	Best case
Office of Commonwealth Games / governance costs	\$119.0	\$119.0
Village delivery	\$35.0	\$25.0
Transport costs (DOT)	\$0.0	\$0.0
Security costs (VicPol)	\$0.0	\$0.0
Total Non-LOC costs	\$154.0	\$144.0

Total estimated revenue from 2021-22 to 2026-27 is estimated at:

- Worst case – [REDACTED]
- Best case – [REDACTED]

Table 32: Revenue – 2021-22 to 2026-27 (\$ real)

Revenue (\$m real)	Worst case	Best case
Operating revenue		
Broadcast Rights (CGF)	[REDACTED]	[REDACTED]
Sponsorship		
Ticketing	\$63.4	\$77.0
Licensing and Merchandising	[REDACTED]	[REDACTED]
Funding and other income		
State government funding	\$0.0	\$0.0
Federal government funding	\$0.0	\$2.0
Local government funding	\$15.0	\$80.0
Other income	\$37.7	\$37.7
Total revenue	[REDACTED]	[REDACTED]

4.1.6 Financial analysis summary (real)

The table below outlines a summary of the financial analysis in real terms over the period 2021-22 to 2026-27.

Table 33: Financial analysis summary – 2021-22 to 2026-27 (\$ real)

Financial analysis (\$m real)	Worst case	Best case
Capital costs	\$1,004.4	\$639.4
Operating costs	\$1,846.7	\$1,710.8
Non-LOC costs	\$154.0	\$144.0
Total costs	\$3,005.1	\$2,494.2
Operating revenues (excl. State government funding)	\$234.3	\$247.9
Public sector contribution	\$235.0	\$732.0
Total revenues	\$469.3	\$979.9
Net financial impact	\$2,535.8	\$1,514.4

4.2 Benefits

4.2.1 Summary of benefits

The successful hosting of the Commonwealth Games brings significant economic stimulus and social benefits to a host region. Benefits achieved are not just for the 11-day period of the Games but flow to the State well before the Games start and continue post-Games for several years.

As per the Gold Coast games, the 2026 Games is estimated to result in significant economic, social and environmental benefits to regional Victoria and Victoria. These benefits are assessed in detail in the following sections through:

- **Economic impact assessment** – An economic impact assessment was conducted to estimate the additional total (direct and indirect) output, value add and jobs (FTE) that will be created in Victoria and regional Victoria as result of the Games
- **Additional quantified benefits (included in the CBA)** – A quantitative assessment was undertaken on additional benefits not included in the economic impact analysis. These benefits have been included in the CBA in Section 4.3

- **Qualitative benefit assessment** – A qualitative assessment was undertaken on the benefits that could not be quantified due to a lack of available data.

The Gold Coast 2018 Games – Economic impact (2019)

The Gold Coast 2018 Post-Games Report estimated that the Games would result in the following economic benefits over a nine-year period (2013 to 2022):

- An increase in Queensland's Gross State Product (GSP) by \$2.4 billion
- An economic benefit of \$1.8 billion to the Gold Coast
- Over 1.2 million visitors to Queensland
- Over 590,000 interstate and international visitors to Queensland during the games
- Employment of 14,505 total FTEs.

This is in addition to the significant social and cultural benefits expected to be delivered, including increased physical activity, improved diversity in sport, strengthened communities, environmental benefits and cultural benefits.

4.2.2 Economic impact assessment

Business Case Revisions

The Economic Impact Assessment has been revised given changes to the financial analysis and visitation.

An economic impact assessment of the 2026 Games was conducted on the impact of the Games on regional Victoria and Victoria's economies. The economic impact assessment measures the amount of new money that flows into Victoria and regional Victoria that can be directly attributed to the 2026 Games.

	Benefits	Costs
Financial analysis	<ol style="list-style-type: none"> 1. Operating revenues 2. Assumed alternative funding 	<ol style="list-style-type: none"> 1. Capital expenditure 2. Operating expenditure (including overlay)
Economic impact assessment	<ol style="list-style-type: none"> 1. Increased tourism expenditure (pre and during the Games) 2. Increased tourism expenditure post games (induced tourism) 3. Increased tourism from future major event uplift 4. Induced exports 5. Induced business investment 6. Capital expenditure impact (regional Victoria assessment only) 7. Operating expenditure impact 	N/A
Cost Benefit Analysis	<ol style="list-style-type: none"> 1. Value-add from increased tourism (pre and during the Games) 2. Value-add from increased tourism post games (induced tourism) 3. Value-add from increased tourism from future major events 4. Value-add of induced exports (post Games) 5. Value-add of induced business investment 6. Social housing benefits 7. Avoided health costs and productivity costs from increased physical activity 8. Consumer surplus 9. Civic pride 10. Increased volunteerism 	<ol style="list-style-type: none"> 1. Capital expenditure (net of assumed federal funding) 2. Operating expenditure (net of operating revenue)
Qualitative assessment	<ol style="list-style-type: none"> 1. Increased elite sport success 2. Improved capacity to host major events 3. Improved diversity and inclusiveness 4. Improved sports diplomacy 	<ol style="list-style-type: none"> 1. Increased travel congestion

The benefits assessed are outlined in the table below. Note that the economic impact assessment measures the amount of new money or economic activity flowing into a region. As such, the Government capital expenditure impact has been excluded from the Victorian assessment as it is assumed that this capital expenditure would be spent elsewhere in Victoria in the absence of the Games.

All results presented are best case scenario unless stated otherwise. A sensitivity analysis has been undertaken on the assumptions and is outlined in Section 4.4.

The analysis for the State of Victoria considers:

- Specific and extended stay visitor expenditure from interstate and overseas
- Induced exports and investment entering Victoria from outside the State
- Capital expenditure funded by other sources that would not have entered Victoria if not for the Games and is injected directly into the Victorian economy
- Event operations impact that considers operating revenue that would not have entered Victoria if not for the Games and operating expenditure that is injected directly into the Victorian economy

The analysis for Regional Victoria considers:

- Specific and extended stay visitor expenditure from intrastate (i.e. Melbourne), interstate and overseas
- Induced exports and investment entering Regional Victoria from outside the region
- Capital expenditure funded by other sources that would not have entered Regional Victoria if not for the Games and is injected directly into the Regional Victorian economy
- Event operations impact that considers operating revenue that would not have entered Regional Victoria if not for the Games and operating expenditure that is injected directly into the Regional Victorian economy

Table 34: Economic indicators used in the economic impact assessment of Victoria verses regional Victoria (\$Real)

Economic indicator	Included in the assessment	
	Victoria	Regional Victoria
1. Increased tourism expenditure (pre and during the Games)	✓	✓
2. Increased tourism expenditure post games (induced tourism)	✓	✓
3. Increased tourism from future major event uplift	✓	✓
4. Induced exports	✓	✓
5. Induced business investment	✓	✓
6. Capital expenditure funded by other sources	✓	✓
7. Operating expenditure impact	✓	✓

It estimated that the 2026 Games would result in the following benefits to Victoria (from 2022 to 2030):

- \$3.07 billion in additional Total Output (including \$1.91 billion Indirect Output)
- \$1.43 billion in additional Total Value-Add (including \$907.4 million Indirect Value-Add)
- Supporting 560 FTEs before the Games, 3,879 FTEs during the Games and 3,064 FTEs after the Games.

It estimated that the 2026 Games would result in the following benefits to regional Victoria (from 2022 to 2030):

- \$2.07 billion in additional Total Output (including \$1.00 billion Indirect Output)
- \$887.9 million in additional Total Value-Add (including \$451.7 million Indirect Value-Add)
- Supporting 545 FTEs before the Games, 3,256 FTEs during the Games and 1,892 FTEs after the Games.

A summary of results is outlined in the tables below.

Table 35: Economic impact assessment results (\$m NPV)

Economic indicator	Victoria		Regional Victoria	
	Worst case	Best case	Worst case	Best case
Direct output	\$971.8	\$1,157.8	\$816.8	\$1,066.2
Indirect output	\$1,606.6	\$1,907.6	\$745.4	\$1,004.5
Total output	\$2,578.3	\$3,065.5	\$1,562.2	\$2,070.7
Direct value add	\$433.1	\$519.0	\$340.8	\$436.2
Indirect value add	\$763.2	\$907.4	\$339.5	\$451.7
Total value add	\$1,196.2	\$1,426.4	\$680.3	\$887.9
Direct jobs	3,150	3,606	3,023	3,561
Indirect jobs	3,417	3,897	1,741	2,132
Total jobs supported (FTE)	6,567	7,502	4,764	5,693

Table 36: Economic impact (NPV, \$m) - State analysis

Economic indicator	Pre-Games years (2022-25)		Games year (2026)		Post-Games years (2027-30)		Total (2022-30)	
	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case
Direct output	\$116.1	\$123.0	\$307.6	\$336.8	\$548.1	\$698.0	\$971.8	\$1,157.8
Indirect output	\$227.0	\$240.5	\$501.5	\$549.0	\$878.0	\$1,118.1	\$1,606.6	\$1,907.6
Total output	\$343.1	\$363.6	\$809.0	\$885.8	\$1,426.2	\$1,816.1	\$2,578.3	\$3,065.5
Direct value add	\$36.2	\$38.3	\$139.0	\$152.3	\$257.9	\$328.4	\$433.1	\$519.0
Indirect value add	\$100.9	\$107.0	\$240.1	\$262.9	\$422.1	\$537.5	\$763.2	\$907.4
Total value add	\$137.1	\$145.3	\$379.1	\$415.2	\$680.0	\$865.9	\$1,196.2	\$1,426.4
Direct jobs (FTEs) ⁴⁵	198	210	1,723	1,887	1,229	1,508	-	-
Indirect jobs (FTEs)	330	349	1,819	1,992	1,267	1,556	-	-
Total jobs (FTEs)	527	560	3,543	3,879	2,496	3,064	-	-

Table 37: Economic impact (NPV, \$m) – Regional Victoria analysis

Economic indicator	Pre-Games years (2022-25)		Games year (2026)		Post-Games years (2027-30)		Total (2022-30)	
	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case	Worst Case	Best Case
Direct output	\$82.1	\$177.1	\$331.4	\$365.2	\$403.3	\$523.9	\$816.8	\$1,066.2
Indirect output	\$96.8	\$220.6	\$296.8	\$326.9	\$351.8	\$457.0	\$745.4	\$1,004.5
Total output	\$179.0	\$397.7	\$628.2	\$692.2	\$755.1	\$980.9	\$1,562.2	\$2,070.7
Direct value add	\$25.7	\$54.3	\$139.8	\$154.1	\$175.3	\$227.8	\$340.8	\$436.2
Indirect value add	\$41.1	\$90.9	\$136.0	\$149.9	\$162.4	\$210.9	\$339.5	\$451.7
Total value add	\$66.8	\$145.1	\$275.8	\$304.0	\$337.7	\$438.7	\$680.3	\$887.9
Direct jobs (FTEs)	146	249	1,890	2,083	987	1,229	-	-
Indirect jobs (FTEs)	144	296	1,064	1,172	533	663	-	-
Total jobs (FTEs)	290	545	2,954	3,256	1,520	1,892	-	-

The detailed methodology and assumptions applied in the economic impact assessment are outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

⁴⁵ Jobs (FTE) relates to average annual jobs in each period.

Visitation

The first three benefits outlined below are derived from specific and extended stay visitors (i.e. those that visit Victoria / Regional Victoria specifically, or extend their stay, for the Games) before, during and after the Games. A summary of the estimated visitation applied in the benefit assumptions is provided in the table below.

The visitation assumptions are based on historical ticket sales data, post-event impact reports and Tourism Research Australia data. Further detail and the assumptions applied are outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Table 38: Specific and extended stay visitation to Victoria

Specific and extended stay visitors to Regional Victoria	Pre-Games years (2022-25)	Games year (2026)	Post-Games years (2027-30)	Total (2022-30)
Intrastate				
Ticketed attendees	-	163,625	-	163,625
Other attendees	16	10,485	-	10,501
Post event visitors	-	-	414,683	414,683
Total intrastate	16	174,110	414,683	588,809
Interstate				
Ticketed attendees	-	93,500	-	93,500
Other attendees	56	6,203	-	6,259
Post event visitors	-	-	194,078	194,078
Total interstate	56	99,703	194,078	293,837
International				
Ticketed attendees	-	41,800	-	41,800
Other attendees	720	13,289	-	14,009
Post event visitors	-	-	82,150	82,150
Total international	720	55,089	82,150	137,960
Total visitors	792	328,903	690,911	1,020,606

4.2.2.1 Increased tourism expenditure (pre and during the games)

Hosting the Games will attract significant interstate and international tourism to Victoria and encourage visitation to regional Victoria from Greater Melbourne prior and during the Games. These visitors stay and spend money in the State on accommodation, food and other activities, resulting in increased economic activity.

This increased economic activity is measured in terms of tourism expenditure, which estimates the direct and indirect impact of the direct expenditure of intrastate (Greater Melbourne), interstate and international visitors that specifically visit, or extend their stay, in Victoria / regional Victoria as a result of the Games.

The direct expenditure of intrastate, interstate and overseas visitors is derived from:

- The number of visitors attracted to regional Victoria / Victoria before and during the Games, as a result of the Games and their origins
- The level of specific and extended stay visitation i.e. the proportion of visitors who visit regional Victoria or Victoria specifically for the Games or extend their stay because of the Games
- The duration of stay of these visitors in regional Victoria or Victoria
- The average daily spend of these visitors during their stay.

The above assumptions are based on historical ticket sales data, post-event impact reports and Tourism Research Australia data. Further detail and the assumptions applied are outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

The number of additional intrastate, interstate and international visitors estimated to visit Victoria and Regional Victoria prior and during the Games (as a result of the Games) is outlined in Table 39. Note that the expenditure of intrastate visitors is not included in the assessment of the impact to Victoria.

The Games is estimated to generate additional total output of \$771.8 million to Victoria and \$614.2 million to regional Victoria as a result of increased visitor expenditure before and during the Games.

Table 39: Estimated impact of increased visitor expenditure (pre and during the Games) (\$m NPV)

Increased tourism expenditure (pre and during the Games) – 2022-23 to 2029-30	Victoria	Regional Victoria
Direct output	\$296.6	\$327.1
Indirect output	\$475.1	\$287.2
Total output	\$771.8	\$614.2
Direct value add	\$139.6	\$142.2
Indirect value add	\$228.4	\$131.7
Total value add	\$368.0	\$273.9
Direct jobs	1,664	1,888
Indirect jobs	1,716	1,018
Total jobs	3,381	2,906

Note: Only the value-add component of the benefit '*increased tourism expenditure (pre and during the games)*' is included in the CBA. Total output is excluded from the CBA as it includes the costs of inputs which can overstate the impact of the event.

4.2.2.2 Increased tourism expenditure post games (induced tourism)

Major tourism events can greatly contribute to the overall marketing of the destination by helping to create an image for the city. They can be used to help promote, position, and brand a destination.

From small towns staging traditional cultural events to large cities competing to host mega-events such as Commonwealth Games or Olympic Games, events have been used as products to generate additional visits to a destination.

The 2026 Games will showcase Victoria globally on TV and through digital streams, which represents “free branding” for the State that could attract future tourism.

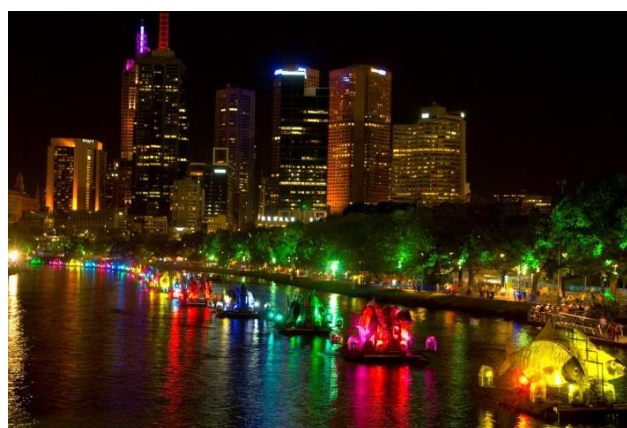
The induced tourism expected to result from the branding of the Commonwealth Games was measured as part of this assessment. Specially, we estimated the number of visitors to regional

Victoria and Victoria as a result of the branding of both regions during the event. This impact is expected to arise in the post-event period, with the induced tourism effect assumed to last for four years after the 2026 Games (which is consistent with the approach applied in other studies of Commonwealth Games).

The benefit of induced tourism effect is the increased expenditure of the induced visitors, which is derived from:

- The number of visitors attracted to Victoria as a result of the Games and their origins
- The duration of stay of these visitors in Victoria
- The average daily spend of these visitors during their stay.

Figure 8: Commonwealth Games Melbourne 2006



“Following the Glasgow 2014 Games, the city increased from 17th to 15th in the National Brand Index and from 19th to 16th in the Cultural Brand Index”

“The Gold Coast 2018 Games social media content delivered in excess of 428 million impressions globally.”

(CGF, Value Framework)

The above assumptions are based on previous post-event economic impact studies and tourism data from Tourism Research Australia. Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

The Games is estimated to generate additional total output of \$594.1 million to Victoria and \$387.3 million to regional Victoria as a result of increased induced visitor expenditure following the Games.

Table 40: Estimated impact of increased visitor expenditure post Games (induced tourism) (\$m NPV)

Increased tourism expenditure post Games (induced tourism) – 2026-27 to 2029-30	Victoria	Regional Victoria
Direct output	\$228.3	\$206.8
Indirect output	\$365.8	\$180.4
Total output	\$594.1	\$387.3
Direct value add	\$594.1	\$89.9
Indirect value add	\$107.4	\$83.3
Total value add	\$701.5	\$173.2
Direct jobs	730	688
Indirect jobs	753	371
Total jobs	1,483	1,060

Note: Only the **value-add** component of the benefit '*increased tourism expenditure (pre and during the games)*' is included in the CBA. Total output is excluded from the CBA as it includes the costs of inputs which can overstate the impact of the event.

4.2.2.3 Increased tourism from future major event uplift

Developing the capability and capacity to host a large global event, such as the 2026 Games, will create a legacy that lives on in the years following the event. A significant component of this legacy is the upgrading and increased utilisation of new and redeveloped venues following an event and the increased tourism generated from these events. With improved capacities or facilities, venues will be able to host major regional, state, national and even international events that draw visitors in from outside of Victoria. There will also be a strong capability developed in our residents to host and put on events which will make this possible.

The benefit created by the increased tourism from future major events is derived from:

- The number of new major events secured as a result of the 2026 Games
- The number of visitors attracted to these events and their origins
- The level of specific and extended stay visitation i.e. the proportion of visitors who visit regional Victoria or Victoria specifically for the events or extend their stay because of the events
- The duration of stay of these visitors in regional Victoria or Victoria
- The average daily spend of these visitors during their stay.

The above assumptions are based on information obtained on the Victorian Regional Events Fund as well as post-event economic impact studies. Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Increased tourism from future major events resulting from the Games is estimated to generate additional total output of \$105.9 million to Victoria and \$242.9 million to regional Victoria.

Table 41: Estimated impact of increased tourism from future major events (\$m NPV)

Increased tourism expenditure from future major events – 2026-27 to 2029-30	Victoria	Regional Victoria
Direct output	\$40.7	\$129.7
Indirect output	\$65.2	\$113.1
Total output	\$105.9	\$242.9
Direct value add	\$105.9	\$56.4
Indirect value add	\$19.1	\$52.2

Total value add	\$125.0	\$108.6
Direct jobs	67	221
Indirect jobs	70	119
Total jobs	137	340

Note: Only the value-add component of the benefit '*Increased tourism from future major events resulting from the Games*' is included in the CBA. Total output is excluded from the CBA as it includes the costs of inputs which can overstate the impact of the event.

4.2.2.4 Induced exports

Major events, like the 2026 Games, create what studies call an induced export effect. This occurs when an event triggers an increase in exports from the region where the event is taking place. As sport is widely recognised as a universal language that can break down cultural barriers, sporting mega-events act as a form of soft diplomacy that can attract additional trade and investment into a country in the years following an event.

The 2026 Games and the Trade Program will significantly increase the awareness of business opportunities for both domestic and international businesses, which in turn is expected to increase the State's exports through greater demand for local products. Recent studies have found that the Commonwealth Games can attract trade deals and investments of up to \$750 million in benefit to the host city.⁴⁶

Thorough planning and marketing will be crucial to the success of the Trade Program and the achievement of increased exports.

The estimated increase in exports has been developed based on information from the Melbourne 2006 Games and Gold Coast 2018 Games. Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Induced exports are estimated to result in additional total output of \$847.1 million to Victoria and \$254.0 million to Regional Victoria.

Table 42: Estimated impact from induced exports (\$m NPV)

Increased impact from induced exports – 2026-27 to 2029-30	Victoria	Regional Victoria
Direct output	\$325.6	\$135.7
Indirect output	\$521.5	\$118.3
Total output	\$847.1	\$254.0
Direct value add	\$153.2	\$59.0
Indirect value add	\$250.7	\$54.6
Total value add	\$403.9	\$113.6
Direct jobs	540	231
Indirect jobs	557	125
Total jobs	1,096	356

Note: The value-add component of the benefit '*Induced exports as a result of the Games*' is included in the CBA. Total output is excluded from the CBA as it includes the costs of inputs which can overstate the impact of the event.

4.2.2.5 Induced investment

Hosting the 2026 Games can be a catalyst for businesses migrating to Victoria. Although business migration to Victoria will be based on conducive economic conditions, this benefit considers the business migration triggered as a direct result of the 2026 Games. The Games induces investment because it provides the platform to showcase the attraction of operating a business in the region.

⁴⁶ Commonwealth Sport, available at: <https://thecgf.com/news/new-report-reveals-commonwealth-games-consistently-provides-over-ps1-billion-boost-host-cities>, accessed: 18.01.2022

It was estimated that after the 2018 Gold Coast Commonwealth Games, the Gold Coast/Brisbane region had induced investment of \$41 million. This investment was generated from businesses looking for an opportunity to relocate and set up offerings in the Gold Coast/Brisbane region.

Assumptions used to estimate the level of new investment were based on the post-event study for the Gold Coast 2018 Games. Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Induced investment is estimated to result in additional total output of \$268.9 million to Victoria and \$96.8 million to Regional Victoria.

Table 43: Estimated impact from induced investment (\$m NPV)

Increased impact from investment – 2022-23 to 2029-30	Victoria	Regional Victoria
Direct output	\$103.4	\$51.7
Indirect output	\$165.6	\$45.1
Total output	\$268.9	\$96.8
Direct value add	\$48.6	\$22.5
Indirect value add	\$79.6	\$20.8
Total value add	\$128.2	\$43.3
Direct jobs	171	88
Indirect jobs	177	48
Total jobs	348	136

Note: The value-add component of the benefit '*Induced investment as a result of the Games*' is included in the CBA. Total output is excluded from the CBA as it includes the costs of inputs which can overstate the impact of the event.

4.2.2.6 Impact of capital expenditure funded by other sources

The Games will result in additional capital expenditure in Victorian and regional Victoria as a result of upgrades to sporting and recreational facilities and the development of new venues at Kardinia Park. This increase in expenditure results in additional economic activity in Victoria and regional Victoria.

Approximately 12 per cent of total capital expenditure has been included in the estimation of this impact for Victoria and 25 per cent for Regional Victoria, on the basis that this proportion of capital expenditure would not have entered Victoria / Regional Victoria without the Games and a portion of this expenditure will also remain in Victoria / Regional Victoria following the Games (i.e. directly injected into the economy). Further detail is outlined in the Facility Assessment Report attached to this Business Case.

The Games' capital expenditure requirements are estimated to result in additional total output of \$226.1 million to Victoria and \$314.4 million to regional Victoria.

Table 44: Estimated impact of increased capital expenditure (\$m NPV)

Increased capital expenditure – 2022-23 to 2025-26	Victoria	Regional Victoria
Direct output	\$74.2	\$135.9
Indirect output	\$151.9	\$178.5
Total output	\$226.1	\$314.4
Direct value add	\$22.0	\$40.8
Indirect value add	\$65.5	\$71.5
Total value add	\$87.5	\$112.4
Direct jobs	79	216
Indirect jobs	191	358
Total jobs	270	574

4.2.2.7 Event operations impact

In hosting a major event, a significant amount of revenue flows into the host region to organise and operate the event. The amount of operating revenue that arises from outside the region that is ultimately spent within the region when hosting events is known as the event operations impact.

The event operations impact considers the source of revenue earned and the location where the expenditure is incurred when staging an event (i.e. from within or outside Victoria / Regional Victoria). Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

The Games' event operations is estimated to result in additional total output of \$251.5 million to Victoria and \$314.4 million to Regional Victoria.

Table 45: Estimated impact from event operations (\$m NPV)

Event operations – 2022/23 to 2026/27	Victoria	Regional Victoria
Direct output	\$89.0	\$135.9
Indirect output	\$162.5	\$178.5
Total output	\$251.5	\$314.4
Direct value add	\$29.1	\$40.8
Indirect value add	\$75.9	\$71.5
Total value add	\$105.0	\$112.4
Direct jobs	354	141
Indirect jobs	433	216
Total jobs	788	358

4.2.3 Additional quantified benefits (including in the CBA)

The following additional benefits were quantified as part of the CBA analysis in Section 4.3. These are shown in the figure below as items six through to ten.

These benefits were not included in the Economic Impact assessment above.

Figure 9: CBA Framework - Benefits

	Benefits	Costs
Financial analysis	<ol style="list-style-type: none"> 1. Operating revenues 2. Assumed alternative funding 	<ol style="list-style-type: none"> 1. Capital expenditure 2. Operating expenditure (including overlay)
Economic impact assessment	<ol style="list-style-type: none"> 1. Increased tourism expenditure (pre and during the Games) 2. Increased tourism expenditure post games (induced tourism) 3. Increased tourism from future major event uplift 4. Induced exports 5. Induced business investment 6. Capital expenditure impact (regional Victoria assessment only) 7. Operating expenditure impact 	N/A
Cost Benefit Analysis	<ol style="list-style-type: none"> 1. Value-add from increased tourism (pre and during the Games) 2. Value-add from increased tourism post games (induced tourism) 3. Value-add from increased tourism from future major events 4. Value-add of induced exports (post Games) 5. Value-add of induced business investment 6. Social housing benefits 7. Avoided health costs and productivity costs from increased physical activity 8. Consumer surplus 9. Civic pride 10. Increased volunteerism 	<ol style="list-style-type: none"> 1. Capital expenditure (net of assumed federal funding) 2. Operating expenditure (net of operating revenue)
Qualitative assessment	<ol style="list-style-type: none"> 1. Increased mental and physical benefits 2. Increased elite sport success 3. Improved capacity to host major events 4. Improved diversity and inclusiveness 5. Improved sports diplomacy 	<ol style="list-style-type: none"> 1. Increased travel congestion

4.2.3.1 Social housing benefits

The Games represents an opportunity to provide additional social and affordable housing dwellings in high growth regional centres across Victoria. These regions have seen significant increases in the cost of rental prices and low investment in social and affordable housing. This has largely been created as a result of housing unaffordability, individuals escaping domestic violence, and a long-term lack of social housing. In 2018, the University of Melbourne estimated that Victoria had a shortfall of 164,000 dwellings⁴⁷, with Victorian Government estimates indicating that an additional 1,700 social housing homes are needed each year over the next 20 years to meet the increased demand.⁴⁸

With Victoria's Big Housing Build ongoing until 2027, the 2026 Games represents an opportunity to rethink design of accommodating for major sporting events as the secondary use, for social and affordable housing.

The development of athlete accommodation provides an opportunity to collaborate on universal design elements which may then be re-purposed into similar 'communal' style accommodation (e.g.,

⁴⁷ The University of Melbourne, Project 30,000, available at: https://msd.unimelb.edu.au/_data/assets/pdf_file/0004/2876008/Project-3000-Producing-Social-and-Affordable-Housing-on-Government-Land.pdf, accessed: 19.01.2022

⁴⁸ Victorian Government, Victoria's social housing supply requirements to 2036, available at: <https://www.vic.gov.au/sites/default/files/2019-06/Victorias-social-housing-supply-requirements-to-2036.pdf>, accessed: 19.01.2022

youth foyers, university accommodation, medium density apartments, or common ground models). This aligns strongly to the push in regional Victoria for youth foyers⁴⁹ in particular.

Providing social and affordable housing can lead to the following benefits to Victorians:

- **Reduced inequality** – Increasing the social and affordable housing stock in Victoria helps reduce inequality in Victorian communities
- **Economic security** - High housing costs can reduce the ability of families to budget for food, health care, education and other critical expenses. Providing affordable housing increases the amount that families can put toward other important household needs and savings for the future
- **Improved health and wellbeing** – Providing affordable and good quality homes in regional centres can improve the health and wellbeing of vulnerable Victorians by providing them access to services, health care, transport services and social and economic support
- **Improved education** - Housing instability can impact a children's performance and success in school and contribute to long-lasting achievement gaps. Quality affordable housing helps create a stable environment for children, contributing to improved educational outcomes.⁵⁰

The Games also represents an opportunity to invest in worker accommodation which may be used to house workers over the longer term for regional economic development initiatives (road, rail and energy projects), relieving localised pressure on regional housing markets.

The benefit created from additional social housing is derived from the:

- Number of athlete village apartments that will be used for social housing after the 2026 Games
- Value per annum of an additional bed in social housing

Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Table 46: Social housing impact – Key assumptions and impact

Social housing impact	Victoria
Number of athlete village apartments that will be used for social housing after the 2026 Games	910
Value per annum of an additional bed in social housing	\$25,000
Value of additional social housing (\$m, NPV)	\$153.2

4.2.3.2 Avoided health costs and productivity costs from increased physical activity

Physical inactivity is a major contributing factor to the development of non-communicable diseases, including diabetes, bowel cancer, dementia, coronary heart disease and stroke. A recent study by AIHW indicated that physical inactivity contributed 2.6 per cent of the total disease burden in 2011, increasing to 9 per cent when combined with the burden resulting from people being overweight and obese. According to the most recent data available from the ABS 2015 and 2018 National Health Surveys.⁵¹

⁴⁹ Foyers provide a point in time service that enable young people in transition to develop and achieve educational and employment pathways, exiting in a sustainable way from welfare and service dependence.

⁵⁰ Knowledge, impact, strategy - Impact of Affordable Housing on Families and Communities, 2014

⁵¹ Australian Bureau of Statistics, National Health Survey, 2017-18

Figure 10: Physical activity in Australia



Assuming those participation rates are about the same today, this implies that in 2021 around 3.4 million Victorians are not doing enough physical activity.

Consistent with health guidance, if Victorians are to reap the benefits of activity, the State requires more people regularly being active for at least 150 minutes per week. For every 10,000 insufficiently active people who become active and stay active, Victoria will avoid around 265 DALYs⁵², 65 incidences of disease and around 15 deaths from five major non-communicable diseases directly attributable to insufficient physical activity.⁵³

Increasing physical activity via sport is directly linked with reducing the prevalence and severity of obesity and other health issues. Using sport as a key strategy to improve physical activity is supported by evidence and recognised as one of the seven best investments for physical activity.^{54,55}

Organised sport in particular is uniquely placed to support a response to physical inactivity levels because it provides a focal point that encourages and supports participants of all ages to remain consistently active during all life stages. Sport both increases the likelihood of meeting guidelines and continuing them long term. This is because physical activity is as much a by-product of sports as it is the focus. Sport at the participation level provides a fun and rewarding activity for people to get involved in.

Hosting the Games will promote community sport participation in Victoria, before, during and after the Games through:

- Games-related complementary events and programmes (e.g. 'come and try' opportunities) that promote sustained sport participation
- Inspiration to participate in sport from seeing high performance athletes in competition at the Games
- Games-related capital investments providing new venues for increased sport participation following the games.

"10 per cent of Victorians took up sports as a result of the Melbourne Games in 2006"
 "Queensland experienced a 5 per cent increase in adult sports participation following the Gold Coast Games in 2018"
(CGF Value Framework)

While the Games would not result in every Victorian becoming active, evidence from previous games suggests that participation across a region can increase significantly. Applying a 5 per cent increase in participation in Victoria (as experienced in Queensland following the 2018 Games) would result in over 206,000 adults becoming more physically active in Victoria.⁵⁶

⁵² Disability Adjusted Life Years

⁵³ Marsden Jacob Associates, Active impacts – The economic impacts of active recreation in Victoria, 2018

⁵⁴ Phillips, J.A. and D.R. Young, Past-year sports participation, current physical activity, and fitness in urban adolescent girls. *Journal of physical activity & health*, 2009

⁵⁵ International Society for Physical Activity and Health, Non communicable disease prevention: Investments that Work for Physical Activity, 2011

⁵⁶ Calculated based on: Australian Bureau of Statistics data (2017-18) stating that 16.1 per cent of 18 – 64 year olds in Victoria are physically active and Australian Bureau of Statistics June 2021 population estimates for 18-64 year olds

Cost of physical inactivity

The cost of physical inactivity in Australia is significant, experienced directly by the health system in treating people with related illnesses, in communities through social distress and within the economy through significant productivity loss.

In Victoria, it is estimated that making every Victorian physically active would deliver healthcare system benefits worth \$245 million. Furthermore, making every Victorian physically active would also deliver workplace productivity benefits potentially worth \$3.1 billion over the lifetime of the current population, based on estimates of productivity lost due to people leaving work because of death or disability. It would also provide home-based labour productivity benefits worth around \$125 million.⁵⁷

Hosting the 2026 Games is expected to increase participation in physical exercise, recreation and sports. Increased physical activity levels provide benefits to all individuals, even those that were physically active before the 2026 Games.

Studies have shown how hosting the Commonwealth Games is directly linked to increased sports participation in the host region. The 2006 Melbourne Commonwealth Games led to a 10 per cent increase in sports participation across Victoria, while the 2018 Gold Coast Commonwealth Games increased sports participation by 5 per cent across Queensland.⁵⁸

This benefit quantifies the health care costs avoided through increased participation physical activity.

The benefit created from increased participation in physical exercise is derived from the:

- Number of individuals that increase their level of physical activity because of the 2026 Games
- Avoided health related costs per hour of physical activity (adapted from a study on Victoria's nature-based outdoor economy⁵⁹)
- Average additional hours spent by individuals undertaking physical exercise because of the 2026 Games

Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Table 47: Participation impact – Key assumptions and impact

Participation impact	Victoria
Average number of Victorians that will increase their level of physical activity per year (2027-29)	253,000
Average avoided health related costs per additional hour of physical activity	\$10
Average number of additional hours of additional physical activity per week	1.0
Proportion of those increasing physical activity assumed to be physically inactive	15 per cent
Assumed Victorian unemployment rate	5 per cent
Avoided cost of reduced productivity per previously physically inactive employee per year	\$1,050
Avoided health and reduced productivity costs from increased physical activity (\$m, NPV)	\$351.6

4.2.3.3 Consumer surplus

Consumer surplus measures the amount local residents are willing to pay to attend the Games over and above the cost of the entry (ticket price) to Games events. If a local attendee is willing to pay more than the ticket price to attend the Games, then they are getting more benefit from their attendance than is captured in the ticket price alone. This additional social and culture value is called consumer surplus. The pricing strategy proposed for the games is to price tickets competitively to enable all those wanting to attend the opportunity to attend the Games. It is likely that a ballot system

⁵⁷ Marsden Jacob Associates, Active impacts – The economic impacts of active recreation in Victoria, 2018

⁵⁸ Commonwealth Games Federation, Commonwealth Games Value Framework

⁵⁹ Marsden Jacob Associates, Victoria's nature-based outdoor economy – Key estimates and recommendations, 2016

will be required for ticketing given the demand to attend the games at the lower ticket prices proposed.

To estimate the consumer surplus, assumptions were developed for the following components:

- Admission prices: Estimated average ticket price
- Spectator attendance: Total (local and intrastate) spectator attendance for each Games day
- Slope of the spectator demand curve: Estimate of the relationship between changes in price of tickets and the quantity of tickets demanded.

Detailed spectator ticket pricing research undertaken by EY Sweeney for the 2015 Asian Cup was used as a basis for the modelling assumptions. The output of this research was detailed ticket pricing models for Sydney, Melbourne and Brisbane for each game type (e.g. group, semi-final etc.). EY has used these models as a basis to calculate the slope of a linear demand curve for the Games. As a conservative approach, we have used a demand curve with greater elasticity (i.e. a small change in ticket price generates a larger change in demand). Further detail is outlined in Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions.

Table 48: Consumer surplus – Key assumptions and impact

Consumer surplus	Victoria
Number of Victorian ticketed attendees	396,000
Estimated average ticket price	\$70
Estimated zero demand ticket price	\$755
Total consumer surplus (\$m, NPV)	\$96.7

4.2.3.4 Civic pride

The benefits to local residents are considered to be important component to hosting major international events. Benefits include the pride, enjoyment and community spirit that residents derive from hosting a major event as well as the enjoyment derived from the new and renewed venues used by local residents during and after the event. This creates a ‘feel-good’ factor for citizens.

Given the complexities of assessing the benefits to local residents, the assessment relied upon a study that quantified the net benefits to local residents of the 2012 Olympic Games hosted in London. The study measured the subjective well-being by assessing how people think and feel about their lives as a result of living in the city hosting the Games. The study found that residents experienced a subjective increase in wellbeing equal to a 0.5 to 1.0 per cent increase in annual household income during the 2012 Games. By coupling these results with 2012 data on household income, household size, and population size in London, this yielded an average willingness-to-pay between £86 to £172 (2012 prices) per individual, corresponding to an aggregate £700 million to £1.4 billion in willingness-to-pay from London residents to host the Games.⁶⁰

“Approximately 75 per cent of Gold Coast residents stated that the region is growing into a world class city following the Games. A survey carried out with the residents of Glasgow’s east following the 2014 games, found that pride in the local area increased from 60 per cent to 74 per cent as a result of the Games.”

(CGF, Value Framework)

This Business Case adopts the study’s finding wellness of residents resulting from hosting the games increased equivalent to a 0.02 to 0.03 per cent increase in annual household income (lower than the increase from the 2012 Olympic Games due to the differences between an Olympic Games and Commonwealth Games). This is then applied to 2026 forecasts of demographic characteristics for Regional Victoria and Victoria (i.e. population size, average household size, annual household income, and inflation).

⁶⁰ This study attempts to capture the incremental assessment by surveying control groups of representative residents of other comparable cities. This study tackled the challenge of not only identifying which population serves as a reasonable control group, but also how to exhaustively obtain all the benefits that an individual incurs independent of the Games.

As an alternative measure of civic pride, and to test the approach outlined above, we utilised market research undertaken by EY in 2019. In this research, Victorians were asked what they believed the Victorian Government spends on major events per person. Those surveyed were then asked how much they would be willing to spend to attract and/or retain major events in Victoria. The difference between what people believed they were paying and how much more or less they would be willing to pay was used as a monetary measure of willingness to pay and civic pride attributed to Victoria's major events calendar in the study. We benchmarked the civic pride per Victorian in this study to the results achieved through the increase in subjective wellbeing approach outlined above.

Table 49: Civic pride – Key assumptions and impact

Civic pride impact	Victoria
Assumed number of employed persons in Victoria (2026)	3,800,000
Civic pride benefit per employed Victorian	\$21
Assumed ticket revenue from Victorian attendees (\$m)	\$27.7
Total civic pride (\$m, NPV)	\$38.0

4.2.3.5 Volunteerism

For many volunteers, the Games will provide a unique experience and opportunity, especially for many for whom this will be their first opportunity to volunteer. Moreover, it could lead to increased interest in volunteering on an ongoing basis, although this enthusiasm may diminish over time. The need for volunteerism can focus on recruiting underrepresented groups such as youth, Indigenous, immigrants etc.

London 2012: The impact of volunteering⁶¹

Although there are distinct differences between the Olympic Games and the Commonwealth Games, there is still a large degree of overlap between the two, particularly when it comes to volunteering programs. Recent studies on the impact of volunteering at the London Olympic Games in 2012 can be used as a proxy for its impact at the Regional Victoria 2026 Games.

One study of 77 London Olympic Games volunteers found that 56 per cent were still involved in volunteering four years after the Games with 42 per cent volunteering at least one day a week in 2015. 57 per cent of respondents said this was their first experience volunteering and 66 per cent indicated that the London Olympic Games had influenced them to consider future volunteering opportunities, there is ample evidence to suggest that the 2026 Games would not only help attract new volunteers, but it would also help sustain community interest in volunteering.

Another study of nearly 11,500 London Olympic Games volunteers found that 92 per cent of respondents were satisfied or very satisfied with the volunteering experience and 45 per cent expected to spend more time volunteering as a result. In addition to this, 82 per cent of respondents thought they could apply their enhanced skills to other volunteering situations, and 57 per cent thought they could apply their improved skills to paid employment.

With the studies indicating skill development, continued interest in volunteering, and a high-level of satisfaction among London Olympic Games volunteers, it is reasonable to assume from these findings that increased volunteerism at the 2026 Games could result in ongoing participation in volunteering, increased social cohesion and improve mental and physical health among the community.

Gold Coast 2018: The impact of volunteering⁶²

After the 2018 Gold Coast Commonwealth Games, volunteers were surveyed about their volunteering experience at the Games. The findings of this survey were as follows:

- 82 per cent agreed that the Games helped them feel part of the community
- 61 per cent agreed that they felt more confident about doing new things
- 55 per cent agreed that they gained new skills

With its many parallels, it is likely that similar results from the 2018 Gold Coast Commonwealth Games will be emulated at the 2026 Games.

The value of volunteers is calculated as the value of the hours worked by each volunteer (the number of volunteers per event type, hours worked and average daily rate of a paid worker).

Table 50: Volunteerism – Key assumptions and impact

Volunteerism impact	Victoria
Number of volunteers	7,628
Numbers of volunteer hours per volunteer	80
Equivalent payment per day (minimum hourly wage)	\$20
Value of volunteering (\$m, NPV)	\$8.8

4.2.4 Qualitative benefits

It is recognised that the benefits of hosting major sporting events have the ability to extend beyond just the quantifiable benefits. Other less tangible benefits, including those of a social or cultural nature, are valuable outcomes that should be considered when evaluating the merits of hosting major events. This is particularly relevant for major events that offer diversity in participation.

⁶¹ Koutrou et al (2016), Mayor of London (2013), Dickson and Benson (2013)

⁶² Office of the Commonwealth Games, Department of Innovation, Tourism Industry Development and the Commonwealth Games, Gold Coast 2018 Commonwealth Games Post Games Report

	Benefits	Costs
Financial analysis	<ol style="list-style-type: none"> 1. Operating revenues 2. Assumed funding 	<ol style="list-style-type: none"> 1. Operating costs 2. Capital costs 3. Overlay costs
Economic impact assessment	<ol style="list-style-type: none"> 1. Increased tourism expenditure (pre and during the Games) 2. Increased tourism expenditure post games (induced tourism) 3. Increased tourism from future major event uplift 4. Induced exports 5. Induced business investment 6. Event operations impact 7. Capital expenditure impact (regional Victoria assessment only) 	N/A
Cost Benefit Analysis	<ol style="list-style-type: none"> 1. Value-add from increased tourism (pre and during the Games) 2. Value-add from increased tourism post games (induced tourism) 3. Value-add from increased tourism from future major event events 4. Value-add of induced exports 5. Value-add of induced business investment 6. Consumer surplus 7. Civic pride 8. Increased volunteerism 9. Social housing benefits 10. Avoided health costs from increased physical activity 	<ol style="list-style-type: none"> 1. Operating expenditure (net of operating revenue) 2. Capital expenditure (net of assumed federal funding)
Qualitative assessment	<ol style="list-style-type: none"> 1. Increased mental and physical benefits 2. Avoided health costs and productivity costs 3. Increased elite sport success 4. Improved capacity to host major events 5. Increased access to affordable housing 6. Improved diversity and inclusiveness 7. Improved sports diplomacy 	<ol style="list-style-type: none"> 1. Increased travel congestion

The qualitative benefits shown here are described in more detail below.

4.2.4.1 Increased elite sport success

Hosting major sporting events in Victoria not only instils a sense of pride in Victorians but is also gives our athletes the chance to compete at the highest level on home soil.

Increased elite sport success follows a 'virtuous cycle of sport' in which international success provides a platform to inspire the nation and build a sense of national pride, driving participation and increasing the talent pool.⁶³

Given the historic advantage of competing at a 'home' event, hosting the 2026 Games will provide Victorian athletes with an excellent opportunity to realise their ambitions and provide a springboard to success at the 2032 Brisbane Olympics.

The increased talent pool derived from higher levels of participation improves the opportunity to deliver international success, thus completing the cycle. Failure to win on the international stage erodes this opportunity and breaks the cycle.

Hosting a Games can help drive this cycle as it provides a significant opportunity for Victorians to witness the nations' elite athletes, inspiring more Victorians to participate in sport. The Games also provides a unique opportunity to showcase the diversity of elite sport by showcasing females, males, able-bodied and para-athletes competing in a mixed program.

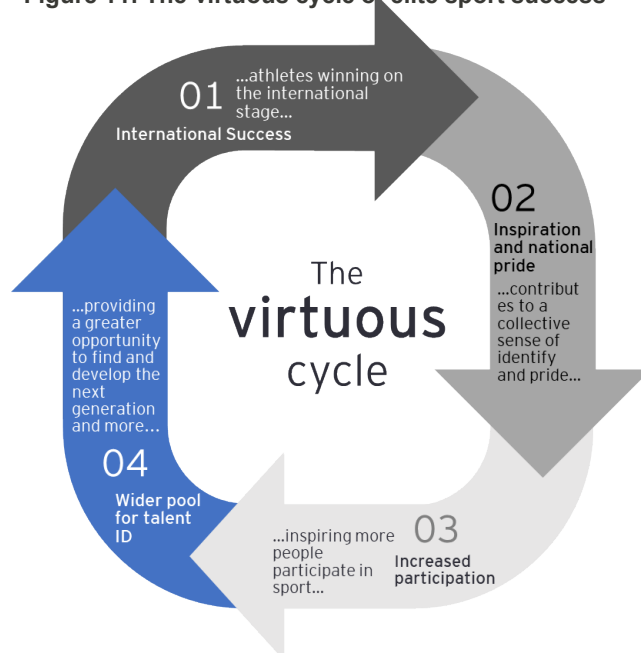
The Games will also result in upgraded infrastructure for athletes to train which contributes to elite sporting success (e.g. new Kardinia Park gymnastics facility). Across Australia in 2020, 79 per cent of NSOs agreed that there is a major gap between the current availability and quality of high-performance infrastructure and what is needed to achieve the desired high-performance outcomes.⁶⁴

4.2.4.2 Improved capacity of the State to host major events going forward

Victoria's major events are recognised on a global scale with Melbourne being declared the "Ultimate Sports City." The major events calendar attracts approximately seven million patrons every year and contributes significantly to the state's \$21 billion visitor economy.

These events and the venues that stage them are fundamental to Melbourne being recognised as the world's most liveable city for seven consecutive years from 2011 to 2017.⁶⁵ Hosting major sporting events in Victoria not only instils a sense of pride in Victorians but is also gives athletes the chance to compete at the highest level on home soil.

Figure 11: The virtuous cycle of elite sport success



⁶³ EY, Australian Olympic Committee, Commonwealth Games Australia, Sport – Powering Australia's Future (10 + 10) (Confidential)

⁶⁴ EY, Australian Olympic Committee, Commonwealth Games Australia, Sport – Powering Australia's Future (10 + 10) (Confidential)

⁶⁵ DJPR, Home Ground Advantage, Victoria's Major Stadia Strategy, 2018

In order to continue to attract and host major events, Victoria must maintain high quality infrastructure and improve the capability and availability of local skills to host such events.

A) Venues

“It is a priority to ensure venue facilities are appropriate to stage professional women’s sport.”

Victoria’s major venue network is recognised as one of the world’s best. It sets the benchmark for operational standards and responds to user needs. The network’s most powerful advantage is the diversity of venue types and sizes which allows for close matching with the events that they are hosting.

Victoria also hosts some of the best regional venues in the country such as Kardinia Park in Geelong and Eureka Stadium in Ballarat. These venues provide regional Victorians with access to national and international events which contribute to local tourism, liveability and encourages community participation.

However, Victoria’s major stadia and events network continues to experience pressure from a range of different sources at a faster pace than ever, including evolving content needs, changing consumer expectations, and higher standards set by interstate and international venues. This pressure means venues have shorter lifespans and require ongoing improvements to maintain the quality of their offering and ability to attract events.

The capital investment of the 2026 Games (including the new gymnastics and aquatic centre at Kardinia Park), will enable venues in regional Victoria to keep pace with these changing demands to attract major events and compete with major metropolitan stadia.

Women's sport

Victoria's stadia also need to adapt to the growing supply and demand of female professional sporting events. Major and minor venues across the network currently need capital upgrades because they don't have facilities necessary to stage women's professional sport and other training, competition and administration facilities across our State.

The 2026 Games will upgrade regional venues to accommodate for the needs of female athletes and spectators. This includes better athlete amenities, upgrades to changing room, medical, recovery and media facilities, lighting, operational infrastructure and spectator amenities.

B) Skills

Hosting the 2026 Games in regional Victoria will provide an opportunity to grow the local capacity and capability to organise and deliver major events in the future. A key priority of the 2026 Games is to organise the Games and associated events at a regional level – with a focus on skill building and transfer, including by partnering with local government.

With over 3,692 jobs expected to be created during the 2026 Games (as well as 233 before and 2,185 after), there is a significant opportunity to accelerate and amplify the skills and employment opportunities of those living in regional Victoria. In addition to this, the Games provides a platform to upskill those from disadvantaged groups who are often starved of opportunities to develop employment skills, particularly in regional Victoria. The Games can act as a springboard to post-Games opportunities which can lead to further training or new employment.

The Games will also provide spill-over effects to other industries that are not listed above. The training and employment afforded by the 2026 Games will allow Victorians to develop in-demand transferable skills in addition to providing valuable experience that will act a stepping-stone to a wide-range of future employment opportunities.

Figure 12: Mars Stadium to host AFLW games following upgrades to facilities



Employment opportunity sectors resulting from the Games:

- Legal
- Construction
- Engineering
- Events
- Security
- Hospitality
- Cleaning
- Finance
- Transport and logistics
- Marketing
- Program management
- Procurement
- Spectator services
- Technology.

4.2.4.3 Improved diversity and inclusiveness

One of the core pillars of the Commonwealth Games is equality, in all aspects of the Commonwealth Games. The Games is renowned as being the 'friendly Games', bringing people together from across the Commonwealth regardless of their cultural background, disability, gender or socio-economic background. It provides an opportunity for Victoria to engage, champion and positively impact its large number of diverse communities.

Historically, major sport events are male and able-bodied dominated fields (in participation and consumption). However, the Commonwealth Games offer a unique format whereby women and para-athletes are featured more prominently in the event schedule with equal number of events for men and women. There is also a focus on para and mixed gender events. The Games are also aiming to achieve gender parity amongst technical officials and reach gender parity within the leadership of the Commonwealth Games organising committee.

A key priority of the Games 2026 is to promote diversity and inclusivity through participation, employment and engagement. A Gender Impact Assessment (GIA) has been prepared to assess the impact of the gendered impact of the Games on Victoria. This will be further refined in the next iteration of the project, with resources allocated to delivering its initiatives. A summary of the GIA is provided in Appendix D – Gender Impact Assessment.

Indigenous partnership and leadership

As the oldest known civilisation on Earth, Indigenous Australians are a core component of Australia's rich culture. The Games provide a platform to showcase the vibrancy of Victorian Indigenous communities to the world, leading to tangible benefits for those communities. These benefits will be achieved through:

- Procurements, partnerships, and employment opportunities will ensure Indigenous-owned businesses benefit and grow from the Games
- Opportunities for Indigenous connection and engagement – such as a Commonwealth First Peoples summit – will be programmed alongside the Games
- Showcasing Indigenous culture – such as providing a Welcome to Country, displaying traditional welcome signs and Indigenous artwork at venues, and flying the Aboriginal flag at events – will increase awareness of Indigenous language, culture, and history
- Having Indigenous representation in the Games' ambassadorial and leadership roles will help foster leadership skills amongst Indigenous Australians
- Targeted community and school based healthy and active lifestyle programs will improve the physical and mental health of Indigenous Australians
- Tailored training programs and paid jobs before, during, and after the Games will improve the employment skills, employment prospects, and employment participation of Indigenous Australians
- Community information sessions, cultural awareness training, and cultural celebrations will improve relationships with Indigenous communities
- The platform provided by the Games will encourage the use of cultural places and practices as a mechanism for story telling which will promote Indigenous traditions and create economic opportunities for Indigenous-owned businesses – such as Indigenous tourism.

The Commonwealth Sport Pride Network⁶⁶

"As 'the Games for Everyone' we all hope Birmingham 2022 will provide an inspiring and important opportunity to engage, champion and benefit many diverse communities, and I am proud that this will now include support and initiatives for the LGBTQ+ sporting communities"- CGF President Dame Louise Martin DBE

The Commonwealth Sport Pride Network was launched in December 2021 to positively champion and enable LGBTQ+ inclusion at the Commonwealth Games and across the Commonwealth Sport Movement.

Supported by CGA, the Commonwealth Sport Pride Network is a voluntary network and coordination group, that looks to bring together athletes, coaches, Commonwealth Games Associations, Games organisers, stakeholders, partners and allies.

CGA has been an active participant in an international working group of athletes, CGAs and stakeholders who have set out four key areas of focus – community, education, visibility and influence – enabling the network to:

- Create a safe space for LGBTQ+ people and allies to meet, support and coordinate activities as a community
- Increase visibility and awareness of LGBTQ+ inclusion and participation in Commonwealth sport and positively promote equality, role models, best practice and support Pride House at the Games
- Support allies, CGAs, Games organisers and other stakeholders through information-sharing, training and education
- Provide a collective platform to influence and drive positive change for LGBTQ+ acceptance and equality across Commonwealth Sport and the wider Commonwealth.



⁶⁶CGA, available at: <https://commonwealthgames.com.au/commonwealth-sport-pride-network-launched/>, accessed: 12.01.2022

4.2.4.4 Improved sports diplomacy

“Sport is widely recognised as a universal language that can break down cultural barriers. It can help Australia advance national interests, project Australia’s values and identity and serve as a bridge between peoples. It speaks to who we are and what we stand for and amplifies Australia’s reputation on the global stage” – Sports Diplomacy 2030

Beyond Australia’s borders, major sporting events provide a platform in diplomacy matters. Australia recognised this potential value in Sport Diplomacy 2030 (Australia’s Sport Diplomacy Strategy), with a key focus of the plan being to “promote Australia as a host of choice for major international sporting events and ensure that we leverage the wider economic opportunities.”

Implementing a successful sports diplomacy program as part of the Games can result in induced exports and investment (as outlined in Section 4.2.2).

In line with objectives of the Strategy, the 2026 Games will provide opportunities to engage with Commonwealth nations and grow trade partnerships in line with the key priorities. Specifically, the Games aligns with the Strategy’s following initiatives:

1. Promoting Australia as a host of choice for major international sporting events and leverage associated legacy opportunities
2. Targeting opportunities to strengthen diplomatic and economic relationships through sport across the Indo-Pacific
3. Developing pathways for elite Pacific athletes and teams to participate in Australian and international sporting competitions
4. Facilitating access for emerging Pacific athletes to participate in high performance training in Australia
5. Leveraging Australia’s strong sporting brand to enhance its global reputation and to build enduring relationship
6. Creating leadership pathways and increasing the participation of women and girls in sport
7. Harnessing the power of sport to promote gender equality, disability inclusion, social cohesion and healthy lifestyles.

Sports Diplomacy 2030⁶⁷

Vision - “To strengthen Australian sport and opportunities for athletes globally and unlock their full potential to support our national interests.”

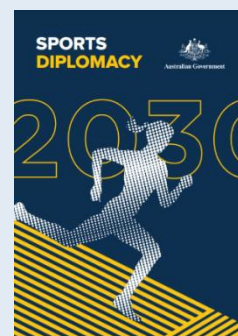
The first phase of the strategy is to focus on:

Empowering Australian sport to represent globally

Building linkages with neighbours

Maximising trade, tourism and investment opportunities

Strengthening communities in the Indo-Pacific and beyond.



4.3 Cost Benefit Analysis (CBA)

Business Case Revisions

The CBA has been revised given changes to the financial analysis, social housing provision and visitation.

⁶⁷Sports Diplomacy 2030

In order to determine the return on investment (ROI) by hosting the 2026 Games in regional Victoria, a cost benefit analysis (CBA) has been undertaken.

A CBA is DTF's preferred approach⁶⁸ for undertaking an economic evaluation as it provides a robust method for evaluating the costs and benefits (including both market and non-market impacts) of a project or policy change in today's dollars to society as a whole.

The Benefit Cost Ratio (BCR) is the key outcome of a CBA. It represents the economic gain (benefit) to Victoria of hosting the Games, versus the amount it costs Victoria to host the Games. A BCR of greater than one (1.0), demonstrates that the benefits are greater than the costs. A BCR below 1.0 can be thought of as spending \$1 to achieve less than \$1 in benefits.

The CBA:

- Considers only the incremental changes compared to a defined 'Status Quo' or Base Case scenario (i.e. not hosting the 2026 Games)⁶⁹
- Explicitly considers opportunity costs. For example, it excludes funding that would have flowed to the host city/region regardless of the investment to host the games (i.e. in the absence of the 2026 Games)
- Presents monetary values in net present value ("NPV") terms, taking into consideration the time-value of money.

4.3.1 CBA Framework

The CBA Framework was developed in consultation with DTF and follows DTF's Economic Evaluation for Business Cases Technical Guidelines ('Guidelines').⁷⁰ A summary of the CBA Framework and the is outlined in Figure 13 below.

⁶⁸ Economic Evaluation for Business Cases Technical Guidelines, August 2013

⁶⁹ Under the Base Case scenario, it is assumed there is no government investment and subsequently, Victoria does not host the 2026 Games.

⁷⁰ Economic Evaluation for Business Cases Technical Guidelines, August 2013

Figure 13: CBA Framework

	Benefits	Costs
Financial analysis	<ol style="list-style-type: none"> Operating revenues Assumed alternative funding 	<ol style="list-style-type: none"> Capital expenditure Operating expenditure (including overlay)
Economic impact assessment	<ol style="list-style-type: none"> Increased tourism expenditure (pre and during the Games) Increased tourism expenditure post games (induced tourism) Increased tourism from future major event uplift Induced exports Induced business investment Capital expenditure impact (regional Victoria assessment only) Operating expenditure impact 	N/A
Cost Benefit Analysis	<ol style="list-style-type: none"> Value-add from increased tourism (pre and during the Games) Value-add from increased tourism post games (induced tourism) Value-add from increased tourism from future major events Value-add of induced exports (post Games) Value-add of induced business investment Social housing benefits Avoided health costs and productivity costs from increased physical activity Consumer surplus Civic pride Increased volunteerism 	<ol style="list-style-type: none"> Capital expenditure (net of assumed federal funding) Operating expenditure (net of operating revenue)
Qualitative assessment	<ol style="list-style-type: none"> Increased elite sport success Improved capacity to host major events Improved diversity and inclusiveness Improved sports diplomacy 	<ol style="list-style-type: none"> Increased travel congestion

Base Case ('do nothing') Scenario

As per DTF's Guidelines, a Base Case scenario is used in this CBA as a reference point for comparing the costs and benefits of the investment decision. Under the Base Case scenario, it is assumed there is no government investment and subsequently, Victoria does not host the 2026 Games.

4.3.2 High level approach

A description of the benefits included in the CBA Framework are outlined in Sections 4.2.2 and 4.2.3.

The costs included are as follows:

- **Operating expenditure** – Net operating expenditure was applied as a cost line i.e. operating expenditure minus operating revenue. As such, operating revenue was not included as a benefit
- **Capital expenditure** – Net capital expenditure was applied i.e. capital expenditure minus funding received from other sources for capital expenditure. As such, funding received from other sources was not included as a benefit.

4.3.3 Geographical area of assessment

The CBA has been conducted on the impact to the State of Victoria. As such, only the proportion of costs and benefits that are attributable to Victoria are included in this CBA.

An economic impact analysis of the Games is undertaken both for the State of Victoria and for regional Victoria and is presented in Section 4.2.2.

4.3.4 CBA assumptions

The overarching assumptions used in the CBA analysis are presented in the table below.

Item	Assumption
Discount rate (real)	7 per cent
Base date for escalation	1 July 2022
Construction period	4 years
Operations period	4 years
Appraisal period	20 years
Forecasting end date	31 June 2042

4.3.5 Benefit Cost Ratio (BCR) Results

Table 51 below outlines the results from the CBA. The Games is estimated to deliver a total benefit a Benefit Cost Ratio (BCR) of between 0.7 and 1.6.

Table 51: BCR results

Games 2026	Worst case	Best case
Costs (NPV, 7 per cent real discount rate)		
Operating expenditure (net of operating revenue)	\$1,190	\$1,029
Capital expenditure	\$793	\$506
Non-LOC costs	\$114	\$107
Lifecycle costs of new facilities at Kardinia Park and Velodrome	\$18	\$12
Less assumed Federal Government funding for capital expenditure	(\$165)	(\$173)
Less assumed Victorian Government Sport Infrastructure Funding	\$0	(\$173)
Less assumed funding for State Government Housing Program	\$0	(\$161)
Less assumed Local Government funding for capital expenditure	(\$12)	(\$16)
Total costs	\$1,939	\$1,130
Benefits (NPV, 7 per cent real discount rate)		
Value add from increased tourism (pre and during the Games)	\$298	\$325
Value add from induced tourism (post-Games)	\$184	\$265
Value add from increased tourism from future major events	\$38	\$47
Value add from induced exports	\$324	\$377
Value add from induced business investment	\$90	\$120
Social housing benefits	\$153	\$153
Avoided health costs and reduced productivity costs from increased physical activity	\$228	\$352
Consumer surplus	\$46	\$97
Civic pride	\$21	\$38
Increased volunteerism	\$9	\$9
Total benefits	\$1,390	\$1,782
Benefit-cost Ratio	0.7	1.6

4.4 Sensitivity analysis

Business Case Revisions

The sensitivity analysis has been revised based on updates to the CBA.

As outlined in Section 3.2, the Games will deliver a significant legacy for Victoria and regional Victoria. Given the size and scale of the 2026 Games, the event's delivery depends on the successful coordination. Due to the uncertain nature of economic and financial analyses in general, and the constraints around time and confidentiality, a sensitivity analysis has been undertaken of the key assumptions. Sensitivity analysis is a process used to test the responsiveness of the model results to changes in the model inputs and thereby produce a range of outputs, rather than a single BCR.

The following scenarios examined the sensitivities of the following parameters:

- Worst case cost and worst case benefit (i.e. high cost and low benefit, referred to as "Worst Case" throughout the analysis)
- Worst case cost and best case benefit (i.e. high cost and high benefit)
- Best case cost and worst case benefit (i.e. low cost and low benefit)
- Best case cost and best case benefit (i.e. low cost and high benefit, referred to as "Best Case" throughout the analysis).

The sensitivity analysis demonstrates that the Games can achieve a net benefit (i.e. BCR of 1.0 or more) if:

- Cost is high and benefit is high
- Cost is low and benefit is low
- Cost is low and benefit is high.

Table 52: Sensitivity analysis

Sensitivity analysis	Worst case benefit (i.e. low benefit)	Best case benefit (i.e. high benefit)
Worst case cost (i.e. high cost)	0.7	0.9
Best case cost (i.e. low cost)	1.2	1.6

5. Funding sought

5.1 Proposed funding sources and alternatives

Business Case Revisions

This Section has been revised based on updates to the financial analysis.

5.1.1 Alternative funding sources

For the purposes of this Business Case, we have assumed federal funding of \$205 million in the worst case (all for capital expenditure) and \$217 million in the best case (\$215 million for capital expenditure and \$2 million for operating expenditure) in real dollars to support the 2026 Games. This assumption is based on:

- **Federal funding for the Gold Coast 2018 Games** – The Federal Government provided \$156 million in funding (\$164 million in 2022 dollars) to support investment in Games related infrastructure
- **Federal funding for the Melbourne 2006 Games** – The Federal Government provided \$273 million in funding (\$378 million in 2022 dollars) to support the opening and closing ceremony, the volunteer program, the cultural program, the Queen's Baton Relay, air fare subsidies for athletes from developing countries and those with a disability, security and drug testing.

Based on advice from DJPR, we have assumed that the Federal Government will fund 50% of the capital expenditure for venues in the Best Case, while the amount assumed in the Worst Case has been agreed with DJPR.

Given the policy alignment of the Games across Government objectives, DJPR will seek to identify other funding sources across Government departments and local councils that can be used to fund components of the Games.

Alternate funding sources may include:

- **Major Events Fund (DJPR / Visit Victoria)** - The Major Events Fund supports the acquisition of a number of cultural and sporting events for the State, strengthening Victoria's world-class events calendar, positioning Victoria as a leading major events destination. Funding could be provided through the Major Events Fund to support Games' infrastructure legacy
- **Big Housing Build (Homes Victoria)** – The Big Housing Build's Strategic Partnership projects offers opportunities to partner with industry, community housing providers, local government and institutional investors. The Regional Investment category aims to extend Victoria's big housing build across the State, resulting in new housing developments in as almost all of the 79 local government areas. Funding from the Big Housing Build program could be used to help fund the development of social and affordable housing through the athletes / officials accommodation.

Based on advice from DJPR, we have assumed that 50% of the capital expenditure for venues will be funded through existing State Government Sporting Infrastructure funding in the Best Case and 0% will be funded through the program in the Worst Case. In addition, based on advice from DJPR we have assumed that the cost of the Games Village Housing Program will be covered by a State Government Housing Program in the Best Case and 0% will be covered by the program in the Worst Case.

There may also be opportunities to leverage alternative government initiatives to deliver on the broader objectives of the Games. This includes:

- **Visitor Economy Recovery and Reform Plan (DJPR)** – The Plan outlines a roadmap to revitalise and grow Victorian tourism after the impacts of bushfires and the global pandemic. This includes strategies to attract more international, interstate and intrastate visitors by making the most of marketing expenditure, transforming Regional Tourism Boards and ensuring state-wide collaboration. Funding allocated to the Plan's objectives could be provided in the lead up to and during the Games to deliver marketing of regional Victoria for the Games

- **Regional Events Fund (DJPR / Visit Victoria)** – The Regional Events Fund provides funding to host an event in regional Victoria. It aims to support the attraction, development, marketing and growth of events whilst attracting visitors to regional Victoria. This includes funding of up to \$1 million to support the attraction of one-off or ongoing major events.⁷¹ Funding could be allocated to non-competition events in the lead up to the Games in regional areas i.e. test events and participation events
- **Creative State 2025 (DJPR)** – Creative State 2025 is the Victorian Government's four-year strategy to strengthen and grow the state's creative industries, placing them at the heart of Victoria's recovery and future prosperity. The strategy aligns with the objectives of programs related to the Games' including objectives to create more and better job opportunities, provide innovative creative products and provide accessible access to creative industries
- **Local Sports Infrastructure Fund (DJPR / SRV)** - The 2021-22 Local Sports Infrastructure Fund is a state-wide competitive Victorian Government program that provides a range of grant opportunities across five funding streams. This includes the provision of indoor stadiums / aquatic facilities, female friendly facilities, community sports lighting, community facilities and planning. Funding could be allocated to community facilities that will be utilised for training and competition needs.⁷²

Based on advice from DJPR, we have assumed that local government will contribute \$100 million of funding to the operating budget and capital expenditure in the Best case scenario and \$30 million in the worst case scenario.

5.2 Budget impact

Business Case Revisions

This Section has been revised based on updates to the financial analysis.

For the purposes of the Business Case, all State funding requested will be appropriated from Output Funding as any capital funding will be provided to non-State-owned assets.

Note, a transfer of funding from output funding to capital funding may occur for funding allocated to the new aquatics, diving and gymnastics centres once ownership is transferred to Kardinia Park Stadium Trust.

The output funding sought under the Worst Case and Best Case scenarios is outlined in the table below.

The funding sought is a gross cost of the capital and operating expenditures required to deliver the Games. This is considered to be a conservative estimate, as we have accounted for a larger number of sports than is expected to feature. In addition, this gross cost will be offset by operating revenues and funding received from other funding sources (e.g. Federal and Local Government and other State Government programs).

5.2.1 Output funding sought (costs and revenues)

Table 53: Output funding sought (nominal \$m) - Worst Case scenario

Output funding Price change requested for provision of output	2021-22	2022-23	2023-24	2024-25	2025-26	2026- 27	6-year total	(\$ million) Ongoing
Capital costs	8.500	68.675	458.292	422.905	110.381	-	1,068.754	3.479
Operating costs	29.490	173.238	179.368	344.214	1,412.564	21.009	2,159.884	-
Gross cost (output funding sought)	37.990	241.913	637.661	767.119	1,522.946	21.009	3,228.638	3.479
Non-government related operating revenue	-	24.012	36.919	63.069	129.292	-	253.293	-
Public sector contribution	-	46.638	94.819	98.805	8.279	-	248.540	-
Net cost	37.990	171.263	505.923	605.245	1,385.375	21.009	2,726.805	3.479

⁷¹ Visit Victoria, Regional Events – available at: <https://corporate.visitvictoria.com/events/regional-event>, accessed 19.01.2022

⁷² SRV, available at: [Local Sports Infrastructure Fund - Sport and Recreation Victoria](#), accessed 19.01.2022

Table 54: Output funding sought (nominal \$m) - Best Case scenario

Output funding Price change requested for provision of output	2021-22	2022-23	2023-24	2024-25	2025-26	2026- 27	6-year total	Ongoing
Capital costs	8.000	45.100	287.040	271.063	68.988	-	680.192	2.319
Operating costs	28.996	164.549	169.944	322.467	1,294.873	19.740	2,000.570	-
Gross cost (output funding sought)	36.996	209.649	456.984	593.530	1,363.862	19.740	2,680.762	2.319
Non-government related operating revenue	-	25.405	39.060	66.728	136.792	-	267.986	-
Public sector contribution	-	141.655	286.085	302.068	45.256	-	775.064	-
Net cost	36.996	42.589	131.839	224.735	1,181.813	19.740	1,637.712	2.319

5.2.2 Capital funding required (costs and revenues)

There is no capital funding requested as part of this Business Case. As noted, a transfer of funding from output funding to capital funding may occur for funding allocated to the new aquatics, diving and gymnastics centres once ownership is transferred to Kardinia Park Stadium Trust.

5.2.3 Alternative scenarios

As noted, the amount of funding to be provided by the Federal Government, Local Governments and the State Government Housing Program is currently unknown. A worst case and best case scenario has been assessed to determine the level of State funding that would be required.

Table 55: Alternative scenarios (real \$m)

Scenarios	Federal Government funding received (operating + capital funding)	Victorian Government Sport Infrastructure Funding (capital funding only)	State Government Housing Program funding received (capital funding only)	Local Government funding received (operating + capital funding)	State Output funding sought
Worst case	\$205 million	-	-	\$15 million	\$3,210 billion
Best case	\$217 million	\$215 million	\$200 million	\$100 million	\$2,524 billion

6. Deliverability

6.1.1 Assessment and management of risks and sensitivities

A risk workshop was held on the 4th January 2021 with representatives from DJPR, Visit Victoria and the Working group to identify the key risks and associated mitigation strategies of the project between now and the delivery of the Games.

Key categories of risks included costs, benefits, health & safety, community, quality, resources, legal and reputation. The risk assessment approach and summary risk matrix is outlined below.

6.1.2 Risk assessment approach

The risk management framework applied is outlined in

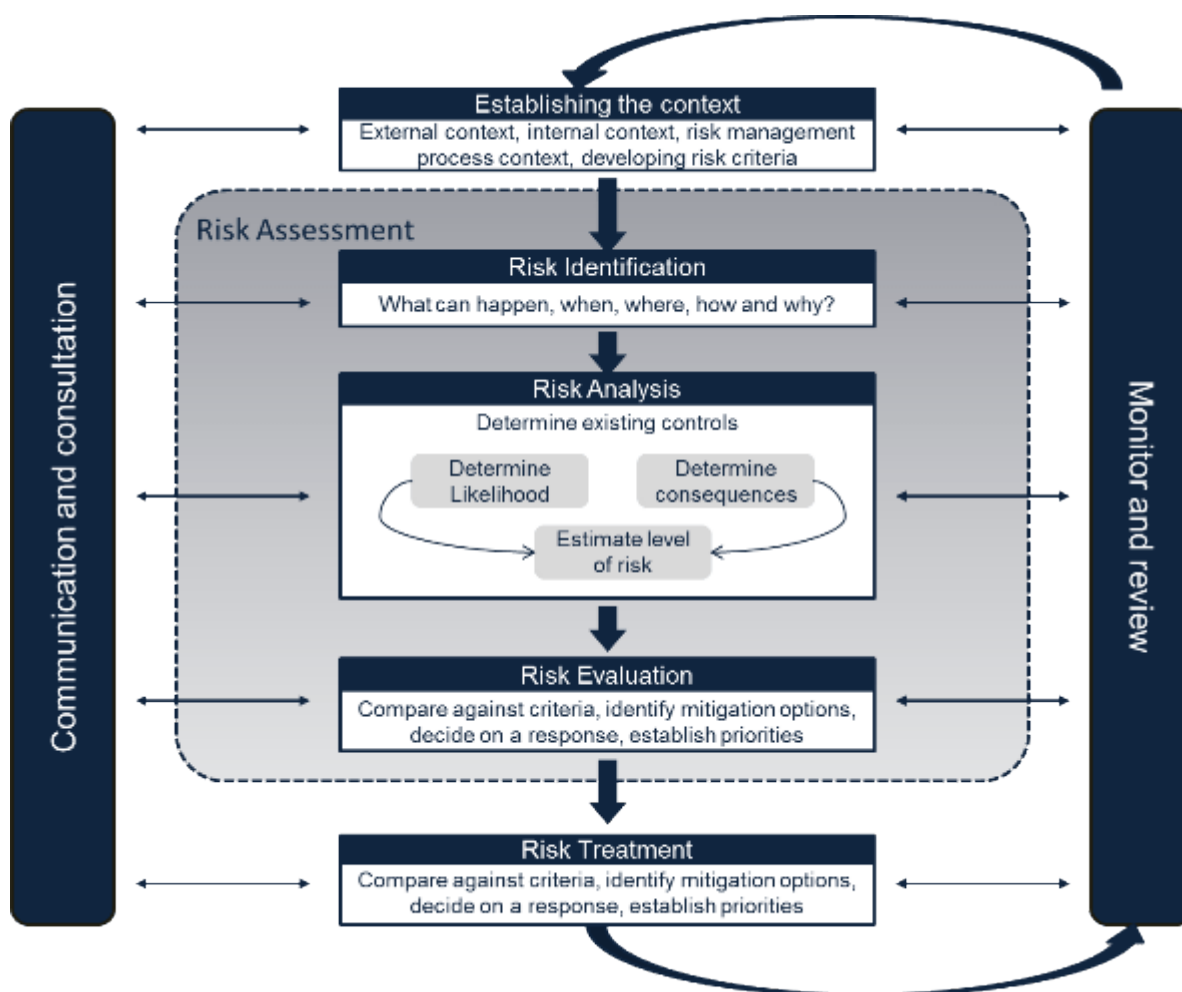
Figure 14. This framework sets out general risk management and business continuity planning process, management accountabilities and approach, to systematically manage risk. The project risk management approach is to continuously identify risks, develop strategies to manage the risks, monitor effectiveness of these strategies and update these strategies as required.

The risk management process and key project risks relate to the risks in delivery of the scope of works for the recommended solution. Key elements of the project risk management framework include:

- Establishment of risk assessment criteria for the project
- Risk identification involving relevant stakeholders
- Establishment of a risk register
- Development / identification and implementation of strategies to mitigate identified risks

- Regular monitoring and review processes
- Review contingency allowance to cater for known risks.

Figure 14: Risk methodology



The risk matrix used to assess and assign likelihood and consequence ratings, and ultimately the overall risk ratings is shown below. A copy of the full risk register is provided in Appendix H – Risk Register.

Figure 15: Qualitative risk categorisation matrix

Likelihood	Consequence				
	1 - Very Low Consequences can be readily absorbed but management effort is still required to minimise impact	2 - Low Event that can be managed under normal operating conditions and requires moderate level of resources to manage	3 - Medium Event with significance, additional management attention required	4 - High Critical events affecting achievement of objective. Needs significant senior management attention	5 - Very High Disaster with the potential to end the objective
	5 - Very likely Comparable events are frequent.	Medium	High	High	Critical
	4 - Likely Events will occur several times in the life of the project (4 year implementation).	Medium	Medium	High	Critical
	3 - Possible Event expected to occur within the life of the project (4 year implementation)	Low	Medium	Medium	High
	2 - Unlikely May happen less than once in the life of the project. Future occurrence is thought improbable	Low	Low	Medium	High
	1 - Rare None of the team has heard of this happening elsewhere. Remote chance of this event occurring.	Low	Low	Low	Medium

6.1.3 Detailed risk register (planning and delivery)

Business Case Revisions

This Section has been revised based on updates to the risk register.

For the purposes A summary of the risks rated medium or higher after mitigation are provided below.

Risk category	Risk cause	Risk consequence	Current rating	Mitigation strategy	Rating following mitigation
Cost	Risk that the CGF and IF do not agree with the additional sports proposed, disciplines and schedule. This would result in the need to alter the sports (e.g. BMX vs track cycling), disciplines (e.g. cycling - road tour vs cycling - track), or events (200m vs 400m) which would result in changes to costs from those proposed.	Two potential impacts - either 1. There are penalties in the HOA (amount to be determined) due to the need to make changes to the sports program 2. Higher (or lower) capital and operating costs compared with expectations due to the changes in the number of total athletes, or the additional spaces/courts required. This could be favourable or unfavourable.	Critical Risk	1. The operating and capital budget assumes 22 sports are required, providing for a conservative estimate 2. Ongoing consultation with IF on the sports, disciplines, and events proposed for the CG. 3. Although the risks associated with CGF and CGA are very low, continued engagement with these organisations will also be pursued (Timing TBD)	Medium Risk
Cost	Risk that the venues and precincts proposed to host sports are non-compliant with the CGF and IF. This would result in the need to improve the non-compliant venue(s), or the relocation to an alternative site. It is noted that significant budgets have been allowed for the redevelopment of Kardinia Park (swimming, diving, gymnastics), Mars Stadium (GMHBA and alternative venues), Lake Nagambie (rowing), Shepparton Sports Stadium (squash), Geelong Arena (table tennis), and Geelong Convention Centre (weightlifting and powerlifting).	Two potential impacts - either 1. Penalties as per the HOA (to be determined) due to the need to make changes to the proposed venues 2. Higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected)	High Risk	1. The HOA allows for negotiations of high-risk venues – such as those where site visits and engagement with venue operators is necessary but has not yet been possible. Additionally, no penalties will be applicable until this has been completed. 2. Commence discussions with CGF, CGA, and IF as soon as possible to discuss non-negotiables 3. Use temporary overlay where possible to meet requirements	Medium Risk
Cost	Risk that venues will not have capacity to host CG sporting events. The venues need to be large enough to provide required field of play areas, areas for spectators, areas for officials, athlete training and warm up zones, press areas, along with other key areas. Some of the proposed facilities meet the field of play requirements but are not suitable to host CG competitions.	Two potential impacts - either 1. Penalties as per the HOA (to be determined) due to the need to make changes to the venues proposed 2. Higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected)	High Risk	1. The HOA allows for negotiations of high-risk venues – such as those where site visits and engagement with venue operators is necessary but has not yet been possible. Additionally, no penalties will be applicable until this has been completed. 2. Commence discussions with CGF, CGA, and IF as soon as possible to discuss non-negotiables 3. Use temporary overlay where possible to meet requirements	Medium Risk

Cost	Risk that key venues are not available due to existing commitments to local, state, and national sports would result in limited or no access to venues for the CG.	Two potential impacts - either 1. Greater than expected compensation payments to venues to enable access 2. Need to find an alternative venue for the affected sports. This would result in higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected)	High Risk	1. Early alignment and discussions with venues as soon as possible. Cannot be discussed until a later date.	Medium Risk
Cost	Risk that public spaces and realms will not be available. For example, roads for cycling – road tour.	Two potential impacts - either 1. Penalties as per the HOA (to be determined) due to the need to make changes to the venues proposed 2. Higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected)	High Risk	1. Ongoing negotiation of high-risk public spaces and realms – such as those where site visits and engagement with venue operators is necessary but has not yet been possible. Additionally, no penalties will be applicable until this has been completed. 2. Commence discussions with CGF, CGA, and IF as soon as possible to discuss non-negotiables 3. Engage with councils where possible to secure public spaces 4. Use temporary overlay where possible	Medium Risk
Cost	Risk that there is not enough accommodation (for spectators, officials, and others) in the regional locations	Three potential impacts - either 1. Does not meet CGF requirements 2. Requires higher capital costs (would need to build additional accommodation) 3. Limits the tourism benefits generated from the Games	High Risk	1. Accommodation for technical officials, core media, broadcast and contractors will be provided as new builds as per the athlete and official accommodation 2. Understand the need for accommodation based on the sporting program and venues agreed upon 2. Leverage hotels and temporary overlay for smaller sites 3. Ongoing negotiation of accommodation	Medium Risk
Cost	Risk that upgrades to sporting facilities (owned by other parties) cannot be effectively maintained and fall into disrepair	1. Reduced value of money for Government from investment 2. Increased ongoing capital maintenance costs to Government (over and above those budgeted)	High Risk	1. Consideration will be given to those facilities which need to be potentially taken over by the State due to their larger and more significant operations post the CG. 2. The costings for the games will include any ongoing operating and maintenance costs of these facilities to the state.	Medium Risk
Schedule	Risk that there is insufficient time to complete the delivery of capital projects (including the accelerated government decision making required) for testing pre-Games and the Games itself.	Two potential impacts - either 1. Facilities are not able to be tested within the required timeframe 2. Facilities are not delivered in time for the Games	High Risk	1. Early engagement by the Government with the business case, along with Government buy-in for early capital planning and decision making	Medium Risk

Reputational	Risk there is limited regional labour and resource capacity for construction , with competition from large infrastructure programs (e.g. Victoria's Big Build).	Two potential impacts - either 1. Higher than expected capital costs 2. Program for delivery cannot be completed within the proposed timeframes	High Risk	1. Early engagement by the Government with the business case, along with Government buy-in for early skill-development planning and decision making	Medium Risk
Reputational	Risk that Federal Government departments do not support hosting the Games (e.g. border force, transport, visas, and other requirements).	Potential impact 1. An inability to fulfill CG hosting requirements would mean that Victoria would be unable to host the Games. Financial penalties will also apply.	High Risk	1. Early alignment and discussions with Federal Government departments and decision makers	Medium Risk
Reputational	Risk that the Games cannot be successfully delivered with the timeframe. Generally host cities have approximately 8 years to plan and implement the Games. This will be condensed into 4 years.	Two potential impacts 1. Costs are underestimated 2. Benefit are overestimated	Critical Risk	1. A fit-for-purpose entity to lead delivery of the Games will be developed 2. Use of existing and pop-up infrastructure will be maximised	Medium Risk

6.2 Timelines and milestones

Business Case Revisions

This Section has been revised based on updates to the timelines.



Below is a summary of the key milestones to secure the 2026 CG in regional Victoria.⁷³

Table 56: Key milestones

Task	Due Date
CGA Board Decision to Endorse Victoria's Proposal	10 March 2022
Proposal Submitted to CGF	15 March 2022
LOC and OCG Establishment	March 2022
Athlete Village and Major Venue Project Establishment	March 2022
CGF Board Decision on Host City	31 March 2022
Host Contract Executed	14 April 2022
Victoria Announced as Host of 2026 CG	14 April 2022
Inclusion / Exclusion of Track Cycling and Rowing Confirmed	July 2022
Updated Business Case #1	October 2022
Final Sport Program Confirmed	December 2022
Updated Business Case #2	Early-2023
Athlete Village and Major Venue Construction Commences	Late-2023 / Early 2024
Athlete Village and Major Venue Construction Completion	October 2025
Athlete Village and Competition Venue Overlay Bump-In	October 2025 – February 2026
Test Events and Commissioning	October 2025 – February 2026
2026 CG Hosted in Regional Victoria	March 2026
Post-2026 CG Modification Works	April 2026 – October 2027

⁷³ A delay in executing the HOA may impact the timeframes of the proceeding activities. This is not assumed to impact the delivery model.

6.3 Governance

Business Case Revisions

This Section has been revised based on updates to the Governance Structure,

Overall Governance of the Commonwealth Games, including making key decisions and overseeing successful delivery of the Games, is being co-developed by the Victorian Government with the CGF, Commonwealth Games Federation Partnerships (CGFP) and Commonwealth Games Australia (CGA).

The current proposed governance structure is based on lessons from previous Games (including Melbourne 2006 and Gold Coast 2018) and through ongoing negotiations with the CGF.

Based on work to date, there are seven key components to the proposed governance model for the Games:

- **Cabinet Taskforce/Committee and Minister:** A new dedicated Cabinet Committee or Taskforce and a Minister for the Commonwealth Games would be established to ensure clear oversight and decision-making
- **Inter-departmental Committee:** To ensure whole-of-government coordination, a new IDC would be created to support effective working of the Cabinet Committee and preparation activities
- **Strategy Group:** A new group would bring together the most senior officials from Victoria, relevant LGAs, the Commonwealth Games Federation, Commonwealth Games Australia and other key partners as relevant
- **Local Organising Committee:** To deliver the Games, a new entity would be created and staffed with experts from across Victoria. This would have a Board with representatives from the Victorian Government and Commonwealth Games entities
- **Working Groups:** Cross-agency collaboration would be driven by Working Groups focused on specific topics (e.g., Transport, Security, Budget etc)
- **Office of Commonwealth Games, DJPR:** A new Group in DJPR would be created to support the Minister and ensure oversight, coordination and achievement of Games legacy objectives.
- **CEO Forum:** A new forum for CEO-level representatives of all major parties involved in delivery of the Games would allow for discussion and resolution of risks and issues.

The diagram below outlines the proposed Global Governance structure for the Games. This structure is to be finalised and agreed by CGF.

Figure 16: Proposed Global Governance Structure



The indicative purposed and composition of key governance forums and entities are outlined in Table 57 below.

Table 57: Indicative purpose and composition of key governance forums and entities

	Commonwealth Games Strategy Group	Commonwealth Games Cabinet Taskforce	Commonwealth Games 2026 LOC	Office of the Commonwealth Games (OCG)	CEO Coordination Forum
Purpose	Guidance and oversight of strategic direction of the Games, ensuring a world-class event and lasting impact and legacy.	Discuss and agree strategic and funding decisions related to the Games. Ensure cross-Government alignment of strategy and ensure the Games meet Government's objectives.	Translate strategy into operations to deliver world-class games within expected timelines, budget and quality expectations.	Commissions and coordinates relevant entities with input from the LOC to assist in Games delivery. Provide policy and budgetary oversight.	Forum for key stakeholders to coordinate, discuss and resolve operational and tactical risks and issues. Provide advice to LOC and OCG where appropriate
Chair / Leader	Victorian Minister for Commonwealth Games	Premier of Victoria	Chair of the LOC Board	CEO / Deputy Secretary	CEO, Local Organising Committee
	<ul style="list-style-type: none"> Chair, Commonwealth Games Federation (CGF) Chair, Commonwealth Games Australia (CGA) Chair, Commonwealth Games 2026 Local Organising Committee Mayors of relevant LGAs (City of Greater Geelong, City of Ballarat, City of Greater Bendigo, Latrobe City Council) Minister for Sport, Federal Government 	<ul style="list-style-type: none"> Treasurer of Victoria Minister for Tourism, Support and Major Events Minister for Regional Development Minister for Transport Infrastructure <p>Could also include:</p> <ul style="list-style-type: none"> Minister for Community Sport Minister for Housing Minister for Police Minister for Emergency Services <p>This would also be supported by a newly convened IDC, with representatives from all agencies supporting Ministerial members</p>	<ul style="list-style-type: none"> Chair, Visit Victoria Representatives from: <ul style="list-style-type: none"> Victorian Government CGF CGA Commonwealth Games Federation Partnerships Athlete representative Independent member(s) Potentially Federal Government representative <p>(Specific members and number TBD)</p>	<ul style="list-style-type: none"> As a Group within DJPR, the OCG will be run in accordance with departmental policy. <p>As such, no board will be stood up for the OCG and instead the Group will report through the Secretary to the Minister for the Commonwealth Games and the Major Events and Commonwealth Games Cabinet Committee</p>	<p>Membership will include representation from each partner and key delivery agency.</p> <p>At a minimum the forum will comprise of senior responsible officers of each agency, including:</p> <ul style="list-style-type: none"> DJPR (Office of Comm Games) CGF CGA CGF-P CEO, Office of the Commonwealth Games CEOS of relevant LGAs Central agencies Other relevant Vic Gov entities (Visit Vic, VicPol etc)
Meeting Frequency	At least twice yearly	At least six times yearly	At least monthly	N/A	At least six times yearly
Secretariat	The secretariat support for these forums (including the proposed IDC) will be provided and managed by the Office of the Commonwealth Games.				

Local Organising Committee

A fit-for-purpose entity would be established to play the role of the LOC and be responsible for the planning and delivery of the Games. The roles of this LOC would include:

- Sports and Operations: Including managing staff and volunteers, international sporting engagement, local sporting club and association engagement, health and medical management
- Venues and Services: Including sports venues, athlete villages, security and transport
- Commercial: Including transactions, legal, ticketing, merchandising and licensing.
- Corporate and Finance: including finance, budget and human resources
- Partnerships: Including with the CGF, local government, Commonwealth government and with industry/non-profits
- Communications and Marketing: Including external communications, media/broadcasting and ceremonies.

It would be led by a Board and work with partners across government and industry to prepare for and deliver the Games. DJPR will work closely with central agencies, CGF and CGA to determine the appropriate legal form and Board composition for the entity, with consideration of the following requirements:

- A balance between public and commercial objectives
- Capability to navigate and make decisions around large-scale and complex operational, infrastructure, commercial and legal issues
- Rapid establishment to support planning and implementation within the Games' shortened timeframes.

The entity will coordinate with key delivery partners including the CGF, CGA, Federal Government, State agencies and local government to ensure other core functions including transport, security, infrastructure and legacy programs are delivered in alignment with the Games' strategic objectives.

The model of the LOC is to be established. It make take either of the following forms:

- A statutory entity
- A company under the Corporations Act
- A State Body under the State Owned Enterprises Act (such as a State Business Corporation).

The next steps in finalising the LOC structure are as follows:

- Determine the preferred form and process for establishment through further legal advice as well as consultation with DPC/DTF
- Ongoing negotiation with the CGF will confirm their requirements to ensure the entity meets their needs.

Interim Governance

Until the LOC is established and operational, Games preparation will need to continue at a fast pace. Therefore, interim governance will involve creation of a dedicated unit within DJPR. Relevant functions and resources would be spun out from this unit once the LOC is established, leaving a core group to ensure policy advice, cross-government coordination and a focus on achieving legacy goals.

Timelines and Costs

It is anticipated that, depending on the final legal form of the entity, it could be established within 6 to 12 months. Costs for the interim governance would be sought from ERC as part of the Games bidding funding request. Costs for the end-state governance would be requested separately, together with seeking government approval for that structure, once it is determined.

Further detail on the proposed Governance model, roles and responsibilities are outlined in Appendix N.

6.4 Stakeholder engagement and communication

6.4.1 Key parties to engage

The 2026 Games is of significant interest to a broad range of stakeholders. Stakeholders will be consulted throughout the project to ensure alignment. The key stakeholders and their interests are presented in the following table below:

Table 58: Key parties to engage with

Stakeholders	Relevance to the project	Potential interest and views on the project
Commonwealth Games peak bodies		
Commonwealth Games Federation (CGF)	CGF is the governing body for the Commonwealth Games and is responsible for the direction and control of the games as well as selecting the host cities	CGF are seeking to announce the host for the 2026 Games at the Birmingham Games, the host city for 2026 has not been confirmed. CGF and CGA have signed a MOU to undertake an exclusive evaluation and due diligence process for Victoria to host the 2026 CG
Commonwealth Games Australia (CGA)	CGA is responsible for administering, controlling, and coordinating the participation of the Australian sports programs, their athletes, and officials in the Commonwealth Games	CGF and CGA have signed a MOU to undertake an exclusive evaluation and due diligence process for Victoria to host the 2026 CG
Commonwealth Games Federation Partnerships (CGFP)	CGFP is a joint venture between the CGF and SPORTFIVE which seek to identify sustainable and long-term commercial partnerships that also benefit the delivery of the Games.	CGFP will likely be supportive with their focus on generating commercial incomes for the Games through corporate partnerships, TV rights, licensing and merchandise.
Government bodies		
Federal Government	Federal Government have an important to play from visas, border control and diplomacy perspective	It is assumed that federal government would be largely supportive as they are already aware of the process from the recent 2018 Gold Coast Games.
Victorian State Departments and other bodies	Key Victorian Government departments and bodies in particular, Department of Fairness, Families and Housing (DFFH), Victoria Police (VicPol), Department of Transport (DoT) and Visit Victoria will be consulted.	DFFH (Fairer Victoria in particular) will have an interest from an equitable games perspective; VicPol from a policing and operational requirements perspective, DoT from rail network/public transport perspective; Visit Victoria from enhancing tourism in the state. It is assumed that these department and bodies will be willing to cooperate.
Geelong City Council	Geelong Council oversees the City of Greater Geelong in the Barwon region in the Southwestern Victoria Region. Several proposed venues including Kardinia Park, Geelong Clay Target Club, Wellsford Rifle Range, Little River Shooting Range and Geelong Arena, Eastern Beach, Geelong Convention and Exhibition Centre, GMHBA Stadium are situated within the Geelong City Council	Geelong has for a long time sought further investment in sports to meet local demand and is home to several sporting venues who will benefit from this. It will also provide great job opportunities and training opportunities to residents of Geelong. Given the benefit the Games will provide to the area, it is assumed that the Council will be willing to cooperate and work closely with the State to deliver the event
Ballarat City Council	Ballarat City Council oversees the City of Ballarat in the Central Highlands in the Southwestern Victoria Region. A number of proposed venues including MARS Stadium, Minerdome, Eastern Oval are located within the council.	The Ballarat community has a long history in sports, and it is home to Ballarat Regional Soccer Facility, which has hosted both international and national teams in the past. Ballarat City Council also developed an Active Ballarat action plan which aims to support the Council with future planning, management, and priorities for a range of sustainable sports in the region. The plan aligns with the state government's Active Victoria plan. The Council is supportive of this as it would lead to significant benefits to the regional economy through generating employment and stimulating economic growth

Bendigo City Council	Bendigo City Council oversees the City of Greater Bendigo in the north central Victoria. Several proposed venues including, Bendigo Lawn Bowls Club, Bendigo Stadium, Wellsford Rifle Range, Queen Elizabeth Oval, Bendigo Tennis Complex, Bendigo Stadium are located within the council	The Bendigo City Council strongly supports the opportunity for skills development and job opportunities for its local workforce. They also strongly support tourism and visitors to their local region. It has ovals, sporting fields and BMX track which can be used for the event. Given the benefit the Games will provide to the area, it is assumed that the Council be willing to cooperate and work closely with the State to deliver the event
Latrobe City Council	Latrobe City Council overseas four central towns: Churchill, Moe Newborough, Morwell, Traralgon and several smaller rural townships. Latrobe City Stadium, Gippsland Regional Indoor Sports Stadium and Ted Summerton Reserve are situated within the council	The Latrobe City Council strongly supports the opportunity for skills development and job opportunities for its local workforce. They also strongly support tourism and visitors to their local region. Given the benefit the Games will provide to the area, it is assumed that the Council be willing to cooperate and work closely with the State to deliver the event
Strathbogie Shire Council	Strathbogie Shire Council oversees Nagambie township and other regional localities. Lake Nagambie which is the potential site for rowing is located within the council.	The Games will boost the local economy due to increased tourism therefore, it is assumed that the Council will be willing to cooperate and work closely with the State to deliver the event.
City of Melbourne	City of Melbourne oversees the central Melbourne and the surrounding suburbs. The MCG which is currently proposed to host the opening ceremony is situated within the council.	The opening ceremony at MCG will provide a boost to the local economy. Secondly, tourists staying in Melbourne to attend regional games will also support tourism industry. Given the benefit the Games will provide to the area, it is assumed that the Council be willing to cooperate and work closely with the State to deliver the event.
Sporting bodies		
Regional Development Victoria (RDV)	RDV operates in partnership with regional businesses and communities, and all tiers of government to deliver the Government's regional development agenda and instigate positive change for regional and rural Victorians	It is assumed that RDV will be supportive of the Games as some potential benefits include increased community participation, housing access, more than 147,000 regional businesses who can benefit from the Games by supplying or through tourism spend
Sport and Recreation Victoria	Sport and Recreation Victoria are dedicated to supporting Victoria's sport and recreation sector and inspiring Victorians to get active	SRV will work with key stakeholders in playing an integral role in the development and implementation of sporting infrastructure investment. In partnership with Visit Victoria, they are also the lead on the 2026 CG negotiation and candidature
The National Sporting Organisations (NSOs)	The National Sporting Organisations (NSOs) are the primary bodies for sport in Australia (e.g. Aus Cycling, AFL, Golf Australia, Rugby Australia).	Endorsement from the NSOs will be required to deliver the Games as the timing of the game may either disrupt or support broader plans for NSOs to support their athletes in preparation for both world/title events and the Brisbane Olympics
Venue owners		
Venue owners	Venue owners are committed to improving access to facilities and meet the growing demand from the community	Consultations have not yet been conducted with the venue owners to confirm the availability. However, renovation of the existing facilities will increase longevity and ensure these can continue to function for another 30 years. Given the increased demand in the regional centres, it becomes imperative to maintain and grow these facilities as some face end-of-cycle costs. Several sites have been identified where only temporary overlay infrastructure is required. Given the benefit the Games will provide to the sporting venues, it is assumed that venue owners will be willing to cooperate and work closely with the State to deliver the event

6.4.2 Stakeholder engagement approach and governance

To assist with ongoing management of stakeholder interests, a stakeholder engagement and communications strategy is being developed by DJPR to maximise awareness and understanding of the project. The Stakeholder Engagement and Communications Plan is designed to:

- Establish a clear and positive image and awareness of the Project
- Determine communication objectives and strategies and key project messages
- Create and maintain clear consistent messages to all stakeholders in line with the guiding principles of the Project
- Utilise a range of mediums to convey communications including appropriate use of new media
- Ensure open communication with all stakeholders to minimise misinformation and engender a spirit of partnership throughout the planning, construction and commissioning of the new facility
- Provide accurate and up-to-date information
- Promote two-way communication process with stakeholders and proactively respond to emerging issues.

6.5 Exit strategy

The exit strategy is outlined in the MOU and HOA.

6.6 MOU

Included in Appendix A.

6.7 Heads of Agreement (HOA)

Included in Appendix B.

7. Appendices

Appendix A – Heads of Agreement


The Heads of Agreement is still being drafted by DJPR and will be provided once completed.

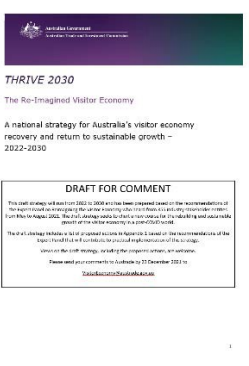

Appendix B – Memorandum of Understanding

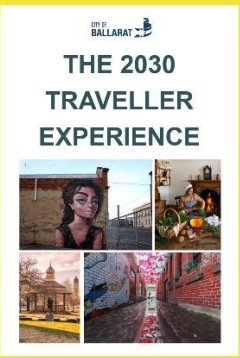

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Appendix C – Policy Alignment

The table below highlights the Commonwealth, State government and Local government policies and strategies which align strongly to the consideration of hosting the Commonwealth Games.


Primary Policy Area	Policy Intent	Alignment to Policy
Tourism		
Visitor Economic Recovery and Reform Plan (2021) 	<p>The Visitor Economy Recovery and Reform Plan aims to strengthen the state's nation-leading tourism offering through the development of new experiences, products and infrastructure.</p> <p>The plan outlines strategies to attract more international, interstate and intrastate visitors by making the most of marketing expenditure, transforming Regional Tourism Boards and ensuring state-wide collaboration.</p> <p>The Plan is underpinned by an investment of \$633 million and serves as a whole-of-state strategy, with a goal of achieving \$35 billion in annual visitor expenditure supporting 300,000 jobs by June 2024.</p>	<p>Events are a core part of Victoria's destination brand and drive visitation. The Visitor Economic Recovery and Reform Plan (2021) articulates the needs for a strong forward calendar of events to help underpin recovery of the visitor economy. Hosting the Games would deliver a strong forward calendar event and would be used to further build the brand and reputation of Victoria – particularly the global promotion of Regional Victorian Tourism.</p> <p>The Plan articulates several Flagship projects the Victorian Government has provided funding for to support jobs and local communities. These align the Games in the locality of investment and the geographical locations proposed under the recommended solution. Hosting of the Games in regional areas provides significant opportunity to boost local tourism through overnight stays, and existing and tailored complimentary experiences including the projects funded within this Plan such as:</p> <p>Flagship Projects:</p> <ul style="list-style-type: none"> • Gippsland tourism recovery package • National Centre for Photography, Ballarat <p>Regional Tourism Investment Fund – stimulus projects</p> <ul style="list-style-type: none"> • Bellarine Railway Rehabilitation Project, Drysdale • Goldfields Track Transformation – Stage 1 (Signage & Interpretation) – Ballarat to Bendigo • Little Lon Distillery at the Goods Shed, Ballarat • Welcome to Dja Dja Wurrung Country, Castlemaine • Central Goldfields Art Gallery Upgrade – Stage 2&3, Maryborough • Great Stupa Event & Tourism Infrastructure, Bendigo

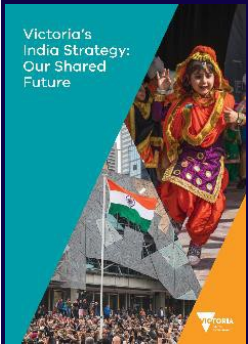
Primary Policy Area	Policy Intent	Alignment to Policy
<p>Austrade THRIVE 2030 (The Re-Imagined Visitor Economy) Strategy (In Consultation)</p>  <p>Bendigo Region Destination Management Plan</p> 	<p>THRIVE 2030: a National Strategy for Australia's Visitor Economy provides a long-term national plan to chart a course of recovery and return to sustainable growth. The strategy sets out priorities relevant to the COVID-19 recovery as well as lays the foundations to rebuild a visitor economy that is resilient, innovative and sustainable into the future by:</p> <ul style="list-style-type: none"> • Enhancing visitor infrastructure (through regional infrastructure programs) • Growing new, unique, and high-quality experiences including supporting the return of major events <p>This strategy builds on the significant investment the Commonwealth has made in regional tourism recovery through the Recovery for Regional Tourism, Regional Partnerships Recovery and Regional Airlines Funding Assistance Programs.</p> <p>The Bendigo Region Destination Management Plan (DMP) provides a strategic approach to growing tourism in the Bendigo Region. The key outcomes of the DMP include:</p> <ul style="list-style-type: none"> • A set of Strategic Objectives which respond to the key issues and opportunities identified • 16 Priority Project • Suite of destination development opportunities • <input type="checkbox"/> A range of initiatives to strengthen governance and collaboration across the region. 	<p>The Strategy proposes a set of broad goals as initial objectives to help steer a collective drive towards recovery and sustainable growth and sets the target to return the industry to its pre-COVID levels of visitor expenditure by 2024. The strategy will be implemented and reviewed in three distinct phases, namely the Recovery Phase (2022-24), the Consolidation Phase (2025-2027) and the Acceleration Phase (2028-30).</p> <p>Investment in the 2026 Games would align to the Consolidation Phase of the strategy to maintain a solid growth trajectory through '<i>investing in new products and destinations</i>'.</p> <p>Hosting the Games would align to Priority Action 7 of the Strategy to '<i>Grow new, unique and high quality experiences</i>' which includes the support for return of events including major events. The Strategy specifies the opportunity to leverage and support major sporting events rolled out in the led up to the Brisbane 2032 Olympics and Paralympics.</p> <p>The DMP's first Strategic Development Objective is '<i>Primary Destination Development</i>' with the goal to '<i>develop the primary destinations to support a diverse visitor economy and projected visitor growth</i>'. Of the primary destinations included in the Plan, Bendigo is the major regional centre and primary visitor and accommodation hub. This aligns to Bendigo hosting 7 sports for the 2026 Commonwealth Games. The Games will assist in the progression of the initiatives included in the DMP including developing the night time economy and building the accommodation base to cater for major events.</p>

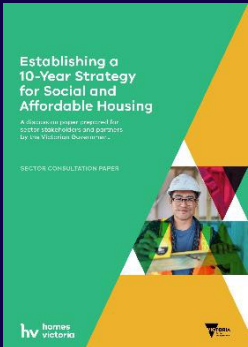
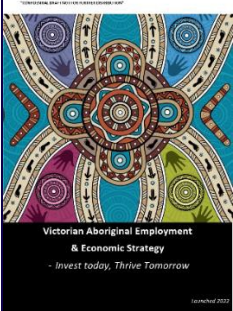
Primary Policy Area The 2030 Traveller Experience	Policy Intent	Alignment to Policy
	<p>The Ballarat Traveller Experience Plan 2030 (in development) seeks to support economic growth through tourism by:</p> <ul style="list-style-type: none"> • leveraging Ballarat's distinctive offerings • providing an opportunity to build new partnerships across sectors • increasing tourism around place-specific arts, cultural, and heritage • broadening marketing efforts • reach out to new audiences - both residents and travellers - to increase tourism throughout the year. 	<p>Strategic Priority 4 of the Plan is '<i>Enliven Events</i>'. Hosting 2 of the Games sports in Ballarat therefore aligns to this plan that articulates events should contribute to the Ballarat economy, attract visitors to the region, enhance the profile of Ballarat as a destination, foster community pride and demonstrate future growth and sustainability. Action 4.1 of the Plan seeks to promote Ballarat's sporting and spectator events which strongly aligns with the Games and the potential the major event will have in increasing visitor demand and visitor expenditure for the region with a focus on overnight or additional length stays.</p>
	<p>The Gippsland Destination Management Plan (DMP) identifies the unique offerings that lie within the region that can be leveraged to support tourism and facilitate economic growth and employment to 2030. Its strategic priorities are:</p> <ul style="list-style-type: none"> • Collaborative and effective leadership and governance across industry and community • Strengthen Gippsland's appeal as a destination through brand awareness and coordinated marketing • Develop Gippsland's experiences that encourage new and existing markets to visit, stay and spend • Invest in diverse and exciting regional events • Invest in place-making to support the visitor economy • Revitalise visitor servicing across the region • Create industry partnerships to foster and grow the Gippsland visitor economy. 	<p>Strategic Priority 4 of the DMP is to '<i>Invest in diverse and exciting regional events</i>'. This directly aligns with the delivery of the Games in Gippsland. The DMP includes actions to develop a Gippsland regional events strategy that focuses on things like leisure and sport. Hosting 3 of the Games sports in Morwell will assist the Gippsland DMP in the development and delivery of this regional events strategy. Hosting the Games in Morwell will also assist in other Strategic Priorities of the DMP including strengthening Gippsland's appeal as a destination through brand awareness and investing in place-making to support the visitor economy both for the Games and beyond.</p>

Primary Policy Area	Policy Intent	Alignment to Policy
Murray Region Destination Management Plan 	<p>The Murray Destination Management Plan (DMP) is a strategic plan that builds on the outcomes of the Murray Region DMP 2012, to provide an updated strategic approach to prioritising key tourism experiences and product development and ensure continued sustainable growth of the visitor economy.</p>	<p>Strategic Development Objective 3 of the DMP is Sport and Recreation to '<i>strengthen and increase the prominence of sport and recreation tourism in the Murray through facility renewal and attraction of new investment in infrastructure</i>'. The Games will assist in meeting this Objective with investment in sport, working alongside sporting clubs and capacity building in managers to host / run other major events following the Games.</p> <p>Strategic Development Objective 6 of the DMP is Festivals, Events and Conferences to '<i>promote an increase in year-round visitation to the Murray</i>' this aligns to the delivery of the recommended solution with 'free' international marketing of the Commonwealth Games able to incentivise travel to the region following the Games.</p>
Regional Development		
Department of Jobs, Precincts and Regions (DJPR) Strategic Plan 2021-2025 	<p>The DJPR Strategic Plan outlines how the department will further accelerate Victoria's economic recovery and growth, ensuring it benefits all Victorians by:</p> <ul style="list-style-type: none"> • Creating more jobs for more people • Building thriving places and regions • Supporting inclusive communities. <p>It reflects the impacts of the COVID-19 pandemic and outlines how DJPR's strategic priorities will help communities and businesses adapt, build resilience and recover.</p>	<p>The DJPR Strategic Plan includes the departments overarching strategies and priorities. These strategies and priorities align with a regional Victoria Commonwealth Games and are as follows:</p> <p>Tourism, Sport and Major Events DJPR priorities include to:</p> <ul style="list-style-type: none"> • Support industries, sectors and businesses facing challenges to recover, grow, adapt or transition • Grow and maintain Victoria's position as a state of choice for international investment, talent, visitors and students <p>Hosting the Games aligns to these DJPR priorities in reviving the major events calendar with this world-class event and strengthening the state's position as a global events destination. Investment in the Games would also rebuild demand for Victoria to become the top-choice for tourists as the industry recovers from the impacts of COVID-19.</p> <p>Regional Development DJPR priorities include to:</p> <ul style="list-style-type: none"> • Create opportunities for Victorians to build their skills and find safe, secure and fair employment • Support Victoria's regions and suburbs to have the infrastructure, services and workforce they need to thrive • Ensure there are opportunities for all Victorians to benefit from a resilient and growing economy <p>Hosting the Games regionally would result in sustained economic benefit to Victoria, driving ongoing tourism, trade / investment and employment. Skills development will occur alongside the Games planning to ensure that jobs created result in ongoing employment – particularly for regional areas. Additionally, four athlete villages in Ballarat, Bendigo, Geelong and Gippsland will be constructed and existing facilities will be made 'games ready'.</p> <p>Community Sport DJPR priorities include to:</p>

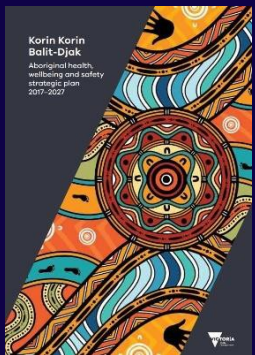
Primary Policy Area	Policy Intent	Alignment to Policy
		<ul style="list-style-type: none"> Support more Victorians and visitors to engage in cultural, social and recreational activities in their communities <p>The Games will act as a vehicle to increase participation in sport across Victoria, as evidenced through previous Commonwealth Games outcomes. Sports participation programs will be delivered alongside the Games to ensure maximum community engagement.</p>
Regional Economic Development Strategy (REDS)	<p>Victoria's 9 Regional Partnerships were established in 2016 to engage with their communities and local stakeholders year-round to identify priorities for their regions, and track progress through outcomes roadmaps.</p> <p>Each region has drafted a Regional Economic Development Strategy (REDS). Key partnerships for the Games include Barwon (Geelong), Loddon Campaspe (Bendigo), the Central Highlands (Ballarat) and Gippsland. Whilst each REDS has a unique focus on the region, each refers to the visitor economy as a key pillar for economic growth for that region.</p>	<p>Strategic Directions for each region are driven by the opportunities emerging from the region's endowments, industry specialisations and socioeconomic context. The directions have been refined based on a review of local policies and strategic planning.</p> <p>Barwon (Geelong) – <i>Strategic Direction 3 is 'realise the potential of the visitor economy'</i> - Locating 11 sports in Geelong will assist in promoting the region as a premiere location for international events and foster partnerships between industry and training providers to develop professional career pathways in tourism.</p> <p>Loddon Campaspe (Bendigo) – <i>Strategic Direction 2 is 'pursue diversification of the tourism sector by leveraging natural, cultural, and built endowments'</i> - Loddon Campaspe's key attractions including Hanging Rock, Bendigo Art Gallery, riverside activities and other popular environmental and Aboriginal sites could be leveraged with 7 sports proposed for Bendigo. Placing Commonwealth Games events in Bendigo will assist in the development and activation of tourism attractions that build off the cultural and natural heritage of the region. The Games align to this policy in assisting with building the international and domestic brand of the region utilising the City of Gastronomy and potential Central Victorian Goldfields World Heritage Listing.</p> <p>Central Highlands (Ballarat) – <i>Strategic Direction 2 is 'continue to grow and develop the visitor and creative economies'</i> – the Central Highlands historic gold towns, Australia's largest concentration of natural mineral springs and a series of nature trails positions the area well for 2 Commonwealth Games sports. The Games align to this strategic direction as an identified regional tourism offering that has future 'hero' potential to elevate the region. Investment in jobs will increase digital capabilities to support businesses and creative professionals to innovate and improve capability across marketing, share economy platforms and business planning.</p> <p>Gippsland (Morwell) – <i>Strategic Direction 4 is 'support recovery and diversification in the visitor economy'</i> – Gippsland's appeal as a visitor destination is underpinned by its diverse, natural attractions, engaging towns and villages, Aboriginal heritage and emerging creative industry. 3 sports in Gippsland will assist as a place-based solution to support the region recover from natural and economic shocks. The Games would support the development and delivery of other projects and assist in business development, product offerings and management of natural assets to enhance visitors experience in the region.</p>

Primary Policy Area	Policy Intent	Alignment to Policy
Victoria's Infrastructure Strategy 2021 	<p>Victoria's Infrastructure Strategy 2021-2051 builds on the work of the first cross-sectional infrastructure strategy delivered in 2016, and presents a vision for thriving, inclusive and sustainable Victoria over the next 30 years.</p> <p>It contains 94 recommendations for projects, policies, and reforms, spanning many types of infrastructure. The strategy is divided into four themes focused on:</p> <ul style="list-style-type: none"> • Confronting long term challenges • Managing urban change • Harnessing infrastructure for productivity and growth • Developing regional Victoria 	<p>Developing regional Victoria is a key theme of the Strategy. Key recommendations that align to hosting the Games include to foster regional Victorian's health, wellbeing and inclusion.</p> <p>Recommendation 89 '<i>Update Community Infrastructure</i>' aligns to the investment in a Commonwealth Games delivered by the regions as upgraded regional infrastructure will be delivered in preparation for the Games. Four Athlete Villages in Ballarat, Bendigo, Geelong and Gippsland will be constructed to service athletes and team officials. Additionally, existing facilities will be made 'games ready' with either temporary or permanent upgrades. This will result in updates community infrastructure for better service delivery.</p> <p>Recommendation 93 '<i>Expand social housing in regional centres, in locations with good access</i>' aligns to the recommended solution as the four Athletes Villages to be constructed for the games are proposed to be transitioned into affordable and / or social housing stock post the Games to service the high demand for rental properties in regional Victoria. This social housing is proposed to be located in regional centres near transport and services for better access to health, social and economic support.</p>
Commonwealth Building Better Regions Fund	<p>The \$1.38 billion Building Better Regions Fund (BBRF) supports the Australian Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future. The fund invests in projects located in, or benefiting eligible areas outside the major capital cities.</p>	<p>The Games represents an opportunity to further benefit from investments made by the Building Better Regions Fund including the \$10 million investment into the expansion of the Ballarat Sports & Events Centre which added six new sports courts including a show court seating 3,000 spectators. In hosting the Games the recommended solution will leverage existing funding and financing wherever possible, such as existing housing or tourism funds and investments made by the Federal Government through the Building Better Regions Fund.</p>
Trade & Investment		

Primary Policy Area	Policy Intent	Alignment to Policy
Victoria's India Strategy 	<p>This 10-year strategy is about strengthening Victoria's relationship based on:</p> <ul style="list-style-type: none"> • Equal exchange • Meaningful engagement • Our personal connections • A long-term commitment to the relationship <p>The strategy is aimed at building a close relationship with India to:</p> <ul style="list-style-type: none"> • increase goods exports to India from an annual average of AU\$500 million over the last five years to almost AU\$1 billion • increase the number of Indian postgraduate research students in Victoria by 25 per cent • double the number of Victorian businesses engaged in India from 150 to 300 • grow expenditure by Indian visitors to Victoria from AU\$367 million to AU\$885 million 	<p>As outlined within the Emerging Sectors and Opportunities section of the Strategy, India and Victoria are passionate about sport. The camaraderie and entertainment enjoyed through sport can serve as a bridge to strengthen transnational friendship.</p> <p>As a key Commonwealth Games participant, the Games represents a significant opportunity for Victoria to deepen its relationship with India through the inclusion of sports such as T20 Cricket, Badminton, Golf, Shooting, Boxing and Hockey by targeting the Victorian Indian community to participate as spectators, suppliers, volunteers, and paid workforce.</p> <p>Additionally, as outlined in the Strategy India is one of the world's fastest growing outbound travel markets, and Tourism Australia identified India as a priority market because of the potential for growth. The 2026 Games will showcase regional Victoria on TV and through digital streams globally which represents "free branding" for the State that could attract future tourism and investment from India.</p>
Global Victoria Trade Alliance	<p>Victoria's Global Trade Alliance is aimed at supporting Victorian exporters adapt their export strategies to respond to the rapidly changing global market conditions by:</p> <ul style="list-style-type: none"> • connecting them to new markets • helping them adapt their export strategies • helping them remain globally competitive. 	<p>The Games represents an opportunity to deepen ties within Victoria's Global Trade Alliance and explore new trade opportunities and strategic partnerships. This could be through a structured in-bound trade program that could be established complimentary to the Games, to maximise relationship building opportunities, and showcase the best of Victorian business (including high growth sectors like AgTech and Renewables).</p> <p>The Commonwealth Games would bring four G20 nations to regional Victoria (UK, Canada, India and South Africa) as well as several strategic trading partners including New Zealand, Singapore and Pakistan.</p>
Regional Housing		

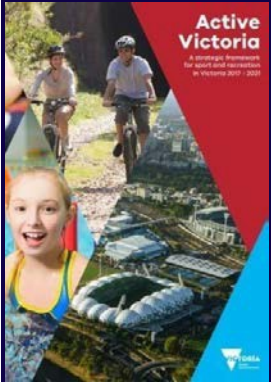
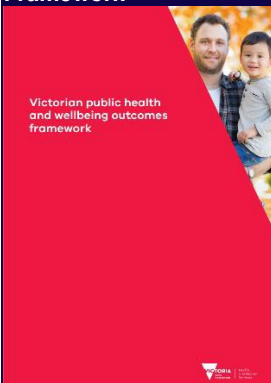
Primary Policy Area	Policy Intent	Alignment to Policy
Big Housing Build Program and 10 Year Strategy for Social and Affordable Housing (in development) 	<p>The 10-Year Strategy for Social and Affordable Housing sets a vision for all Victorians to have access to safe, affordable and appropriate housing in the right locations. Homes Victoria is continuing to build house through the \$5.3 billion Big Housing Build. The 10-year strategy builds on this record investment, bringing together reform and action to deliver a social and affordable housing system that is efficient, collaborative and sustainable. Key priority areas include:</p> <ul style="list-style-type: none"> • \$1.25 billion directed to regional Victoria through the Minimum Investment Guarantee including \$390 million directed towards Geelong, Ballarat, Bendigo and Shepparton • 9,300 new social housing properties and • 2,900 affordable and market housing properties <p>A Regional Housing Gap Analysis completed in Dec 2021 highlighted the housing shortages in regional Victoria – particularly within Gippsland, Loddon Campaspe. Combined in these two regions is a housing shortage of nearly 10,000 houses.</p>	<p>The Games goal to create a valuable legacy presents an opportunity for organisers to collaborate with Homes Victoria and align on Victoria's social and affordable housing agenda.</p> <p>The Games represents an opportunity for an additional 5000 social and affordable housing beds in high growth regional centres across Victoria, in regions who have seen significant increases in the cost of rental prices and low investment in social and affordable housing.</p> <p>With Victoria's Big Housing Build ongoing until 2027, the Games represent an opportunity to rethink design of accommodating for major sporting events as the secondary use, for social and affordable housing.</p> <p>The development of athlete provides the opportunity to collaborate on universal design elements which may then be re-purposed into similar 'communal' style accommodation (e.g., youth foyers, university accommodation, medium density apartments, or common ground models). This aligns strongly to the push in regional Victoria for youth foyers in particular.</p>
Aboriginal Reconciliation and Self Determination		
Victorian Aboriginal Employment and Economic Strategy 2022 (Under development) 	<p>This strategy focuses specifically on the wealth and prosperity of Aboriginal Victorians and replaces two earlier strategies – the Victorian Aboriginal Economic Strategy 2013-2020 and Tharamba Bugheen: Victorian Aboriginal Business Strategy 2017-2021.</p> <p>This Strategy progresses Government's focus in this area – and lays a solid foundation for further investment that will flow from treaty and the Self-Determination Fund once established. The Strategy recognizes:</p> <ul style="list-style-type: none"> • the need for a long-term commitment. • that capacity is to be adapted in response to Treaty developments and negotiations • The focus on locally-driven responses. • the holistic approach to Aboriginal economic development 	<p>The Games represents an opportunity for Victorian government to continue to pursue the reconciliation and self-determination agenda.</p> <p>The structures and systems established during colonisation had the specific intent to exclude Aboriginal people and their laws, customs and traditions, resulting in entrenched systemic and structural racism. Governments as well as Aboriginal and mainstream organisations and services should provide mechanisms and supports for Aboriginal Victorian people, families, communities and organisations to fully participate in policy development. Targeted and universal systems and services must be culturally safe, relevant, accessible and responsive to communities. This enables Aboriginal Victorians to make decisions on the matters that affect their lives</p>



Primary Policy Area	Policy Intent	Alignment to Policy
<p>Victorian Aboriginal Affairs Framework 2018-2023</p> 	<p>The Victorian Aboriginal Affairs Framework 2018-2023 (the VAAF) provides an ambitious and forward-looking agenda for Aboriginal affairs.</p> <p>The VAAF has two key purposes:</p> <ul style="list-style-type: none"> • It is the Victorian Government's overarching framework for working with Aboriginal Victorians, organisations and the wider community to drive action and improve outcomes. • It sets out whole of government self-determination enablers and principles, and commits government to significant structural and systemic transformation 	<p>The Games represents an opportunity to continue and build on the legacy of the games by using the Games as an opportunity to</p> <ul style="list-style-type: none"> • Commit to Goal 19 of the Victorian Aboriginal Affairs Framework where '<i>Aboriginal culture and language are supported and celebrated</i>' • Commit to Goal 20 of the Victorian Aboriginal Affairs Framework where '<i>Racism is eliminated</i>' • Present and integrate local Aboriginal cultures, arts, tourism initiatives into the Games • Engage residents and locals in productive conversations around reconciliation • Promote the economic and social interests of Victoria's First People's • Identify opportunities for First People's governance, particularly in the design, management and legacy of the Games • Employ Indigenous Victorians in key leadership and staff roles to ensure representation throughout the Games including procurement and partnerships with Indigenous groups <p>The Gold Coast Games RAP highlights how the Games can partner with First People's for:</p> <ul style="list-style-type: none"> • procurement opportunities • increased employment and training opportunities • healthy and active lifestyle initiatives, • increased awareness of language, culture, and history • strong local partnerships



Primary Policy Area	Policy Intent	Alignment to Policy
<p>Korin Korin Balit-Djak: Aboriginal Health, Wellbeing and Safety Strategic Plan 2017-2027</p> 	<p>The Victorian Aboriginal Health, Wellbeing and Safety Strategic Plan outlines a strategic priority to increase the participation of Aboriginal people in sports and recreation activities – including by:</p> <ul style="list-style-type: none"> • implementing the Active Victoria Framework • identifying targeted strategies to increase participation • Investing in Aboriginal sporting carnivals • Develop and implement campaigns to address racism in sport <p>The Victorian Aboriginal Affairs Framework prioritises give key areas to make Aboriginal Self-Determination a reality. These include:</p> <ul style="list-style-type: none"> • Prioritise culture • Address trauma and support healing • Address racism and promote cultural safety • Transfer power and resources to communities 	<p>The Games represents an opportunity to promote the economic and social interests of Victoria's First People's. Priority Focus 5.2 of the Strategic Plan is '<i>Aboriginal Victorians are health and well</i>' with Action 5.2.3 to '<i>Increase Participation of Aboriginal people in sport and recreation activities</i>'.</p> <p>There are significant groups of Victorians whose participation in sport or active recreation is well below the state average. Aboriginal Victorians have significantly lower levels of participation. Discrimination and harassment continue to be a sizeable barrier. This is of particular significance in the case of Aboriginal Victorians.</p> <p>We know that prevention and health promotion are most effective when Aboriginal people and communities are engaged in developing culturally relevant strategies (DHHS 2015). We also recognise that Aboriginal people are best positioned to lead and deliver culturally relevant prevention and health promotion actions. Sport and recreation help shape community identity by providing opportunities for positive and healthy social interaction. As such, it is a vital platform for increasing Aboriginal community participation and promoting social inclusion.</p> <p>The delivery of the Games will strive to align to the 10-year success status of the Strategic Direction where Aboriginal people participate in sport and recreation at a rate on par with, or higher than non-Aboriginal people, racism is not tolerated in Victorian sport and recreation and is not a barrier to accessing sport and recreation and for Aboriginal women to be in leadership roles in the Games.</p>



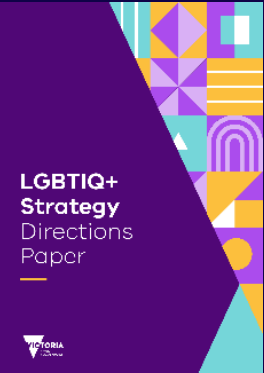
Secondary Policy Area


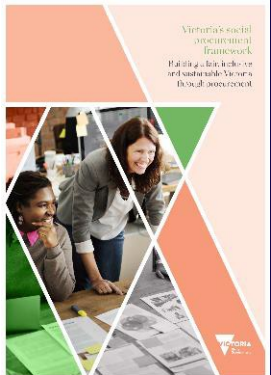
Secondary Policy Area	Policy Intent	Alignment to Policy
Sports Participation		

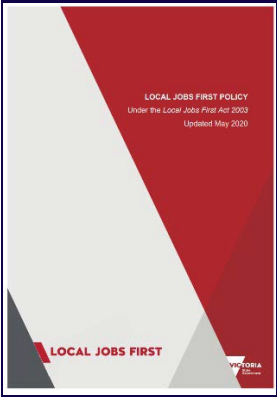
Secondary Policy Area	Policy Intent	Alignment to Policy
<p>Active Victoria - A strategic framework for sport and recreation in Victoria 2017 – 2021</p> 	<p>The Active Victoria Strategy aims to strengthen the sport and recreation sector, strategic directions include:</p> <ul style="list-style-type: none"> • Meeting Demand • Broader and more inclusive participation • Additional focus on active recreation • Build system resilience and capacity • Connect investment in events, high performance and infrastructure • Work together for shared outcomes 	<p>As set out in Active Victoria, Sport and active recreation is a large part of the cultural, social and economic life of Victoria. The Games aims to drive ambition and impact through sport, with a strong focus on inspiring young people through sport. Major and significant sporting events such as the Games encourage grassroots participation, build capacity to deliver future events, provide legacy programs and facilities, provide opportunities for Victorian businesses to connect with overseas markets and deliver significant economic benefits.</p> <p>Additionally, high performance sport and elite athletic performances provide inspiration, entertainment and pride to Victorians, in the case of the recommended solution the Games provide this elite athlete visibility in locations where young people may never have had the opportunity to see elite sport in-person.</p> <p>With its unique model of able-bodied and para-athletes competing in a mixed program, it also provides opportunities to showcase the diversity of elite sport, highlight female athletes and breakdown stereotypes and barriers of disabled people for a broad audience. As a modern and progressive State, the Games provide a platform to show how sport can be an agent for social change.</p> <p>There may also be opportunities to host community sports participation activities throughout the games, such as a mass bike ride or fun runs, come and try days, education programs (e.g., wellbeing programs) and promoting state and federal sports programs).</p>
<p>Victorian Public Health and Wellbeing Outcomes Framework</p> 	<p>The Victorian public health and wellbeing outcomes framework provides a transparent approach to monitoring and reporting progress in our collective efforts to achieve health and wellbeing. The outcomes framework brings together a comprehensive set of indicators drawn from multiple data sources. These indicators can help us track whether our combined efforts are improving the health and wellbeing of Victorians over time.</p> <p>The supporting Victorian public health and wellbeing outcomes framework data dictionary provides detailed technical specifications for every measure identified in the outcomes framework.</p>	<p>The delivery of the Games aligns to Outcome 1.3 of the Framework, '<i>Victorians act to protect and promote health</i>' and would assist in the '<i>Proportion of people participating in organised sport</i>'. The Games will result in an increase in participation in sport across Victoria with sporting programs to be delivered alongside the Games to ensure maximum community engagement.</p>

Secondary Policy Area	Policy Intent	Alignment to Policy
<p>Sport 2030: The Australian Government's National Sports Plan</p> 	<p>The Australian Government has a clear and bold vision for sport in Australia — to ensure Australia is the world's most active and healthy nation, known for integrity and sporting success.</p> <p>Sport 2030 has four key priority areas which will, when fully implemented, create a platform for sporting success through to 2030 and beyond. The priorities are:</p> <ul style="list-style-type: none"> • Build a more active Australia — More Australians, more active, more often; • Achieving sporting excellence — National pride, inspiration and motivation through international sporting success; • Safeguarding the integrity of sport — A fair, safe and strong sport sector free from corruption; and • Strengthening Australia's sport industry — A thriving Australian sport and recreation industry. 	<p>The Australian Government's National Sports Plan sets the goal for people of all ages to have the opportunity to be engaged in sport and physical activity throughout every stage of their life. This is outlined to be achieved by driving sustained participation growth, improving access to community sports facilities, encouraging sports organisations to provide better suited offerings, and embedding physical activity within the school day. The delivery of the Games will leverage community sporting clubs in the planning and delivery of the Games to build capabilities and ensure continued participation in sport following the games.</p> <p>As set out in the Plan, opportunities and pathways must be the focus for Australian athletes to compete on the world stage. The delivery of a Victorian 2026 Commonwealth Games would enable aspiring athletes to witness established pathways to the world stage further enhancing Australia's future participation in sport.</p>
<p>Liveability and Civic Pride</p> <p>City of Greater Geelong, Municipal Public Health and Wellbeing Plan 2018-2021</p> 	<p>The City of Greater Geelong Municipal Public Health and Wellbeing Plan 2018-2021 includes the following goals:</p> <ul style="list-style-type: none"> • Supporting Social Connection to Improve Mental Health • Increasing Participation in Physical Activity • Improving Access to Safe and Healthy Local Environments, Services and Food • Increasing Community Safety and Preventing Violence and Injury. 	<p>The following actions included within the Municipal Public Health and Wellbeing Plan align with the legacy of the Games and the goal to increase public participation in sport:</p> <ul style="list-style-type: none"> • Developing community skills and capacity to participate, lead and socialise locally • Delivering targeted health promotion activities and collateral to increase the capacity of children and young people, adults, older adults, people with disabilities and people from culturally and linguistically diverse backgrounds and the Aboriginal community to understand the benefits of physical exercise and how to participate. • Expanding the Webstar's School Learn to Swim program. • Upgrading ten sports club changerooms / toilets to be inclusive of all genders

Secondary Policy Area	Policy Intent	Alignment to Policy
Healthy Greater Bendigo 2021-2025 	<p>Healthy Greater Bendigo 2021-2025 was endorsed by Council in October 2021. The Plan is a strategic document that aims to promote, improve and protect the health and wellbeing of Greater Bendigo's residents. The plan includes key goals for Council and other organisations based on the following themes:</p> <ul style="list-style-type: none"> • Healthy and Well • Safe and Secure • Able to Participate • Connected to culture and community • Liveable 	<p>The following areas for action included within the Plan align with the legacy of the Games and the goal to increase public participation in sport:</p> <ul style="list-style-type: none"> • Victorians have good physical health • Victorians have good mental health • Victorians act to protect and promote health
City of Ballarat Health and Wellbeing Plan 2021-2031 	<p>The City of Ballarat Health and Wellbeing Plan 2021-2031 sets the health priorities for the Ballarat community, outlines strategies to prevent or reduce public health issues and supports the community to achieve optimum health and wellbeing. The Health and Wellbeing Plan 2021-2031 has six priority areas:</p> <ul style="list-style-type: none"> • Tackling climate and its impact on health • Preventing all forms of violence • Increasing healthy eating • Increasing active living • Improving mental wellbeing • Reducing harm from smoking, gambling, alcohol and other drugs 	<p>The following areas for action included within the Plan align with the legacy of the Games and the goal to increase public participation in sport:</p> <ul style="list-style-type: none"> • A healthy, connected and inclusive community • Increasing active living • Improving mental wellbeing
Living Well Latrobe Health and Wellbeing Plan 2017-2021	<p>Living Well Latrobe is Latrobe City Council's Municipal Public Health and Wellbeing Plan (MPHWP) 2017-2021, adopted on 23 October 2017. Focus areas</p> <ul style="list-style-type: none"> • Social and Community Connectedness • Active Living • Health and Wellbeing • Safe at Home • Safe in the Community 	<p>The Active Living action included within the Plan aligns to the legacy of the Games and the goal to increase public participation in sport with the objective to:</p> <ul style="list-style-type: none"> • Get the community moving—grow existing active living initiatives, foster new ones and work with the community to create new and exciting physical activity opportunities • Grow participation in physical activity —women, Aboriginal and Torres Strait Islander community, LGBTI, multicultural community, people with a disability, senior

Secondary Policy Area	Policy Intent	Alignment to Policy
	<ul style="list-style-type: none"> • Lifelong Learning and Opportunities 	
Gender Equality and Social Inclusion		
Change Our Game 	<p>The Change our Game Initiative (supported by the Five-Year Game Plan for Victoria) aims to increase the number of women and girls participating in sport and active recreation from grassroots through to senior leadership</p>	<p>Victoria, through the delivery of the Games, has the opportunity to promote gender and social inclusion through participation and advocacy opportunities across the Game by embedding diversity and inclusion as a key principle of the games. This includes opportunities to:</p> <ul style="list-style-type: none"> • enhance diversity through the Games leadership, including leaders within Victorian government, the Games organising committee and sports administration • Promote gender inclusion through equal participation of all genders across sports • Advocating for gender equality and social inclusion amongst Commonwealth nations (including human rights) • Create an inclusive, accessible experience for disabled spectators and volunteers across the Games
Victoria's LGBTIQ+ Strategy (in consultation) 	<p>Victoria's LGBTIQ+ Strategy (currently in consultation) has identified equitable and accessible service systems (including access to community facilities) as a key direction area for the strategy and acknowledged the role of sports in fostering LGBTIQ+ communities and supporting strong physical and mental health.</p>	<p>As set out in Victoria's LGBTIQ+ Strategy, sports settings are important community locations for building connection and inclusion, promoting LGBTIQ+ inclusion and visibility, and celebrating individual contributions and community strengths. Sport plays a key role in promoting LGBTIQ+ mental and physical health and wellbeing. The ability to share diverse stories and histories from LGBTIQ+ communities with mainstream audiences helps to counteract negative community beliefs and attitudes, and place importance on LGBTIQ+ lived experience. Through the delivery of the Games, Victoria has the opportunity to promote inclusion through participation and advocacy opportunities across the Game by embedding diversity and inclusion as a key principle of the games.</p>

Secondary Policy Area	Policy Intent	Alignment to Policy
<p>Australia's Disability Strategy 2021-2031</p> 	<p>Australia's Disability Strategy 2021-2031 outlines a vision for a more inclusive and accessible Australian society where all people with disability can fulfil their potential as equal members of the community. Its purpose is to:</p> <ul style="list-style-type: none"> • provide national leadership towards greater inclusion of people with disability • guide activity across all areas of public policy to be inclusive and responsive to people with disability • drive mainstream services and systems to improve outcomes for people with disability • engage, inform and involve the whole community in achieving a more inclusive society 	<p>Hosting of the Games aligns to Policy Priority 3 of Australia's Disability Strategy where <i>'People with disability are able to fully participate in social, recreational, sporting, religious and cultural life'</i>. The Games will be accessible to all and move beyond physical accessibility providing easily accessible information about community services, events and facilities, and providing low sensory spaces to help support the inclusion of people with disabilities.</p>
Social Procurement		
<p>Victorian Social Procurement Framework</p> 	<p>The Victorian Government introduced Victoria's Social Procurement Framework (SPF) in April 2018. Victoria's SPF enables departments and agencies to deliver greater benefits from their procurement spend. Social procurement is when organisations use their buying power to generate social value above and beyond the value of the goods, services, or construction being procured.</p> <p>Victoria's social procurement framework aims to promote:</p> <ul style="list-style-type: none"> • Opportunities for Victorian Aboriginal People • Opportunities for Victorians with a disability • Women's equality and safety • Opportunities for disadvantaged Victorians • Sustainable social enterprise • Sustainable Victorian regions 	<p>The Games procurement will target women led and Indigenous businesses as well as social enterprises.</p>

Secondary Policy Area	Policy Intent	Alignment to Policy
<p>Local Jobs First Initiative</p> 	<p>The Local Jobs First (LJF Policy) issued under the Local Jobs First Act 2003 supports businesses and workers by ensuring that small and medium size enterprises are given a full and fair opportunity to compete for both large and small government contracts.</p> <p>The policy mandates that a portion of total hours must go to the future workforce, which helps to create job opportunities for apprentices, trainees, and cadets.</p>	<p>The Games represents a significant direct and indirect opportunity for small to medium regional enterprises to supply a range of goods and services to the Games.</p>

Appendix D – Gender Impact Assessment

Background

Under Section 7 of the *Gender Equality Act (2020)* a defined entity must in developing policies and programs, and delivering services that are to be provided to the public or have a direct and significant impact on the public:

- Consider and promote gender equality and
- Take necessary and proportionate action towards achieving gender equality.
- Under Section 9 of the Act, when developing a policy, program or service, a defined entity must complete a gender impact assessment which meets the thresholds under Section 7.

As part of the development of this business case, a draft Gender Impact Assessment has been developed, based on the proposed size and scale of the Commonwealth Games as a major event for Victoria. The draft Gender Impact Assessment outlines the opportunity of the Commonwealth Games and considers how different cohorts impacted by the Games (namely athletes and officials, spectators, and the workforce) may be impacted by the Games, and how Government might respond to ensure gender equality is promoted throughout the games.

Due to the early stage of this proposal, it is not possible to complete a comprehensive Gender Impact Assessment (e.g., a complete cost benefit analysis of different initiatives). However, the assessment has been included below, to highlight available evidence on gender and the Commonwealth Games, and potential interventions for Government to promote gender equality. It is anticipated that a fulsome gender impact assessment will be completed alongside the strategic and operational planning that will occur should the business case be successful.

Part 1: Define the opportunity

Overview of the opportunity

Victoria has the opportunity to host the 2026 Commonwealth Games, an event it previously hosted in 2006. Hosting the 2026 Games is proposed to be located in regional Victoria, a first for the Games and an opportunity to demonstrate to the world rural and regional Victoria's natural beauty, vibrancy, culture and people. If successful at securing the rights to host the event, the Games are expected to bring significant economic stimulus to Victoria's regions, particularly through increased tourism, trade, and investment which have been negatively impacted in regional Victoria due to COVID-19.

Partnering with local groups to identify opportunities to improve the social and economic wellbeing of the communities in which the Games are held, will be a key element of the Commonwealth Games, particularly local councils, local sporting organisations and community groups. Core to the Games will be the ability to progress the diversity and inclusion agenda. The Games will build off the Gold Coast 2018 Commonwealth Games which was the first major international multi-sport event in history (including previous Games and the Olympics) to have equal number of men's and women's medal events. The 2026 Games propose to take this further with 29 female events, 28 male events and 8 mixed gender team events – delivering a fully inclusive Games.

Gender and the Commonwealth Games 2026

This business case includes commitments to promote gender equality and social inclusion should Victoria host the 2026 Commonwealth Games. These will be further refined and developed subject to Cabinet approval of the Business Case.

The Commonwealth Games has a unique format, whereby able bodied and para-athletes compete in a shared program. Similarly, the proposed program features mixed- gender events (e.g. Golf 4s) for the first time, aimed at removing the barriers of 'women's and men's' classifications.

As part of the Commonwealth Games Foundations' (CGF) Gender Equality Strategy, there is an overarching commitment to gender parity in the athlete's selected by Commonwealth nations and the number of medals on offer for genders. The CGF is also seeking to see gender parity amongst technical officials, and a desire to reach gender parity within the leadership of the Commonwealth Games organising committee.

Part 2: The context of the 2026 Commonwealth Games

This draft Gender Impact Assessment gathers information to better understand how gender shapes the context for the Commonwealth Games. Aspects of the assessment that will be included in the final iteration of the Gender Impact Assessment include further data (beyond desktop analysis) as well as consultation and meaningful stakeholder engagement.

Who the 2026 Commonwealth Games are likely to affect:

The Commonwealth Games affects many participants including:

- *Athletes and Officials* – it is anticipated there will be approximately 4,722 athletes. This is forecast to include 2,619 male athletes and 2,103 female athletes. There are an equal number of para events and able body events for both females and males. The Games will attract athletes of various cultural backgrounds as evidenced by the Gold Coast Commonwealth Games attracting participants from 71 nations. It is anticipated there will be approximately 2,078 officials. There is a target for the 2026 Games to achieve gender parity amongst technical officials.
- *Spectators* – the number of spectators both 'live' and watching on TV and online platforms is anticipated to reach similar levels of the Gold Coast Commonwealth Games 2018 which reached 1.5 billion people globally.
- *Volunteers, suppliers and the paid workforce* – the number of volunteers is anticipated to be similar to that of the Gold Coast Commonwealth Games 2018 which was supported by almost 15,000 dedicated volunteers. The Gold Coast Commonwealth Games sought to ensure gender equality in the roles and opportunities available to volunteers. Suppliers and the paid workforce are not yet resolved, should the bid be successful this data gap should be filled to provide a better understanding of the context.

Historical context of Commonwealth Games / Major sporting events:

- *Athletes and Officials* – historically, sporting events are male and able-bodied dominated fields. Within Australia, high performance participation opportunities for female sports people to achieve a full-time paid playing career are more limited than the opportunities available to men⁷⁴. Despite this wider trend and historical experience, the 2026 Commonwealth Games provide an opportunity to reverse this trend for major sporting events (as is also the case for the Olympics) whereby women are featured more prominently in the event schedule (equal number of events for men and women), in primetime coverage⁷⁵, and attend the events in greater numbers⁷⁶.
- *Spectators* – data on previous Commonwealth Games live and televised spectator numbers is limited by gender. Despite this lack of data, historically spectators have viewed some sports as more masculine or feminine due to the traditional expectations of male and female athletes. There is a historic experience of many female athletes only feeling accepted within their sport if they participate in traditionally feminine sports⁷⁷.
- *Volunteers, suppliers and the paid workforce* – Data on volunteer and paid workforces for Commonwealth games is limited by gender, but indicates that leadership positions within organising committees are typically held by men (5 out of 8 executive leadership roles, and the vast majority of Board seats at the Gold Coast Commonwealth Games Office were held by men). Studies suggest Commonwealth Games volunteering follows the typical pattern of

⁷⁴ Inquiry into Women and Girls in Sport and Active Recreation, 2015

⁷⁵ <https://www.nielsen.com/us/en/insights/article/2021/the-olympics-is-the-biggest-platform-for-gender-equality-in-global-sports/>

⁷⁶ 65 per cent Female vs 35 per cent Male attendees at the CG2018 Games, GC2018 Visitor Study Evaluation Report, Office of the Commonwealth Games, Queensland Government

⁷⁷ Coche, R. & Tuggle, C. A. (2016). The women's Olympics?: A gender analysis of NBC's coverage of the London 2012 Summer Games. *Electronic News*, 10(2), 121-138.

broader sports volunteering whereby men represent around 56 per cent of the volunteer base.⁷⁸ Women are more likely to take on administrative volunteering roles. During the Games, women typically are employed in clerical, administrative, food and beverage and customer service roles, and less likely to be placed in people management positions. This is seen below in the study of volunteers from the 2002 Manchester Commonwealth Games. There is limited data to understand how women access economic opportunities through the Commonwealth Games (beyond anecdotal case studies in post- Games reports).

Table 5 Differences in volunteers skills

Skills	Female %	Male %	N
Clerical and Administration	30.6	25	686
Customer Service	31.5	26	686
Driving	32	36.7	686
Facilities Management	7.1	9.8	686
Food Services	10.3	5.7	686
Managing People	28	31.5	686
Radio/Telecommunication	3.8	6.4	686
Stewarding	12.2	17.5	687
Technology	13.5	17.8	686
Data Network	1.2	3.1	686
Nursing	1.9	0.3	686
Photography	2	4	686
Press	2.6	4.5	686
Disability Awareness	6.9	3.1	686

Barriers that may inhibit individuals from accessing the Commonwealth Games:

Barriers exist for a multitude of complex reasons and difficulties that exist within society, and result in imbalances in sport, in participation numbers and in the backgrounds of those persons who participate. Barriers to the Commonwealth Games include:

- *Physical barriers* (e.g. spaces not all can access or not all can have a similar experience in which are potentially harmful for those of certain genders or cultural backgrounds)
- *Economic barriers* (e.g. the Games is not accessible for volunteers, athletes or spectators without financial means)
- *Social barriers* (e.g. Athletes, Volunteers and Spectators do not feel part of a community and are not accepted based on their gender, age, background, nationality, religion and the Game is not an accepting space for celebrating diversity and difference)

To overcome these barriers one of the core pillars of the Commonwealth Games is equality, in all aspects of the Commonwealth Games. This includes the need to provide safe and accessible spaces for all athletes, volunteers and spectators across their entire Games experience.

⁷⁸ <https://www.clearinghouseforsport.gov.au/kb/volunteers-in-sport/statistics>

Appendix E – Capital Cost Assumptions

DHW Ludus were commissioned by DJPR and EY to deliver:

- Facility Assessment of the nominated facilities to host the sports program
- Preliminary capital cost estimates of the new facilities proposed, and permanent upgrades required
- Preliminary overlay cost estimates.

The approach and key assumptions applied are outlined in the attached report by DHW Ludus 'Facilities Assessment: Report to EY'.

Appendix F – Operating Budget Assumptions

MI Associates were commissioned by DJPR and EY to develop the operating budget for the 2026 Games. Input was also provided by DHW Ludus on the estimated overlay costs. The operating budget was developed based on an analysis of previous Commonwealth Games budgets and the proposed sports program for the 2026 Games

The operating budget was developed based on:

- The estimated budget has been built on a 'top down' basis and baselined from the Gold Coast 2018 Commonwealth Games
- Time has not permitted a more robust 'bottom up' approach as key elements of Games planning are not yet understood
- The estimated budget assumes that the baseline is a valid budget to deliver a Commonwealth Games in Australia in a semi-regional context
- Adjustments have been made to the baseline where the proposed budget will be materially different to the Gold Coast 2018 Games.

Baseline budget

Baseline budget information has been sourced from the Gold Coast 2018 Commonwealth Games Post Games Report, State of Queensland, 2019, Appendix 5 GC2018 Special Purpose Financial Reports.

Budget Structure

The budget has been broken into four categories:

- Operating Revenues
- Other Government Contributions for Infrastructure and Facilities
- Capital Investment
- Operating Expenses.

Budget assumptions

The assumptions applied to develop the budget are provided in the table below. Assumptions related to overlay costs are attached to the Business Case (see Facilities Assessment: Report to EY).

In addition to MI's report below, EY, in consultation with DJPR, have made the following changes to the operating budget:

- We have assumed that the Federal Government will fund 50% of the capital expenditure for venues in the Best Case, while the amount assumed in the Worst Case has been agreed with DJPR
- In the Best Case, we have assumed that the other 50% of the capital expenditure for venues will be funded through existing State Government Sporting Infrastructure funding and that the cost of the Games Village Housing Program will be covered by a State Government Housing Program
- In the Worst Case, we have assumed that \$40 million of the capital expenditure for venues will be funded through existing State Government Sporting Infrastructure funding and 20% of the cost of the Games Village Housing Program will be covered by a State Government Housing Program
- We have assumed that local government will contribute \$100 million of funding to the operating budget and capital expenditure in the Best Case scenario and \$30 million in the Worst Case scenario.

Table 59: Operating budget assumptions

Item	Assumption
Operating revenue	
Broadcast rights	Commercial arrangements agreed with the CGF.
Sponsorship	Commercial arrangements agreed with the CGF.
Ticketing	Based on the assumed sport competition schedule in a 'bottom up' build.
Licensing and merchandising	Commercial arrangements agreed with the CGF.
Victorian Government grants funding	Assumed to be the amount to balance the budget – "Cost to Victorian Government".
Australian Government grants funding	Assumed to be \$0 in the worst case and \$2 million in the best case (based on advice from DJPR).
Local Government grants funding	Assumed to be \$15 in the worst case and \$80 million in the best case (based on advice from DJPR).
Interest and others	Assumed to be the baseline with a nominal increase of 5% to allow for minor variations.
Other government contributions for infrastructure and facilities (capital contributions)	
Victorian Government grants funding	Assumed to be cost of public domain improvements and other minor upgrades, with the rest covered by alternative sources – "Cost to Victorian Government".
Australian Government grants funding	Assumed to be \$40 million in the worst case and 50% of the capital expenditure required for venues in the best case (based on advice from DJPR).
Local Government grants funding	Assumed to be \$15 in the worst case and \$20 million in the best case (based on advice from DJPR).
Capital investment	
Sports facilities upgrades and legacy	Infrastructure and facilities expenditure is the contribution by the Victorian Government to develop infrastructure and facilities related to the Games that both enabled hosting of the event and provided an enduring legacy for the State. This excludes venue and village operating expenses, which have been reported as Games operations expenses. The budget estimate is a 'bottom up' based on the DHW report on venue infrastructure and discussions with DJPR.
Games village housing program	The Games Villages are assumed to be delivered under a development agreement as social and low cost housing and only the net expenses incurred by the Government are reported. This should include estimated costs to cover the transition of the sites post- Games to their final purpose (housing). Assumed that 0% of funding will be provided through the program in the worst case and the full cost of the program will be covered by the program in the best case (based on advice from DJPR).
Public Domain Improvements	Assumed to be minor capital works to deliver a range of long lasting benefits to the community as well as ensuring the best possible experience for visitors during the Games.
Other	Assumed to be baseline plus 5% Includes program wide management and communication expenses associated with the Commonwealth Games infrastructure program. Costs are central and not attributable to individual infrastructure projects. Assumed to be baseline plus 5%
Operating expenses	
Ceremonies and Queen's Baton Relay	Ceremonies includes all direct and indirect expenses on the opening and closing ceremonies, medal ceremonies, flag handover ceremony and the Queen's Baton Relay. Security expenses in relation to these events are classified as security. An increase for minor variations in scope from the Gold Coast 2018 program has been applied.
Arts and Culture	Includes all expenses relating to a yet to be defined Games arts and culture program and those relating to live sites. Increases for variations in scope from the Gold Coast 2018 program have been applied to ensure sufficient budget to take Games experience to non-host regions
Games Legacy Benefits	Expenses incurred in realising the long-term benefits of hosting the Games including: <ul style="list-style-type: none"> • Sport Participation \$20M • Uplift Regional Event Fund \$2.5M per year for 4 years (\$10M) • Sport Diplomacy & Trade \$10M.
Corporate and Administration	Includes the cost of governance, finance, legal, procurement, risk management, office accommodation, training and uniform expenses for employees and volunteers, and environmental/ sustainability expenses. An increase for minor variations in scope from the Gold Coast 2018 program has been applied.
Workforce	This expense includes direct and indirect workforce (and on-costs) for all operational areas. The workforce is estimated to have a higher workforce cost given the geographic split of the regions, but also potentially a reduced core team under a 'revised CGF Planning Model' i.e. this Games will initially have a central Games HQ and core staff but will eventually require a very distributed staffing model and this will require a larger Games workforce and additional relocation and accommodation costs. Cost informed by a 'bottom-up' build completed by MI.
City operations	City operations includes non-business-as-usual expenses incurred by host and event cities associated with hosting the Games. They include but are not limited to, additional city services, community safety and ensuring that event cities are presented suitably for a large international sporting event. City operations costs assumed to be higher given the higher number of Games hubs/cities.

Item	Assumption
Games operations	Games operations includes all expenses associated with sport, venue and village operations during the Games period. It includes expenses for planning and holding sports events at Games venues and in the public domain (such as road events), logistics, catering and media management. There will be inefficiencies created by delivering the Games Operations across multiple sites and across regional Victoria (where distances are greater, base venue infrastructure less developed and base support services are less sophisticated). Duplicating Village Operations across four sites will increase costs.
Marketing and communications	This expense includes communications, information, advertising and promotion for the Games. It includes expenses associated with raising general awareness as well as the ticket sales campaigns, support materials, visual identity, ambassador and mascot programs, launches and publicity, website, commercial expenses (including sponsorship servicing, ticketing and licensing expenses) and providing appropriate communications to manage any operational issues that required a multi-party resolution or public response. Amount agreed with CGF.
Venue and villages overlay	Venue and village overlay includes expenses relating to temporary enhancements (e.g. additional seating) for each venue to host the events, and for the athletes and officials in the Commonwealth Games Villages. This number has been developed from a basic 'bottom up' / venue by venue approach. No design and no legacy visioning has been completed yet. Minor changes in overlay budget following block plan work undertaken by Populous.
Media, technology and broadcast	Includes hosting and delivering broadcast services and associated management expenses, information systems such as timing, scoring and results as well as the Games management and administrative systems for finance, human resources, project management, procurement and logistics.
Transport	Expenses relate to the provision of a reliable, secure and efficient transport system for all Games participants including spectators, athletes, officials, media, sponsors, workforce and the Games family, as well as event traffic management. Athlete and Games family transport will be unique for a regional Games: <ul style="list-style-type: none"> • All constituents will have larger distances to travel from the port of arrival (Tullamarine Airport) to their village/hotel but then (for athletes and team officials) theoretically shorter distances once in the regions • Some team sports will need to travel between hubs but most athletes will stay in a single city • Technical officials, media, broadcasters and CGF family will largely need to travel from Melbourne to the hubs (sometimes multiple hubs in a day) and return • Accommodation will limit the ability of spectators and ticket holders to stay in the regions and so supplementary public transport will likely be required • Travel to/from the opening and closing ceremonies will be complicated and will involve a lot of people travelling long distances to and from Melbourne and Geelong • Transport infrastructure exists but not in the required scale in each of the Games cities. This will require supplementary services (buses and cars) to be brought from other locations. Splitting the bus and fleet operations into at least five operational hubs will increase costs.
Carbon neutral games	Carbon neutral games is a core principle of the 2026 Comm Games Concept. Based on high level information from MI (based on other major events), 2026 could produce between 1.5 to 2.0 million tonnes of emissions. To offset this through the purchase of carbon credits, which can cost anywhere from \$10 to \$50 per tonne. Based on this, assumed carbon neutral cost of \$45 million in the Best Case and \$60 million in the Worst Case.
Security	Security expenses relate to the provision of police and contractors for physical security, asset protection, access control, public safety and the protection of athletes and VIPs. Costs for the Victoria Police are assumed to comprise operational policing costs at Games time including additional wages, allowances and accommodation costs as well as setup and operational costs of security command centres. The state funded salaries and on costs of police working on security during Games time, as well as the costs of the Victoria Police Commonwealth Games Planning Unit, are not included in Games operating expenses. The funded salaries and on costs of police undertaking security (including during deployment) are assumed to be a normal cost of the Victoria Police. The costs of the Australian Government to support security at the Games are assumed to be in-kind contributions from the Federal Government. Security costs are expected to be higher than the baseline given the geographic split of the regions. Games time security costs are a function of resources (people and equipment). There will be additional costs for logistics, accommodation and overtime etc. for contract security and police to operate across the 4 regional locations plus Melbourne.
Games fees	Games fees includes fees paid to the Commonwealth Games Federation (CGF) and Commonwealth Games Australia (CGA) for hosting the Games. In the absence of any new information, these are assumed to be nominally the same as the Gold Coast 2018 program. For discussion and negotiation with CGF and CGA.
Operational contingency	Based on the early stages of operational planning and the limited coordination undertaken to date, a substantial contingency has been applied.
Non-LOC costs	
Office of Commonwealth Games / governance costs	Costs provided by DJPR.
Village delivery	Costs provided by Homes Victoria.
Transport costs (DOT)	MI confirmed that transport costs estimate above will cover DoT costs.
Security costs (VicPol)	MI confirmed that security costs estimate above will cover VicPol costs.

Appendix G – Economic Impact and Cost Benefit Analyses Methodology and Assumptions

Outlined below are the methodology and assumptions used for the economic impact analyses and benefits in the cost benefit analysis.

The key resources used to develop the assumptions for these analyses are included in the tables below.

Economic impact analysis – Victoria and Regional Victoria

As part of this study, EY developed an economic impact analysis both for the State of Victoria and Regional Victoria.

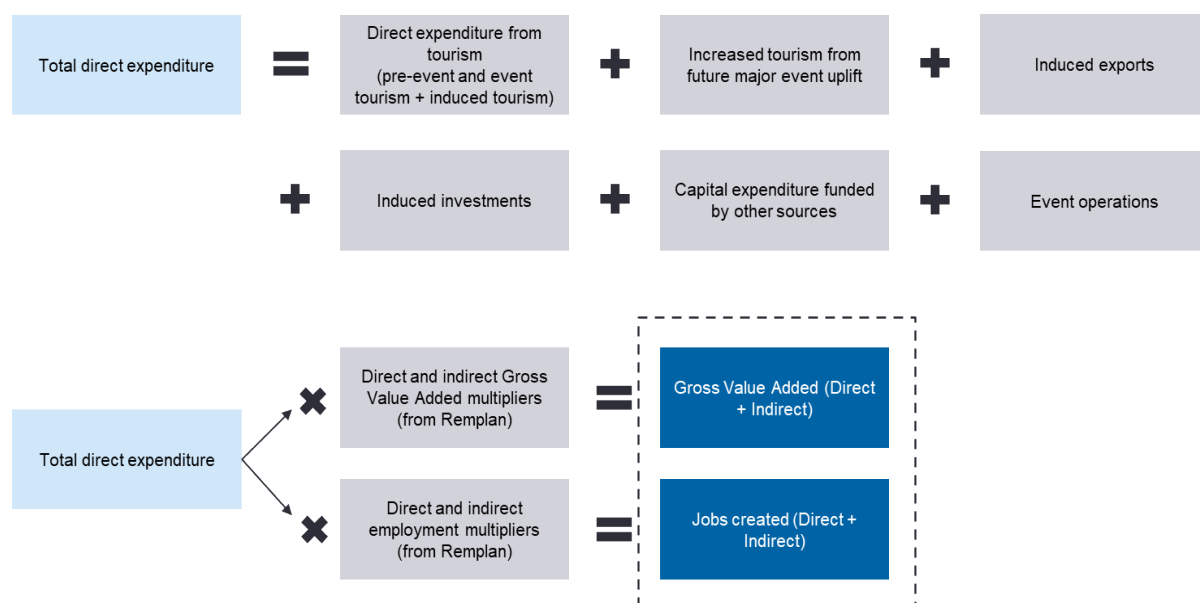
The analysis for the State of Victoria considers:

- Specific and extended stay visitor expenditure from interstate and overseas
- Induced exports and investment entering Victoria from outside the State
- Capital expenditure funded by other sources that would not have entered Victoria if not for the Games and is injected directly into the Victorian economy
- Event operations impact that considers operating revenue that would not have entered Victoria if not for the Games and operating expenditure that is injected directly into the Victorian economy

The analysis for Regional Victoria considers:

- Specific and extended stay visitor expenditure from intrastate (i.e. Melbourne), interstate and overseas
- Induced exports and investment entering Regional Victoria from outside the region
- Capital expenditure funded by other sources that would not have entered Regional Victoria if not for the Games and is injected directly into the Regional Victorian economy
- Event operations impact that considers operating revenue that would not have entered Regional Victoria if not for the Games and operating expenditure that is injected directly into the Regional Victorian economy

Outlined below is the high level methodology for the economic impact analysis, followed by the more detailed methodology and assumptions for each component of the economic impact analysis.



Increased tourism expenditure (pre and during the Games)



The expenditure captured in this component is generated from tourists that include:

- Ticketed attendees (i.e. spectators)
- Athletes
- Team officials
- Non-ticketed sport attendees (i.e. those that attended non-ticketed events such as cycling)
- Volunteers
- Media
- Commonwealth Games workforce
- Contractors
- Technical officials
- Games Family
- Sponsors
- Trade delegates (for the Trade Program)

Outlined below are the key assumptions for each visitor type.

Table 60: Increased tourism expenditure (pre and during the Games) - key assumptions

Assumption	Worst Case	Best Case	Comments
1. Direct expenditure from pre-event tourism - Other attendees			
1a. Other attendance			
Athletes	500	500	EY analysis based on knowledge of testing events and pre-event training camps from previous Games.
Team officials	100	100	
Non-ticketed sports attendees	-	-	
Volunteers	100	100	
Media (accredited and non-accredited)	-	-	
Commonwealth Games workforce	-	-	

Contractors	-	-	
Technical officials	100	100	
Games Family	-	-	
Sponsors	-	-	
Trade delegates	-	-	
1b. Origin			
Local (Regional Victoria)	1%	1%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games (https://publications.qld.gov.au/dataset/25ffe277-b3c9-4240-a32c-c871156efaa0/resource/9e54f26c-638e-448a-9fe0-71faaa1b0765/download/gc2018-visitor-study.pdf).
Rest of Victoria (Melbourne)	2%	2%	
Interstate	7%	7%	
International	90%	90%	
1c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All other attendees are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
1d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on the expected duration of test events/training camps and some attendees staying longer before or after these events.
Rest of Victoria (Melbourne)	7.0	7.0	
Interstate	10.0	10.0	
International	15.0	15.0	
1e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that attendees also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
1f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games, with increases applied due to the Gold Coast Study also including attendees that did not pay for accommodation.
Rest of Victoria (Melbourne)	\$120	\$120	
Interstate	\$220	\$220	
International	\$250	\$250	
2. Direct expenditure from event tourism - Ticketed attendees			
2a. Ticketed attendance			
Gross ticketed attendance	1,000,000	1,100,000	Gross attendance provided by MI, based on analysis of attendances from previous Games and venue capacities of Melbourne 2026 venues.

Average number of days/sessions attended per person	2.0	2.0	EY estimates based on analysis of tourism data from previous Games.
Unique ticketed attendance	500,000	550,000	Calculation of gross ticketed attendance / number of days/sessions attended per person.
2b. Origin			
Local (Regional Victoria)	37%	37%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games.
Rest of Victoria (Melbourne)	35%	35%	
Interstate	20%	20%	
International	8%	8%	
2c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games. We have assumed a higher rate of specific and extended visitation for international attendees than Gold Coast, due to the relative difference in Regional Victoria as an international tourism destination compared to Gold Coast.
Rest of Victoria (Melbourne)	85%	85%	
Interstate	85%	85%	
International	95%	95%	
2d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games. We have assumed a longer length of stay for international attendees than Gold Coast, due to the distributed nature of the 2026 Games.
Rest of Victoria (Melbourne)	4.0	4.0	
Interstate	8.0	8.0	
International	10.0	10.0	
2e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that attendees also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
2f. Average daily spend (excl. ticket spend)			
Local (Regional Victoria)	\$0	\$0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games, with increases applied due to the Gold Coast Study also including attendees that did not pay for accommodation.
Rest of Victoria (Melbourne)	\$120	\$120	
Interstate	\$220	\$220	
International	\$250	\$250	
3. Direct expenditure from event tourism - Other attendees - Athletes			
3a. Athlete attendance			
Athlete attendance	4,672	4,672	Athlete attendance provided by MI, based on analysis of attendances from previous Games and discussions with Visit Victoria.
3b. Origin			
Local (Regional Victoria)	1%	1%	

Rest of Victoria (Melbourne)	2%	2%	EY estimates based on analysis of athlete data from Gold Coast 2018 Games (specifically, the size of the Australian team)
Interstate	7%	7%	
International	90%	90%	
3c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All athletes are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
3d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on event length (11 days including Opening Ceremony) and some athletes staying longer before or after the Games. As a conservative measure, we have assumed that some athletes will not remain in Regional Victoria for the full duration of the Games.
Rest of Victoria (Melbourne)	7.0	7.0	
Interstate	10.0	10.0	
International	15.0	15.0	
3e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	We have assumed that athletes do not stay in Melbourne and travel directly to Regional Victoria.
Rest of Victoria (Melbourne)	0.0	0.0	
Interstate	0.0	0.0	
International	0.0	0.0	
3f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	We have assumed that the majority of athlete expenses will be covered by national federations.
Rest of Victoria (Melbourne)	\$30	\$30	
Interstate	\$30	\$30	
International	\$50	\$50	
4. Direct expenditure from event tourism - Other attendees - Team officials			
4a. Team officials attendance			
Team officials attendance	1,786	1,786	Athlete attendance provided by MI, based on analysis of attendances from previous Games and discussions with Visit Victoria.
4b. Origin			
Local (Regional Victoria)	1%	1%	Origins of team officials assumed to be the same as athletes origins.
Rest of Victoria (Melbourne)	2%	2%	
Interstate	7%	7%	
International	90%	90%	
4c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	

Rest of Victoria (Melbourne)	100%	100%	All team officials are assumed to visit Victoria / Regional Victoria specifically for the Games.
Interstate	100%	100%	
International	100%	100%	
4d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on event length (11 days including Opening Ceremony) and some team officials staying longer before or after the Games. As a conservative measure, we have assumed that some team officials will not remain in Regional Victoria for the full duration of the Games.
Rest of Victoria (Melbourne)	7.0	7.0	
Interstate	10.0	10.0	
International	15.0	15.0	
4e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	We have assumed that team officials do not stay in Melbourne and travel directly to Regional Victoria.
Rest of Victoria (Melbourne)	0.0	0.0	
Interstate	0.0	0.0	
International	0.0	0.0	
4f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	We have assumed that the majority of team officials expenses will be covered by national federations.
Rest of Victoria (Melbourne)	\$50	\$50	
Interstate	\$50	\$50	
International	\$75	\$75	
5. Direct expenditure from event tourism - Other attendees - Non-ticketed sports attendees			
5a. Non-ticketed sports attendees			
Non-ticketed sports attendees	10,000	10,000	EY estimate based on analysis of attendance data from Gold Coast 2018 Games. We have assumed that attendees are able to attend open events (e.g. cycling) without the need to purchase a ticket.
5b. Origin			
Local (Regional Victoria)	37%	37%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games.
Rest of Victoria (Melbourne)	35%	35%	
Interstate	20%	20%	
International	8%	8%	
5c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games. We have assumed a higher rate of specific and extended visitation for international attendees than Gold Coast, due to the relative difference in Regional Victoria as an international tourism destination compared to Gold Coast.
Rest of Victoria (Melbourne)	85%	85%	
Interstate	85%	85%	
International	95%	95%	
5d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	

Rest of Victoria (Melbourne)	4.0	4.0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games. We have assumed a longer length of stay for international attendees than Gold Coast, due to the distributed nature of the 2026 Games.
Interstate	8.0	8.0	
International	10.0	10.0	
5e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that attendees also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
5f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games, with increases applied due to the Gold Coast Study also including attendees that did not pay for accommodation.
Rest of Victoria (Melbourne)	\$100	\$100	
Interstate	\$200	\$200	
International	\$225	\$225	
6. Direct expenditure from event tourism - Other attendees - Volunteers			
6a. Number of volunteers			
Number of volunteers	7,628	7,628	Number of volunteers provided by MI, based on analysis of attendances from previous Games.
6b. Origin			
Local (Regional Victoria)	60%	60%	We have assumed that the majority of volunteers will be local (i.e. residing in Victoria).
Rest of Victoria (Melbourne)	30%	30%	
Interstate	10%	10%	
International	0%	0%	
6c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All volunteers are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
6d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on event length (11 days including Opening Ceremony) and some volunteers staying longer before or after the Games. As a conservative measure, we have assumed that some volunteers will not remain in Regional Victoria for the full duration of the Games (i.e. they may be volunteering for a specific sport).
Rest of Victoria (Melbourne)	7.0	7.0	
Interstate	10.0	10.0	
International	12.0	12.0	
6e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	

Rest of Victoria (Melbourne)	2.0	2.0	In addition to staying in Regional Victoria, we have assumed that volunteers also stay for a short period in Melbourne (i.e. as part of the transit journey).
Interstate	2.0	2.0	
International	2.0	2.0	
6f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games, with increases applied due to the Gold Coast Study also including attendees that did not pay for accommodation.
Rest of Victoria (Melbourne)	\$100	\$100	
Interstate	\$150	\$150	
International	\$200	\$200	
7. Direct expenditure from event tourism - Other attendees - Media (accredited and non-accredited)			
7a. Number of media attendees			
Number of media attendees	5,074	5,074	Number of media attendees provided by MI, based on analysis of attendances from previous Games.
7b. Origin			
Local (Regional Victoria)	10%	10%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games.
Rest of Victoria (Melbourne)	20%	20%	
Interstate	20%	20%	
International	50%	50%	
7c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All media attendees are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
7d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on the primary media hub being based in Melbourne. We have assumed that the media attendees will spend more time in Melbourne than in Regional Victoria.
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	3.0	3.0	
International	4.0	4.0	
7e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	EY estimates based on the primary media hub being based in Melbourne. We have assumed that the media attendees will spend more time in Melbourne than in Regional Victoria.
Rest of Victoria (Melbourne)	5.0	5.0	
Interstate	7.0	7.0	
International	8.0	8.0	
7f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	

Rest of Victoria (Melbourne)	\$120	\$120	EY estimates based on analysis of attendance data from Gold Coast 2018 Games, with increases applied due to the Gold Coast Study also including attendees that did not pay for accommodation.
Interstate	\$220	\$220	
International	\$250	\$250	
8. Direct expenditure from event tourism - Other attendees - Commonwealth Games Workforce			
8a. Commonwealth Games Workforce			
Commonwealth Games workforce	538	538	Size of Commonwealth Games workforce provided by MI, based on analysis of attendances from previous Games.
8b. Origin			
Local (Regional Victoria)	40%	40%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games.
Rest of Victoria (Melbourne)	50%	50%	
Interstate	8%	8%	
International	2%	2%	
8c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All workforce members are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
8d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on the likely roles of the workforce members. It is likely that most members of the workforce will stay longer than the duration of the Games for organisational purposes.
Rest of Victoria (Melbourne)	20.0	20.0	
Interstate	30.0	30.0	
International	30.0	30.0	
8e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that workforce members also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
8f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	EY estimates based on analysis of attendance data from Gold Coast 2018 Games, with increases applied due to the Gold Coast Study also including attendees that did not pay for accommodation.
Rest of Victoria (Melbourne)	\$50	\$50	
Interstate	\$50	\$50	
International	\$50	\$50	
9. Direct expenditure from event tourism - Other attendees - Contractors			
9a. Number of contractors			

Number of contractors	4,945	4,945	Number of contractors provided by MI, based on analysis of attendances from previous Games.
9b. Origin			
Local (Regional Victoria)	50%	50%	We have assumed that all contractors will be sourced domestically, with the majority being from Victoria.
Rest of Victoria (Melbourne)	40%	40%	
Interstate	10%	10%	
International	0%	0%	
9c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All contractors are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
9d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on the likely roles of contractors. It is likely that most members of the workforce will stay longer than the duration of the Games for organisational purposes.
Rest of Victoria (Melbourne)	15.0	15.0	
Interstate	15.0	15.0	
International	15.0	15.0	
9e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	We have assumed that contractors do not stay in Melbourne and travel directly to Regional Victoria.
Rest of Victoria (Melbourne)	0.0	0.0	
Interstate	0.0	0.0	
International	0.0	0.0	
9f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	We have assumed that the majority of contractor expenses will be covered through the operating budget.
Rest of Victoria (Melbourne)	\$50	\$50	
Interstate	\$50	\$50	
International	\$50	\$50	
10. Direct expenditure from event tourism - Other attendees - Technical officials			
10a. Number of technical officials			
Number of technical officials	1,349	1,349	Number of technical officials provided by MI, based on analysis of attendances from previous Games.
10b. Origin			
Local (Regional Victoria)	0%	0%	EY estimates based on analysis of attendance data from Gold Coast 2018 Games.
Rest of Victoria (Melbourne)	10%	10%	
Interstate	40%	40%	

International	50%	50%	
10c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All technical officials are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
10d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on event length (11 days including Opening Ceremony) and some officials staying longer before or after the Games. As a conservative measure, we have assumed that some officials will not remain in Regional Victoria for the full duration of the Games.
Rest of Victoria (Melbourne)	7.0	7.0	
Interstate	10.0	10.0	
International	15.0	15.0	
10e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that technical officials also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
10f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	We have assumed that the majority of officials expenses will be covered through the operating budget.
Rest of Victoria (Melbourne)	\$75	\$75	
Interstate	\$75	\$75	
International	\$75	\$75	
11. Direct expenditure from event tourism - Other attendees - Games Family			
11a. Number of Games Family attendees			
Number of Games Family attendees	3,025	3,025	Number of Games Family attendees provided by MI, based on analysis of attendances from previous Games.
11b. Origin			
Local (Regional Victoria)	0%	0%	We have assumed that the majority of the Games Family attendees reside outside of Australia
Rest of Victoria (Melbourne)	5%	5%	
Interstate	5%	5%	
International	90%	90%	
11c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All technical officials are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	

International	100%	100%	
11d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimates based on event length (11 days including Opening Ceremony) and some Games Family attendees staying longer before or after the Games. As a conservative measure, we have assumed that some officials will not remain in Regional Victoria for the full duration of the Games.
Rest of Victoria (Melbourne)	7.0	7.0	
Interstate	10.0	10.0	
International	15.0	15.0	
11e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that Games Family attendees also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
11f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	We have assumed that the majority of Games Family attendee expenses will be covered through the operating budget.
Rest of Victoria (Melbourne)	\$100	\$100	
Interstate	\$100	\$100	
International	\$100	\$100	
12. Direct expenditure from event tourism - Other attendees - Sponsors			
12a. Number of Sponsor attendees			
Number of Sponsor attendees	1,862	1,862	Number of Sponsor attendees provided by MI, based on analysis of attendances from previous Games.
12b. Origin			
Local (Regional Victoria)	0%	0%	we have assumed that the majority of the Sponsor attendees reside in Australia.
Rest of Victoria (Melbourne)	40%	40%	
Interstate	40%	40%	
International	20%	20%	
12c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All Sponsor attendees are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
12d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	As a conservative measure, we have assumed that most Sponsor attendees will not remain in Regional Victoria for the full duration of the Games.
Rest of Victoria (Melbourne)	5.0	5.0	
Interstate	7.0	7.0	

International	10.0	10.0	
12e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that Sponsor attendees also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	
International	2.0	2.0	
12f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	We have assumed that the Sponsor attendees will have a higher daily spend than ticketed attendees due to the nature of their business (i.e. building relationships with potential clients).
Rest of Victoria (Melbourne)	\$250	\$250	
Interstate	\$300	\$300	
International	\$350	\$350	
13. Direct expenditure from event tourism - Other attendees - Trade delegates			
13a. Number of Sponsor attendees			
Number of trade delegates	2,000	2,000	EY estimate based on analysis of attendance data from Gold Coast 2018 Games.
13b. Origin			
Local (Regional Victoria)	25%	25%	EY estimate based on analysis of attendance data from Gold Coast 2018 Games.
Rest of Victoria (Melbourne)	40%	40%	
Interstate	15%	15%	
International	20%	20%	
13c. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All trade delegates are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
13d. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	As a conservative measure, we have assumed that most trade delegates will not remain in Regional Victoria for the full duration of the Games.
Rest of Victoria (Melbourne)	5.0	5.0	
Interstate	7.0	7.0	
International	10.0	10.0	
13e. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that trade delegates also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	2.0	2.0	
Interstate	2.0	2.0	

International	2.0	2.0	
13f. Average daily spend			
Local (Regional Victoria)	\$0	\$0	
Rest of Victoria (Melbourne)	\$100	\$100	We have assumed that the majority of trade delegate expenses will be covered through the Trade Program budget or by governments that the delegates represent.
Interstate	\$100	\$100	
International	\$100	\$100	

Induced tourism



Table 61: Induced tourism - key assumptions

Assumption	Worst Case	Best Case	Comments
14. Induced tourism			
14a. Baseline number of overnight tourists to Victoria (2026-27)			
Local (Regional Victoria)	N/A	N/A	Domestic and international overnight tourism forecasts gathered from DJPR research (https://business.vic.gov.au/business-information/tourism-industry-resources/tourism-industry-research/domestic-and-regional-research). Split of domestic overnight visitors between interstate and international visitors estimated based on DJPR tourism data from 2019 (Domestic visitor and expenditure estimates year ending December 2019)
Rest of Victoria (Melbourne)	21,613,569	21,613,569	
Interstate	9,686,130	9,686,130	
International	4,591,000	4,591,000	
14b. Increase in intrastate tourists to Regional Victoria due to Commonwealth Games (included in Regional Economic Impact Analysis only)			
Year 1	0.30%	0.40%	EY estimate based on post-event report of Melbourne 2006 Games which assumed increases in international visitors (see below). We have scaled estimates down the international estimates for intrastate visitors and have assumed that intrastate tourists induced to visiting Regional Victoria because of the Games will cease visiting by the fourth post-event year.
Year 2	0.15%	0.20%	
Year 3	0.05%	0.10%	
Year 4	0.00%	0.00%	
14c. Increase in interstate tourists to Victoria due to Commonwealth Games			
Year 1	0.60%	0.75%	EY estimate based on post-event report of Melbourne 2006 Games which assumed increases in international visitors (see below). We have scaled estimates down the international estimates for interstate visitors.
Year 2	0.30%	0.40%	
Year 3	0.10%	0.20%	
Year 4	0.00%	0.10%	
14d. Increase in international tourists to Victoria due to Commonwealth Games			

Year 1	0.60%	0.75%	EY estimate based on post-event report of Melbourne 2006 Games, which assumed a 1.0% increase in international visitors to Australia in Year 1 and 0.6% increase in Year 2 (https://opus.lib.uts.edu.au/bitstream/10453/19802/1/econ_impact_report.pdf). As a conservative measure, we have scaled estimates down these estimates for the 2006 Games however have applied a four-year post event period to align with other post-event studies including the Gold Coast 2018 Games.
Year 2	0.30%	0.40%	
Year 3	0.10%	0.20%	
Year 4	0.00%	0.10%	
14e. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimate based off pre-COVID tourism data from Tourism Research Australia (https://business.vic.gov.au/_data/assets/pdf_file/0011/2041994/Regional_Victoria_Regional_Summary_year_ending_Sep-2021_RTSA-2019-20.pdf). Given that length of stay data is only presented for domestic visitors, we have scaled this estimate down for intrastate visitors and up for interstate visitors.
Rest of Victoria (Melbourne)	2.5	2.5	
Interstate	4.5	4.5	
International	15.0	15.0	
14f. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that interstate and international tourists also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	0.0	0.0	
Interstate	2.0	2.0	
International	2.0	2.0	
14g. Average daily spend			
Local (Regional Victoria)	\$0	\$0	EY estimate based off pre-COVID tourism data from Tourism Research Australia (https://business.vic.gov.au/_data/assets/pdf_file/0011/2041994/Regional_Victoria_Regional_Summary_year_ending_Sep-2021_RTSA-2019-20.pdf). Given that expenditure data is only presented for domestic visitors, we have scaled this estimate down for intrastate visitors and up for interstate visitors. We have scaled the expenditure estimate up for international visitors given the expected type of visitor based on viewership of the Commonwealth Games.
Rest of Victoria (Melbourne)	\$100	\$100	
Interstate	\$175	\$175	
International	\$150	\$150	

Future major event uplift



Table 62: Future major event uplift - key assumptions

Assumption	Worst Case	Best Case	Comments
15. Increased tourism from future major event uplift			
15a. Number of new events due to new/redeveloped facilities			
Number of new events due to new/redeveloped facilities	20	25	EY estimate based on expected 50% uplift (\$2.5 million increase) of Regional Events Fund. Based on historical data, the Regional Events Fund has supported approximately

60 events per year with \$5 million of funding. As a conservative measure, we have then scaled down the number of events.

15b. Number of visitors per event			
No. of athletes/support staff per event	250	250	EY estimate based on analysis of post-event studies of various regional, state and national sporting events (collected from an internal EY database).
No. of spectators per event	5,000	5,000	
15c. Origin			
Local (Regional Victoria)	38%	38%	EY estimate based on analysis of post-event studies of various regional, state and national sporting events (collected from an internal EY database).
Rest of Victoria (Melbourne)	50%	50%	
Interstate	10%	10%	
International	3%	3%	
15d. Specific & extended stay attendance			
Local (Regional Victoria)	0%	0%	All visitors are assumed to visit Victoria / Regional Victoria specifically for the Games.
Rest of Victoria (Melbourne)	100%	100%	
Interstate	100%	100%	
International	100%	100%	
15e. Average length of stay - Regional Victoria			
Local (Regional Victoria)	0.0	0.0	EY estimate based on analysis of post-event studies of various regional, state and national sporting events (collected from an internal EY database).
Rest of Victoria (Melbourne)	4.0	4.0	
Interstate	4.0	4.0	
International	6.0	6.0	
15f. Average length of stay - Melbourne			
Local (Regional Victoria)	0.0	0.0	In addition to staying in Regional Victoria, we have assumed that interstate and international visitors also stay for a short period in Melbourne (i.e. as part of the transit journey).
Rest of Victoria (Melbourne)	0.0	0.0	
Interstate	2.0	2.0	
International	2.0	2.0	
15g. Average daily spend			
Local (Regional Victoria)	\$0	\$0	EY estimate based on analysis of post-event studies of various regional, state and national sporting events (collected from an internal EY database).
Rest of Victoria (Melbourne)	\$150	\$150	
Interstate	\$150	\$150	
International	\$150	\$150	

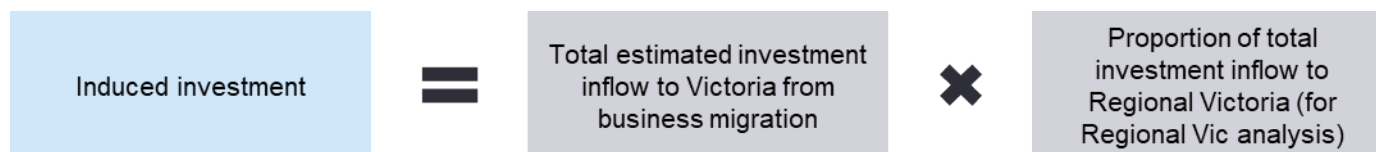
Induced exports



Table 63: Induced exports - key assumptions

Assumption	Worst Case	Best Case	Comments
16. Induced exports			
16a. Number of Regional Victorian trade delegates			
Number of Regional Victorian trade delegates as business reps	500	500	EY estimate based on analysis of Gold Coast 2018 Games post-event study (522 local delegates at 2018 Trade Program; https://www.publications.qld.gov.au/dataset/ceb1e6ce-8fd7-42f9-8c97-8a948f9f79b7/resource/2e1b689f-560b-4296-be68-f02a012205c2/download/griffith-university-the-economic-impacts-of-the-gold-coast-2018-commonwealth-games-2018-post-gam.pdf).
16b. Number of Victorian trade delegates			
Number of Victorian trade delegates as business reps	1,200	1,200	EY estimate based on analysis of Gold Coast 2018 Games post-event study (1,224 local delegates at 2018 Trade Program).
16c. Proportion of local trade delegates experiencing increase in exports			
Proportion of local trade delegates experiencing increase in exports	15%	15%	EY estimate based on analysis of Melbourne 2006 Games post-event study (3% of respondents indicated that they had achieved increased in sales as a result of the Trade Program and 31% expected to do so in the future). As a conservative measure, we have reduced the assumption by approximately 50% based on this data.
16d. Average expected value of export sales resulting from Trade Program			
Average expected value of export sales resulting from Trade Program per domestic delegate	\$600,000	\$700,000	EY estimate based on analysis of Melbourne 2006 Games post-event study (increased sales of approximately \$515,000 per domestic delegate), inflated to 2022 dollars.

Induced investment



Assumption	Worst Case	Best Case	Comments
17. Induced investment			
17a. Total investment inflow to Victoria from business migration			

Total inflow investment inflow to Victoria from business migration per year (post-event)	\$30,000,000	\$40,000,000	EY estimate based on analysis of Gold Coast 2018 Games post-event study (total investment inflow of approximately \$41 million per year over the post-event period).
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17b. Proportion of total investment inflow to Regional Victoria

Proportion of total investment inflow to Regional Victoria	50%	50%	We have assumed that half of the investment inflow will flow directly into Regional Victoria (for the Regional Victoria Economic Impact Analysis).
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Capital expenditure funded by other sources



Table 64: Capital expenditure funded by other sources - key assumptions

Assumption	Worst Case	Best Case	Comments
18. Capital expenditure funded by other sources			
18a. Total funding received to support/offset capital expenditure			
Federal Government	\$205,000,000	\$215,000,000	EY estimate based on advice from DJPR.
Victorian Government Sport Infrastructure Funding	\$0	\$215,000,000	
State Government Housing Program	\$0	\$200,000,000	
Local Government	\$15,000,000	\$20,000,000	
18b. Proportion of funding that would not have entered region if not for Games - Victoria			
Federal Government	50%	50%	EY estimate based on consideration of the nature of funding being received.
Victorian Government Sport Infrastructure Funding	50%	50%	
State Government Housing Program	50%	50%	
Local Government	50%	50%	
18c. Proportion of funding injected directly into region - Victoria			
Federal Government	80%	80%	EY estimate based on consideration of the likely location of businesses engaged in the design and construction process.
Victorian Government Sport Infrastructure Funding	80%	80%	
State Government Housing Program	80%	80%	

Local Government	80%	80%	
18d. Proportion of funding that would not have entered region if not for Games - Regional Victoria			
Federal Government	50%	50%	
Victorian Government Sport Infrastructure Funding	50%	50%	
State Government Housing Program	50%	50%	EY estimate based on consideration of the nature of funding being received.
Local Government	50%	50%	
18e. Proportion of funding injected directly into region - Regional Victoria			
Federal Government	50%	50%	
Victorian Government Sport Infrastructure Funding	50%	50%	
State Government Housing Program	50%	50%	EY estimate based on consideration of the likely location of businesses engaged in the design and construction process.
Local Government	50%	50%	

Event operations



Table 65: Event operations - key assumptions

Assumption	Worst Case	Best Case	Comments
19. Event operations			
19a. Total operating revenue			
Total operating revenue	\$249,265,178	\$329,854,437	EY estimate based on information provided by MI.
19b. Proportion of operating revenue that would not have entered region if not for Games - Victoria			
Average proportion across all revenue line items	55%	55%	EY estimate based on consideration of the nature of operating revenue generated.
19c. Proportion of operating expenditure injected directly into region - Victoria			
Average proportion across all expenditure line items	69%	69%	EY estimate based on consideration of the likely location of businesses engaged in the operations process.
19d. Proportion of operating revenue that would not have entered region if not for Games - Regional Victoria			

Average proportion across all revenue line items	50%	50%	EY estimate based on consideration of the nature of operating revenue generated.
19e. Proportion of operating expenditure injected directly into region - Regional Victoria			
Average proportion across all expenditure line items	50%	50%	EY estimate based on consideration of the likely location of businesses engaged in the operations process.

Cost benefit analysis – Victoria

A cost benefit analysis for the State of Victoria was developed by EY.

The costs considered for the analysis are:

- Operating expenditure, net of operating revenue (i.e. cost to Victorian Government to balance the operating budget)
- Capital expenditure required for Games infrastructure (including permanent developments upgrades for venues and athlete villages), net of funding received from external sources for capital expenditure

Outlined below is the high level methodology for the cost benefit analysis, followed by the more detailed methodology and assumptions for each of the benefits that were not included in the economic impact analysis above.

Number of units/houses in Athlete Villages available for social housing	325	325	EY estimate based on discussions with DJPR (total housing stock of 1,500).
20b. Assumed number of beds per 1 and 2 bedroom units			
Assumed number of beds per 1 and 2 bedroom units	2.8	2.8	EY estimate based on information provided by DJPR.
20c. Total economic value per new social housing bed			
Total economic value per new social housing bed	\$25,000	\$25,000	EY estimate based on report on the economic value of new social housing beds (https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning-Last-Resort-Housing.pdf). According to the report, the economic value per new bed was approximately \$25,615 (2017 dollars), contributing to benefits including health cost savings, reduced crime and improved human capital. As a conservative measure, we have not inflated this figure.

Avoided health costs and productivity costs from increased physical activity

$$\begin{aligned}
 &\text{Avoided health costs and productivity costs from increased physical activity} = \left[\text{Population of Victoria} \times \% \text{ of Victorian population increasing physical activity due to the Games} \times \text{Net health benefit per hour of additional activity} \times \text{No. of hours of additional physical activity per week} \right] \\
 &+ \left[\text{Population of Victoria} \times \% \text{ of Victorian population increasing physical activity due to the Games} \times \% \text{ of Victorian population increasing physical activity assumed to be physically inactive} \times (1 - \text{unemployment rate}) \times \text{Avoided cost of reduced productivity per physically inactive employee per year} \right]
 \end{aligned}$$

Table 67: Avoided health costs and productivity costs from increased physical activity - key assumptions

Assumption	Worst Case	Best Case	Comments
21. Avoided health costs and productivity costs from increased physical activity			
21a. Baseline population of Victoria (2026-27)			
Baseline population of Victoria (2026-27)	7,495,194	7,495,194	Data sourced from Department of Environment, Land, Water and Planning - Victoria in Future 2019 (VIF2019) Population and Household Projections
21b. Proportion of Victorian population increasing physical activity due to the Games			
Year 1	4.0%	5.0%	EY estimate based on CGF Framework report, which indicated a 10% increase in sports participation in Victoria following the Melbourne 2006 Games and a 5% increase in Queensland following the 2018 Gold Coast Games (https://www.insidethegames.biz/media/file/177742/CG+Value+Framework+Report.pdf). AS a legacy benefit, we have assumed some of these people maintain their increased levels of physical activity over the medium term, but at a declining rate.
Year 2	2.0%	3.0%	
Year 3	1.0%	2.0%	
Year 4	0.0%	1.0%	
21c. Net health benefit per hour of additional activity			

Net health benefit (adjusted for injury) per hour	\$10	\$10	EY estimate based on report on the net health benefit per hour of outdoor physical activity (https://outdoorsvictoria.org.au/wp-content/uploads/2016/03/Outdoor-Economics.pdf). According to the report, the net health benefit per hour of walking in Victorian parks was \$4 (2016 dollars) and the net health benefit per hour of running/swimming/cycling in Victorian parks was \$15 (2016 dollars). AS a conservative measure, we have applied the approximate average of the net benefit of walking and running/swimming cycling.
21d. Number of hours of additional physical activity per week			
Number of hours of additional physical activity per week	1.0	1.0	We have assumed that those increasing physical activity will complete one more hour of activity per week.
21e. Proportion of Victorian population increasing physical activity assumed to be physically inactive			
Proportion of Victorian population increasing physical activity assumed to be physically inactive	15%	15%	EY estimate based on previous studies completed by EY of a similar nature.
21f. Victorian unemployment rate			
Victorian unemployment rate	5%	5%	EY estimate based on unemployment rate of 4.7% in November 2021 (https://lmip.gov.au/default.aspx?LMIP/LFR_SAFOUR/LFR_UnemploymentRate).
21g. Avoided cost of reduced productivity per physically inactive employee per year			
Avoided cost of reduced productivity per physically inactive employee per year	\$1,050	\$1,050	EY estimate based on report on the direct productivity costs per year for physically inactive employees (https://www.medibank.com.au/client/documents/pdfs/the_cost_of_physical_inactivity_08.p_d). According to the report, the direct productivity cost per employee per year was approximately \$800 (2008 dollars). This figure has been inflated to 2022 dollars.

Consumer surplus

$$\text{Consumer surplus} = \text{No. of local attendees} \times \left[\text{Zero demand ticket price (where no attendees are willing to pay)} - \text{Equilibrium ticket price} \right] \times 0.5$$

Table 68: Consumer surplus - key assumptions

Assumption	Worst Case	Best Case	Comments
22. Consumer surplus			
22a. Slope of the demand curve			
Slope of the demand curve	-0.10%	-0.15%	EY estimate based on analysis of pre- and post-event studies of international sporting events (collected from an internal EY database). We have scaled down the assumption for this study due to the expected lower willingness to pay for Games tickets compared to other events analysed by EY (including the 2015 Asian Cup).
22b. Number of local attendees			
No. of local attendees	324,000	396,000	EY estimate based on ticketed attendee assumptions outlined above

22c. Equilibrium ticket price			
Average ticket price per attendee (equilibrium price)	\$70	\$70	EY estimate based on estimated ticket revenue and number of tickets sold, both provided by MI.
22d. Zero demand ticket price			
Zero demand ticket price	\$380	\$755	Calculation, based on: (number of unique ticketed attendees x slope of demand curve) + equilibrium ticket price

Civic pride

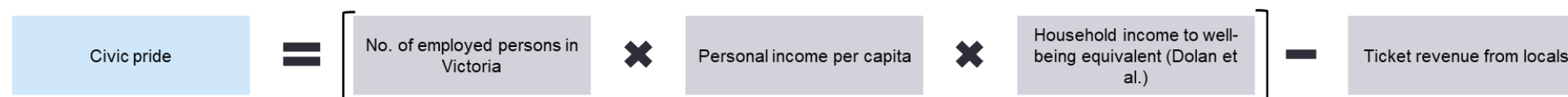


Table 69: Civic pride - key assumptions

Assumption	Worst Case	Best Case	Comments
23. Civic pride			
23a. Number of employed persons in Victoria			
Number of employed persons in Victoria	3,797,061	3,797,061	Calculation, based on: projected population of Victoria in 2025-26 x % of Victorian population that is employed. Data sourced from Department of Environment, Land, Water and Planning - Victoria in Future 2019 (VIF2019) Population and Household Projections; and Australian Bureau of Statistics 2022, 6202.0 Labour Force, Australia.
23b. Personal income per capita			
Personal income per capita, 2026-27 (2022 dollars)	\$71,164	\$71,164	Data sourced from Australian Bureau of Statistics 2022, Total Income by Greater Capital City Statistical Area (2014-15 to 2018-19), inflated to 2022 dollars.
23c. Individual willingness-to-pay for hosting games (ceteris paribus)			
Proportion of personal income per capita willing to pay for hosting games	0.02%	0.03%	EY estimate based on analysis of survey results from after the London 2012 Olympics, indicating that residents achieved an increase in wellbeing as a result of London hosting the Olympics (https://www.researchgate.net/publication/334327975_Quantifying_the_Intangible_Impact_of_the_Olympics_Using_Subjective_Well-Being_Data). This study measured the increase in wellbeing to be equivalent to approximately 1.2% of an individual's annual personal income. As a conservative measure, and due to the differences between the Olympic Games and Commonwealth Games, we have scaled down this assumption significantly.
23d. Ticket revenue from local attendees			
Ticket revenue from local attendees	\$27,720,000	\$27,720,000	EY estimate based on estimated number of local (Victorian) ticketed attendees and average ticket price, both provided by MI.

Volunteerism

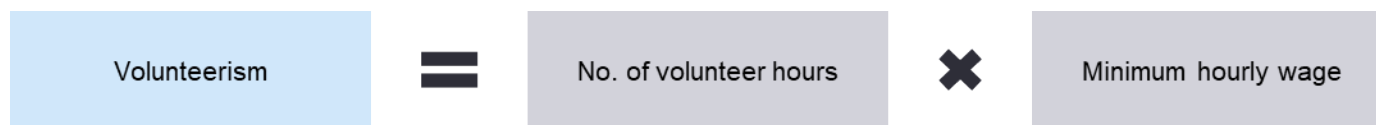


Table 70: Volunteerism - key assumptions

Assumption	Worst Case	Best Case	Comments
24. Volunteerism			
24a. Number of volunteers			
Number of volunteers	7,628	7,628	Number of volunteers provided by MI, based on analysis of attendances from previous Games.
24b. Number of volunteer hours per volunteer			
Number of volunteer hours per volunteer	80	80	EY estimate based on number of event days and approximately 8 hours of volunteering per event day.
24c. Minimum hourly wage			
Minimum hourly wage	\$20	\$20	Data sourced from Fair Work Ombudsman (https://www.fairwork.gov.au/pay-and-wages/minimum-wages#:~:text=The%20National%20Minimum%20Wage%20applies,hour%20or%20%24772.60%20per%20week.).

Appendix H – Risk Register

The detailed risk register is provided in the table below. Note, this risk register is a live document and will be updated throughout the project.

Appendix I – Transport Strategy

A report outlining details on the Transport Strategy is attached to this Business Case.

Appendix J – Security Concept

A report outlining details on the Security Concept is attached to this Business Case.

Appendix K – Healthcare Services

A report outlining details on Healthcare Services for the Games is attached to this Business Case.

Appendix L – Information and Communications Technology

A report outlining details on ICT for the Games is attached to this Business Case.

Appendix M – Energy Provision

A report outlining details on the Energy Provision for the Games is attached to this Business Case.

Appendix N – Governance Structure

A report outlining details on the proposed Governance Structure for the Games is attached to this Business Case.

Risk category	Risk cause	Risk consequence	Current rating	Mitigation strategy	Rating following mitigation
Cost	Risk that the CGF and IF do not agree with the proposed sports program, disciplines and schedule. This would result in the need to alter the sports (e.g. netball vs badminton), disciplines (e.g. cycling - road tour vs cycling - track), or events (200m vs 400m) which would result in changes to costs from those proposed.	<ol style="list-style-type: none"> 1. There are penalties in the Heads of Agreement (amount to be determined) due to the need to make changes to the sports program 2. Higher (or lower) capital and operating costs compared with expectations due to the changes in the number of total athletes, or the additional spaces/courts required. This could be favourable or unfavourable. 	Critical Risk	<ol style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for ongoing negotiation to key components of the sports program, along with continued engagement with IF to provide certainty. In addition, no penalties will be applicable until the required consultation is undertaken. 2. Consult with IF in February and March (TBD) on the sports, disciplines, and events proposed for the CG. 3. Although the risks associated with CGF and CGA are very low, continued engagement with these organisations will also be pursued (Timing TBD) 	Medium Risk
Cost	Risk that the venues and precincts proposed to host sports are non-compliant with the CGF and IF. This would result in the need to improve the non-compliant venue(s), or the relocation to an alternative site. It is noted that significant budgets have been allowed for the redevelopment of Kardinia Park (swimming, diving, gymnastics), Mars Stadium (GMHBA and alternative venues), Lake Nagambie (rowing), Shepparton Sports Stadium (squash), Geelong Arena (table tennis), and Geelong Convention Centre (weightlifting and powerlifting).	<ol style="list-style-type: none"> 1. Penalties as per the Heads of Agreement (to be determined) due to the need to make changes to the proposed venues 2. Higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected) 	High Risk	<ol style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for ongoing negotiation of high-risk venues – such as those where site visits and engagement with venue operators is necessary but has not yet been possible. Additionally, no penalties will be applicable until this has been completed. 2. Commence discussions with CGF, CGA, and IF as soon as possible to discuss non-negotiables 3. Use temporary overlay where possible to meet requirements 	Medium Risk

Cost	Risk that venues will not have capacity to host CG sporting events. The venues need to be large enough to provide required field of play areas, areas for spectators, areas for officials, athlete training and warm up zones, press areas, along with other key areas. Some of the proposed facilities meet the field of play requirements but are not suitable to host CG competitions.	<ol style="list-style-type: none"> 1. Penalties as per the Heads of Agreement (to be determined) due to the need to make changes to the venues proposed 2. Higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected) 	High Risk	<ol style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for ongoing negotiation of high-risk venues – such as those where site visits and engagement with venue operators is necessary but has not yet been possible. Additionally, no penalties will be applicable until this has been completed. 2. Commence discussions with CGF, CGA, and IF as soon as possible to discuss non-negotiables 3. Use temporary overlay where possible to meet requirements 	Medium Risk
Cost	Risk that key venues are not available due to existing commitments to local, state, and national sports would result in limited or no access to venues for the CG.	<ol style="list-style-type: none"> 1. Greater than expected compensation payments to venues to enable access 2. Need to find an alternative venue for the affected sports. This would result in higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected) 	High Risk	<ol style="list-style-type: none"> 1. Early alignment and discussions with venues as soon as possible. Cannot be discussed until a later date. 	Medium Risk
Cost	Risk that an additional athlete's village is required under the distributed model (Geelong, Ballarat, Bendigo and Mildura) and that this does not meet the CGF's requirements.	<ol style="list-style-type: none"> 1. Higher capital costs compared with expectations 2. Does not meet CGF's requirements (penalties apply) 3. The necessary accommodation is not able to be built within the short timeframe required 	High Risk	<ol style="list-style-type: none"> 1. Understand the need for accommodation based on the sporting program and venues agreed upon 2. Early engagement of EY REAS team for OOM costing (for permanent venues) (Seek approval for additional party) 3. Leverage hotels and temporary overlay for smaller sites with fewer athletes (discuss with MI) 4. Heads of Agreement should be drafted to allow for ongoing negotiation of accommodation which can only be confirmed once venues and the sports program have been agreed upon. 	Medium Risk

Cost	Risk that public spaces and realms will not be available. For example, roads for cycling – road tour.	<ol style="list-style-type: none"> 1. Penalties as per the Heads of Agreement (to be determined) due to the need to make changes to the venues proposed 2. Higher (or lower) capital and operating costs compared with expectations due to the need to find an alternative venue (which potentially could be in a different part of regional Victoria meaning that accommodation and transport etc. would also be affected) 	High Risk	<ol style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for ongoing negotiation of high-risk public spaces and realms – such as those where site visits and engagement with venue operators is necessary but has not yet been possible. Additionally, no penalties will be applicable until this has been completed. 2. Commence discussions with CGF, CGA, and IF as soon as possible to discuss non-negotiables 3. Engage with councils where possible to secure public spaces 4. Use temporary overlay where possible 	Medium Risk
Cost	Risk that there is not enough accommodation (for spectators, officials, and others) in the regional locations	<ol style="list-style-type: none"> 1. Does not meet CGF requirements 2. Requires higher capital costs (would need to build additional accommodation) 3. Limits the tourism benefits generated from the Games 	High Risk	<ol style="list-style-type: none"> 1. Understand the need for accommodation based on the sporting program and venues agreed upon 2. Leverage hotels and temporary overlay for smaller sites 3. Heads of Agreement should be drafted to allow for ongoing negotiation of accommodation which can only be confirmed once venues and the sports program have been agreed upon. 	Medium Risk
Schedule	Risk that there is insufficient time to complete the delivery of capital projects (including the accelerated government decision making required) for testing pre-Games and the Games itself.	<ol style="list-style-type: none"> 1. Facilities are not able to be tested within the required timeframe 2. Facilities are not delivered in time for the Games 	High Risk	<ol style="list-style-type: none"> 1. Early engagement by the Government with the business case, along with Government buy-in for early capital planning and decision making 	Medium Risk
Reputational	Risk there is limited regional labour and resource capacity for construction , with competition from large infrastructure programs (e.g. Victoria's Big Build).	<ol style="list-style-type: none"> 1. Higher than expected capital costs 2. Program for delivery cannot be completed within the proposed timeframes 	High Risk	<ol style="list-style-type: none"> 1. Early engagement by the Government with the business case, along with Government buy-in for early skill-development planning and decision making 	Medium Risk

Reputational	Risk that Federal Government departments do not support hosting the Games (e.g. border force, transport, visas, and other requirements).	1. An inability to fulfill CG hosting requirements would mean that Victoria would be unable to host the Games. Financial penalties will also apply.	High Risk	1. Heads of Agreement should be drafted to allow for consultation with Federal Government prior to penalties being introduced 2. Early alignment and discussions with Federal Government departments and decision makers	Medium Risk
Benefits	Risk that CGF proposed governance framework does not align with the proposed delivery structure , with more roles being taken by overseas talent	1. More roles being taken by overseas officials rather than local talent 2. Reduced benefits to the local economy through job creation and upskilling of major events sector in regional Victoria.	Low Risk	1. Ensure that the Heads of Agreement outline local governance as a key criterion for Victoria hosting the games 2. Have a clear plan for how these roles can be filled by local talent and execute the games successfully	Low Risk
Cost	Risk that upgrades to sporting facilities (owned by other parties) cannot be effectively maintained and fall into disrepair.	1. Reduced value of money for Government from investment 2. Increased ongoing capital maintenance costs to Government (over and above those budgeted)	Low Risk	1. Consideration will be given to those facilities which need to be potentially taken over by the State due to their larger and more significant operations post the CG. 2. The costings for the games will include any ongoing operating and maintenance costs of these facilities to the state.	Low Risk
Cost	Risk that an additional Games Village (athletes) is required under the distributed model (Geelong, Ballarat, Bendigo and Mildura) and that this does not meet the CGF's requirements.	1. Higher capital costs compared with expectation 2. Does not meet CGF's requirements (penalties apply) 3. The required accommodation is not able to be built within the short timeframes.	Medium Risk	1. Understand accommodation need based on sporting program and venues agreed 2. Early engagement on the costing (for permanent venues) (Seek approval for additional party) 3. Leverage hotels and temporary overlay for smaller sites, fewer athletes (discuss with MI) 4. Heads of Agreement should be drafted to allow for ongoing negotiation on accommodation which can only be confirmed once venues and sports program is locked in.	Low Risk

Cost	Risk that there is not enough general accommodation (for spectators, officials and others) in these regional locations	<ul style="list-style-type: none"> 1. Accommodation does not meet CGF requirements 2. Requires higher capital costs (need to build additional accommodation) 3. Impacts to the tourism benefits reported for the games 	High Risk	<ul style="list-style-type: none"> 1. Understand accommodation need based on sporting program and venues agreed 2. Leverage hotels and temporary overlay for smaller sites 3. Heads of Agreement should be drafted to allow for ongoing negotiation on accommodation which can only be confirmed once venues and sports program is locked in. 	Low Risk
Cost	Risk that as soon as the 2026 Games are announced (with venues also announced) that it will be difficult to secure joint alternative funding from councils to support the upgrade of these venues. Once the 2026 Games and timeframes are announced the Victorian Government's leveraging position is removed.	<ul style="list-style-type: none"> 1. Resulting in high than expected capital costs 	Medium Risk	<ul style="list-style-type: none"> 1. Aim to lock in commitment from local councils prior to the games 2. Consider potential to announce games in regional Victoria without confirming locations to draw out as much investment as possible. 	Low Risk
Cost	Risk that optimal timing for investment needed in 2026 Games facilities for key infrastructure will be missed	<ul style="list-style-type: none"> 1. Not being able to leverage existing government investment is likely to result in additional costs to Government. The modelling will consider a worst-case scenario. 	Medium Risk	<ul style="list-style-type: none"> 1. Engage with key departments to determine where there are opportunities to leverage existing Government investment 2. Model both the worst case (all new investment) and also opportunities to leverage existing Government investment. 	Low Risk
Cost	Risk that venues and precincts proposed to host sports are non-compliant with the CGF and international federations (IF), with significant budget has been allowed for - redevelopment of Kardinia Park (swimming, diving, gymnastics), Mars Stadium (GMHBA and alternative venues), Lake Nagambie (rowing), Shepparton Sports Stadium (squash), Geelong Arena (table tennis), Geelong Convention Centre (weightlifting and powerlifting).	<ul style="list-style-type: none"> 1. Penalties as per the Heads of Agreement (to be determined) due to the need to make changes to the venues proposed 2. Higher (or lower) capital and operating costs compared with expectation due the need to find an alternative venue 	Medium Risk	<ul style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for ongoing negotiation of high-risk venues where site visits and engagement with venue operators has not yet been possible and is necessary (with no penalties applicable until complete) 2. Commence discussions with CGF, CGA, IFs as soon as possible to discuss non-negotiables 3. Use temporary overlay where possible to meet requirements 	Low Risk

Cost	Risk that keys venues are not available, due to existing commitments to local, state and national sports	<ol style="list-style-type: none"> 1. Greater than expected compensation payments to venues to enable access 2. Need to find an alternative venue for affected sports resulting in higher (or lower) capital and operating costs compared with expectation due the need to find an alternative venue (which could be in a different part of regional Victoria also impacting accommodation and transport 	Medium Risk	<ol style="list-style-type: none"> 1. Early alignment and discussions with venues as soon as possible. Cannot be discussed until a later date. 	Low Risk
Cost	Risk that public spaces and realms will not be able to be made available. For example roads etc for road cycling.	<ol style="list-style-type: none"> 1. Penalties as per the Heads of Agreement (to be determined) due to the need to make changes to the venues proposed 2. Higher (or lower) capital and operating costs compared with expectation due the need to find an alternative venue (which could be in a different part of regional Victoria also impacting accommodation and transport 	Low Risk	<ol style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for ongoing negotiation of high-risk public spaces and realms where site visits have not yet been possible and is necessary (with no penalties applicable until complete) 2. Commence discussions with CGF, CGA, IFs as soon as possible to discuss non-negotiables 3. Engage with councils were possible to secure these outdoor spaces 4. Use temporary overlay where possible 	Low Risk
Reputational	Risk that federal government departments do not support hosting of games e.g. border force, transport, visa needs and requirements	<ol style="list-style-type: none"> 1. Unable to fulfill Victoria's requirements, unable to host the games and there are financial penalties 	Medium Risk	<ol style="list-style-type: none"> 1. Heads of Agreement should be drafted to allow for consultation with federal Government prior to penalties being introduced. 2. Early alignment and discussions with federal government departments and decisions makers as soon as possible 	Low Risk
Reputational	Risk that the games cannot be successfully delivered within this timeframe. Generally host cities would have ~8 years to plan and implement the Games. This will be condensed into 4 years	<ol style="list-style-type: none"> 1. Games are not delivered successfully, and Victoria's reputation is impacted 	Low Risk	<ol style="list-style-type: none"> 1. A fit-for-purpose entity will lead the delivery 2. Maximise use of existing and pop-up infrastructure 	Low Risk
Reputational	Risk that announcement of regional venues results in poor reputational outcomes. Some of the proposed venues are not current fit-for purpose but will be made fit-for-purpose in time for the Games.	<ol style="list-style-type: none"> 1. Reputation issues if venues are perceived as high quality for spectators, athletes and major sporting bodies this could impact Victoria's reputation and brand. 	Medium Risk	<ol style="list-style-type: none"> 1. On announcement on the proposed venues and additional information on what upgrades will be delivered should be announced. 	Low Risk

Appendix O – Checklist and sign-off

<i>Initiative title:</i>	<i>Regional Victoria - Commonwealth Games 2026 Business Case</i>	<i>Yes</i>
<i>Department:</i>	<i>Department of Jobs, Precincts and Regions</i>	
1.	Has a <i>Business case cover sheet</i> been completed to accompany this business case?	<input type="checkbox"/>
2.	Have costings been agreed with DTF/DPC?	<input type="checkbox"/>
3.	Was DTF/DPC consulted during the preparation of the business case?	<input type="checkbox"/>
4.	Is the need clearly established (e.g. investment concept brief)?	<input type="checkbox"/>
5.	Are the links to Government policy(ies) and contributions explicit?	<input type="checkbox"/>
6.	Is there a clear statement of the service benefits and project scope, and are future implications noted?	<input type="checkbox"/>
7.	Are cost estimates provided for capital and operational phases?	<input type="checkbox"/>
8.	Have cost and risk estimators signed off on the adequacy of their work?	<input type="checkbox"/>
9.	Is the project budget including the base cost estimate, risk assessment, base risk allocation and contingency adequate?	<input type="checkbox"/>
10.	Do cost and benefit estimates and analyses demonstrate value for money?	<input type="checkbox"/>
11.	Are the project deliverables clearly stated?	<input type="checkbox"/>
12.	Is a benefit management or evaluation plan included?	<input type="checkbox"/>
13.	Are risk management processes in place and assumptions stated?	<input type="checkbox"/>
14.	Does the proposal assess the project schedule and readiness (including market appetite)?	<input type="checkbox"/>
15.	Are governance structures identified?	<input type="checkbox"/>
16.	Are stakeholder interfaces detailed?	<input type="checkbox"/>
17.	Are regulatory requirements identified?	<input type="checkbox"/>
18.	Has a Project Profile Model (PPM) been completed and sent to DTF?	<input type="checkbox"/>
19.	Is the project high-value high-risk?	<input type="checkbox"/>
20.	Have Gateway reviews been undertaken?	<input type="checkbox"/>
21.	If applicable, have the relevant VCC documents been completed and included?	<input type="checkbox"/>

This model checklist is designed for the project proponent's endorsement.

Prepared

by:

Date:

Approved

by:

Date:

Approving
officer/
delegate
name:

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Date:

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Secretary:

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Date:

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