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"In Support of Progress" Newsletter

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Football

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We have arrived at a brave new world of bread and circuses.

"Just imagine", we were told, "how good it would be to eat a meat pie at the game and to sing our own song". Seriously! This is the level of debate. This is what it has come down to.

The Roman poet Juvenal lived in the first century CE, and coined the phrase "Give them bread and circuses" to emphasise that the way the government kept the populace happy was to provide free food and stage huge spectacles. Diversions and distractions to take their mind off the more serious issues of the day.

It seems not much has changed in 2000 years.

First, the circus

The current debate is actually a conflation of two separate arguments:

- 1 to have our own team; and
- 2 to build a stadium to house it

Once it was just the team. Seeking the 19th licence from the AFL was met with disdain for so long, and for so many reasons – the cost, the talent pool, the support base were all a part of the concerns.

Locally the game has been fading, so an AFL team may stop the decline. Under this new deal, the AFL will be putting \$50m over 10 years into fostering local talent. However, it will be interesting to see how many imports will still be required to fill up an A grade team, and also how long it will need to happen, if it stops at all.

This time around, instead of dismissing the claim, the AFL began to suggest it could be Ok if – and I emphasise IF – certain criteria were met. A more subtle way of saying NO. However, it didn't work.

What about the cost – NO PROBLEM, we'll meet that.

Well, you'll need a stadium - NO PROBLEM, we'll meet that.

Well, it will have to be at Mac Point – NO PROBLEM, ready to go!

And it will need a roof – NO PROBLEM.

There will be a significant ongoing cost in running this team (actually teams), to maintain it, to pay the salaries of coaches and players, to meet travel expenses and so on. So, to the obvious question - who pays? The AFL? Sponsors? The government? And if the latter, is this an appropriate role for government?

The price to the State to establish the team slowly climbed from \$10m per annum for 10 years to \$10m for 15 years to \$12m over 12 years, with establishment costs rising from \$50m to \$60m. Every time the ante was raised, so was the response. Which meant the AFL was caught in a muddle of their own making.

As the debate spiralled, the community divided into 3 camps:

Those who wanted a team AND a stadium

Those who wanted a team, but NOT the stadium

Those who didn't want either.

And I suspect across the Tasmanian community the figures would approximate 15%, 55%, and 30%. (In fact, 15% might be being generous).

The debate was taken over by the pro-stadium lobby, who said if you didn't support the stadium you were not a true believer, you were a traitor to the cause and to the State, you were just a NAYSAYER.

Ouch! That was meant to hurt, but it didn't. Because the downside to prosecuting that argument was that it alienated those who were happy to support a team but did not support the stadium.

The other risk in the pro-stadium argument is obviously cost. The \$715m estimate for the build just won't cut it, and it won't cut it because at this stage it is an estimate without ANY detail regarding its design, fabrication, size or dimension. How high, how long, how wide? Seating? Stands?

It does not take into account any site works, and their cost will be immense. Moving the sewerage treatment plant, in-fill stabilization, an electricity substation, and extensive drainage systems will not come cheap.

It does not take into account any other required infrastructure such as urban renewal (housing), transport hubs, reconciliation parks, Antarctic centres etc. and these are now also part of the "mix".

Still, to the converted, those who want to eat a pie and sing their song, these are just the arguments of the naysayers.

Well, to my mind It is not an argument between true believers and naysayers. It is an argument between the reckless and the cautious. One doesn't need a new swank stadium (well presumably it will be swank!) to play a game of football. Irrespective of what the AFL might say, Bellerive and York Park will do nicely thank you, as they have done up until now, with the northern venue now receiving a \$130m upgrade , costs to be shared between the two governments.

But it is not just for football, we are told. Big events will be attracted to this new and exciting venue. Well, maybe they will. And they will need to, because there will not be too many games of football played at this stadium, and particularly so if some "home" games will be in Launceston. If there are to be 11(?) home games in a season, then seven of those would presumably be in Hobart. I would not be building a business case around that. And let's face it, "big" events do not go to every city with a stadium.

The reckless do not seem to care about cost – just build it, they say! They blithely trot out the \$715 million figure, but with no reference to any design features. Everyone will benefit, they say. Just look at hospitality, tourism, construction, they say. Well, again, maybe and maybe not. It is a very big "IF".

However the \$715m was determined remains unclear. To date, we have been advised that \$375m will be from State coffers, and \$15m from the AFL. A further \$240m has been promised by the Federal government, but that money is actually for MORE than just the stadium2, and that story still needs to be played out.

Those with a more cautious eye, including those who support a Tassie team but not the stadium, say spending so much money on a stadium WITH ROOF shows a warped sense of priorities, and particularly so if the capital cost blows out, which it will, and the ongoing cost of running the facility proves prohibitive – who picks up the tab?

Some thought now needs to be given to the name - Tasmanian Devils is such an obvious one, but the name has been taken by Warner Brothers. Copyright law will come into play, and I suspect if the name is to be used, then a commercial arrangement will need to be reached. More dollars.

And, to be somewhat flippant, if/when such a team plays St. Kilda, the game could then have more than secular appeal. However...

There is a further matter that seems to have gone unnoticed - albeit now it may now be a minor matter - and that is the role of the planning authority - the Hobart City Council, which in the past has played a pivotal role in planning matters over this site, but which now would appear to have been sidelined.

No doubt they will not stand idly by, but I suspect now that such commitments have been made the government will simply declare the project one of "state or regional significance" and overrule and override the planning authority.

Three parties will contribute to the stadium build, the AFL, the State Government and now the Federal Government. Each in their own way seem to have been wedged by this debate.

The AFL has been forced to issue a 19th licence which I suspect it did not want to issue, and it will be stumping up money, \$50m over the next 10 years, to bolster the flagging fortunes of the game in Tassie. It has been blindsided by the willingness of the State Government to pay large sums of money and offer what is essentially a blank cheque ongoing and of the federal government's contribution. This was not how it was meant to be.

The State Government has been wedged by having to commit not only to a team - the original position - but a stadium, roofed, with an ever-increasing and open tab but now also a whole range of other on-site infrastructure, including "urban renewal", hospital accommodation, a transport hub - the list goes on. It has essentially promised to provide an open check for a development that is not as yet detailed.

The Federal Government has been wedged by its desire to see "something" done on the site and has been dragged into the debate against its will, now offering \$240 million. In doing so it is now at odds with its State counterparts, who have been arguing for the team but against the stadium.

However, the \$240m it has placed on the table now seems to have come with some significant strings attached, and it may in the end not have to pay anything. Still, it has lost political capital, particularly at a time when cost-of-living pressures are causing significant community pain and angst, and it is crying poor.

In fact, political capital has been lost across the board. The State Government has lost support in the north of the state, the Opposition has lost cred because of its contra temps with its federal counterparts, the Federal government has lost support because it is spending money on needless infrastructure, and local government has been sidelined. All to provide a facility which the majority of the people do not want and do not need. There are no winners here.

A matter that has not been discussed is whether the \$240 million will be quarantined from the GST allocation process? Now, quarantine payments are rare. If it is quarantined, it's all extra money. If not (as per the RHH money), we could lose almost all of it over the following three years in reduced GST payments - except for our population share. So our net gain would be 2.5% of \$240 million or about \$6 million. Wow - what a deal!

Bread and circuses indeed! Enjoy the pie. It has come at a tremendous cost!

Meanwhile, people are frightened they may be evicted from their homes and mums are sleeping in cars as the tragedy of homelessness bites deep.

Seriously, what is more important?

Homelessness

There is a lot of talk about this tsunami of grief and anxiety, the stress and insecurity, and we really do need to ensure we do all we can to alleviate the awful pain and suffering this situation is causing throughout our community.

Yes, new houses are being built, and yes, we talk about restricting short-stay accommodation, but these are small and relatively slow steps playing out on a much larger landscape.

Tenants being evicted with nowhere to go. Mums sleeping in cars - it is a tragedy. We cannot let this continue.

So...what immediate things could be done? During the Covid crisis, the government commandeered accommodation, and it could do so again.

A policy to build small, modular, portable homes could deliver units quickly. An order to a fabricator for say 200 modular homes would offer economies of scale to the builder. If such a home was to cost \$100,000 – it would depend on design - then such a policy would cost \$20 million. Two hundred solutions, with relatively immediate effect. It is not a permanent solution, but it would relieve the pressure.

Small beer compared to a stadium, and a more immediate need met.

Local Government

Once again the issue of local government amalgamation has raised its head. This time it seems to have garnered some broader support. But if it is to happen it will require some commitment to do so, which has been lacking in the past.

In many ways the world has moved on from the time when smaller councils were more relevant to their communities. These days, IT and transport solutions give "local" a more far-reaching meaning.

One local council is providing IT services to Councils in NSW and the Northern Territory. Such a servicer can be far-reaching. And enable efficiencies that were only dreamt of 10 or so years ago.

Shared services is obviously a relevant path to take, and it follows that councils with shared services need to seriously consider their continuing contribution to the community they purport to serve. As communications bring communities closer together, so the meaning of "local" has also changed.

So... let's hope this time something gets done!

Resources

Meanwhile, those who care little for such things continue to argue that industries be closed. Mining, forestry, windfarms and salmon farming have all been in the gun in recent times, and there is no letup to the media pressure that is being applied to these operations.

Critics get the coverage, particularly if they can play to an emotional heartstring, the operators seldom do. In fact critics are competent media performers – running an emotional argument is sure to get a headline. It does not need to be accurate, or even truthful for that matter. Operators are far more reticent. To the public, it is a very one-sided debate.

And again we see the extraordinary statement "peaceful" protest, when alluding to blockades and disruptive activity, which has again been bandied about and being lapped up by media commentators. The phrase is a nonsense. Let's not fool ourselves, or buy the hype. Confrontational it is, peaceful it certainly isn't.