

TRANSCRIPT

SELECT COMMITTEE ON THE 2026 COMMONWEALTH GAMES BID

Inquiry into the 2026 Commonwealth Games Bid

Bendigo – Tuesday 27 February 2024

MEMBERS

David Limbrick – Chair

Joe McCracken – Deputy Chair

Melina Bath

David Davis

Jacinta Ermacora

Michael Galea

Sarah Mansfield

Tom McIntosh

Rikkie-Lee Tyrrell

WITNESS (*via videoconference*)

Anthony Nicolaci, Manager, Economic Development, Greater Shepparton City Council.

The CHAIR: Thank you for appearing today. We now resume the committee's public hearings for the Inquiry into the 2026 Commonwealth Games Bid.

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All evidence is being recorded, and you will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your name and the organisation that you are appearing on behalf of.

Anthony NICOLACI: Hi. My name is Anthony Nicolaci, and I am appearing on behalf of Greater Shepparton City Council.

The CHAIR: Thank you, Mr Nicolaci. I will also allow the committee to introduce themselves for the record. I am David Limbrick, the Chair of the committee.

Michael GALEA: Good day. I am Michael Galea, Member for South-Eastern Metropolitan.

Sarah MANSFIELD: Sarah Mansfield, Member for Western Victoria.

Melina BATH: Melina Bath, Member for Eastern Victoria.

Rikkie-Lee TYRRELL: Rikkie-Lee Tyrrell, Member for Northern Victoria.

The CHAIR: I do not know if we have Mr Davis.

David DAVIS: Yes, of course you do: David Davis.

The CHAIR: And maybe we have Ms Ermacora.

Jacinta ERMACORA: Jacinta Ermacora, Western Victoria Region.

The CHAIR: Excellent. We welcome your opening comments and ask that they be kept to around 10 minutes. Please proceed.

Anthony NICOLACI: Yes. No worries. I will go through a couple of things. Obviously you have got my name. I am the Manager of Economic Development at Greater Shepparton City Council. Through the journey of the Commonwealth Games I have been one of the major conduits within our organisation. I thought I would start with some background information and a bit of a statement so you get a bit of context. Obviously, our city is slightly different to the other proposed host cities, being more of a lower level one – not with a village et cetera. But I will try to put some context, and then I will be happy to take some questions at the end.

The 2026 Victorian Commonwealth Games was an opportunity to promote regional Victoria on the world stage like never before, leaving a positive economic and social benefit legacy for years to come. Following its cancellation, it has left a major hole which will significantly affect the visitor economy, impacting the state's brand reputation, along with the loss of significant marketing and regional exposure in the lead-up to and as our legacy from hosting the games that we will never, ever be able to replace. We are grateful for the Victorian government's subsequent regional support package following the cancellation of the games, and we are hopeful that the Greater Shepparton community will benefit from a number of initiatives. But we would also have liked to have seen greater flexibility for us as a host city in determining the project priorities that would best suit our community from now and into the long-term future. I will touch on that a little bit later.

As a background, the regional Victoria approach to a Commonwealth Games was first instigated by Greater Shepparton City Council in 2017. This concept was developed as a project for a 2030 or 2034 games, to provide over a decade of detailed planning time to enable a new multicity host model to fully maximise opportunities for regional Victoria. At the time when the concept was initially announced in April 2017 a few key things were highlighted:

What we are unveiling today is a ‘first of its kind’ vision – the “People’s Games” – and what we believe could form the blueprint for future major sporting events given the cost required and infrastructure needed to hold global competitions like the Commonwealth Games ...

Importantly, staging a ground-breaking concept such as this across regional cities and towns will leave a legacy for millions of people like we have never seen before ...

...

Under this top-line schedule, we envisage that the focus for proposed competition venues will be on significant upgrades to existing infrastructure to ensure Commonwealth Games regulations are met rather than building brand new facilities across the board at large expense ...

...

The legacy of such upgrades is that regional cities and towns would be in a prime position to successfully bid for future national and international events for years to come. This means ongoing investment and benefits into local economies for decades ...

Following that launch back in 2017 a taskforce was developed to support this initial concept, and it set a plan underway to further investigate the feasibility of a potential bid and the whole concept. The taskforce had a various, diverse range of skill sets and experience across a number of important sectors required to progress such a game-changing concept. Over the following months the taskforce and council received funding managed by Sport and Recreation Victoria, SRV, for a prefeasibility study. This funding was matched with a \$50,000 contribution from 14 participating regional councils. This prefeasibility study was completed in early 2020. A detailed business case was to follow. But this work was not progressed, nor did the taskforce secure funding for it at the time.

In January 2022 the Victorian government, to the surprise of the taskforce and council, announced it was giving serious consideration to a late request from the Commonwealth Games Federation to host the games, and on 16 February 2022 it was confirmed that the state was in exclusive negotiations with the Commonwealth Games Federation to host the games. Then in April 2022, when the formal announcement confirmed that Victoria would host the 2026 Commonwealth Games, it was noted in the media release that Greater Shepparton would also be a host city and host cycling events and cultural events. However, our region was not aware at the time of any detail in that regard. The only formal correspondence that was received was the night before the announcement, but that also provided us with no real specific detail.

Following that April 2022 announcement, in the subsequent months Greater Shepparton City Council advocated strongly to understand how it would be involved in the games and the sports and activities it would actually host to ensure that all the great work done by many in the initial concept was maximised and our community could benefit from this significant event. In October 2022 it was announced by the Victorian government – the additional events and final sports program for the 2026 games – and that included Shepparton being a confirmed host for cycling, which was two disciplines: BMX and road time trial events. Over the next nine months council worked closely with the organising committee to support overall planning for the games and for the activities in Shepparton, including being part of the games cities partner working group, which was a key conduit to the regional model.

Following the announcement in July 2023 that the 2026 Commonwealth Games had been cancelled, council has been working closely with the Victorian government to ensure it could maximise any opportunities from the \$2 billion regional support package that was outlined to replace the games. The cancellation announcement had come as a complete shock to council, like many others. There had been no indication at that point in time that such an outcome was being considered. At that point we had just received a draft MOU from the organising committee, noting that it was more a high-level document and there was no real detail in it around council funding requirements to deliver the games. This was to come at a later point as more detailed planning occurred.

As noted earlier, we are very grateful to the government’s various funding announcements across important sectors such as housing, economic development, tiny towns, tourism and the community and major sports

infrastructure funds. We do note a number of the programs' announcements are of competitive funding available via grant applications processed for all regional cities, not just the five initial host cities. As part of being a host city, council has been fortunate to be allocated funding of \$3 million as part of its council support package or part of a council support package totalling \$25 million that included \$5 million allocations to other host cities. Last week we submitted a number of projects that made up a \$3 million request for that program. However, we do note the guidelines for that program potentially do not allow the region to fully utilise the allocation to support some more strategic projects, priorities and outcomes for us.

The major legacy that will now be placed as part of the regional support package is the sports infrastructure fund, which is a \$550 million allocation to the five host cities. Greater Shepparton City Council has been allocated funding of \$2.13 million to deliver cycling-related infrastructure projects at the Shepparton BMX Club and the Shepparton Cycling Club velodrome to support community participation and major events attractions. While we are incredibly appreciative of this allocation, unfortunately these projects do not align with our community's biggest infrastructure priorities. Greater Shepparton's number one community priority is the redevelopment of the Shepparton Sports Stadium into a Shepparton sports and events centre. We did advocate strongly for our funding to be reallocated to this project for a \$30 million contribution from the Victorian government to a \$60 million project from the allocated \$550 million program. We feel this would have made the greatest long-term legacy, community and economic benefit for our region, but unfortunately that flexibility is not possible.

The Greater Shepparton region has been subject to many challenges over the last few years. We all experienced COVID-19, and in addition our region had devastating floods in October 2022, which were our biggest in over half a century. We have also had a number of other challenges affecting our critical workforce and economy, with agriculture particularly having some additional critical challenges with water security, which underpins our Australian food bowl reputation. We have got a threat of fruit fly and significant storm events recently severely impacting our horticultural industry. We have also had anthrax cases detected in the region recently, and we have also just recently lost \$208 million of funding previously allocated to the Shepparton bypass project.

In closing, Greater Shepparton has had a long-held vision to showcase to the world what makes regional Victoria so special. The 2026 games would have been an ideal opportunity for Greater Shepparton to have generational exposure, significant growth and economic development and it would have been the best ever regional development project this state had ever seen. We are now left with significant reputational damage. Business and visitor economy opportunities are lost; motivating and developing the next wave of critical skills and enhancements in the workforce and in volunteering has been lost, and the sense of pride in Victoria being the world's events capital may never be the same.

We will work hard in partnership with both tiers of government to recover from this cancellation of the games and to ensure our region is prosperous and plays a significant role in Victoria's success. Thank you.

The CHAIR: Thank you so much for your detailed introduction, Mr Nicolaci. It sounds like there was a significant amount of work done in preparation of these proposals and things like that. I am not sure whether it is part of your role or not, but do you have visibility of the costings on how much was expended on that by the council?

Anthony NICOLACI: I have a certain level of visibility of some of the costings. There are probably two parts to that: costings on what we spent when the games were announced and then the work we did to advocate. Then since we were included in that second round of inclusions, we do have some costings on that, and then there are probably the costings that were on the previous old model, which was some of the stuff we instigated in 2016–17. We do have some visibility on those.

The CHAIR: Thank you. I would assume that your council, like other councils, has been working with the Auditor-General's office on these sorts of costings so we will be able to see those in their final report once they release it.

Anthony NICOLACI: Yes, correct. My understanding is that the VAGO report will have that detail. I think it is more that in the report it may be detailed holistically across the five cities, but it is in there. There were

significant costs but more just resource and focus internally seeing this would have been a pretty generational project, so more in that space – lots of resourcing allocated.

The CHAIR: Understood. We heard from Bendigo council earlier today and also we have heard from other councils that they have also had these sorts of costs. Bendigo council seemed to indicate that they would be able to salvage some of that work because it was for projects that they wanted to go ahead with anyway. Is much of the work that was done able to be salvaged or is a lot of this wasted energy?

Anthony NICOLACI: Probably our model is a little bit different to perhaps Bendigo's. The other four cities probably had more focus on actually having permanent infrastructure. The model that was proposed for Shepparton was more temporary pop-up infrastructure, so in some forms we will get some benefit out of some of the funding that has been provided in the subsequent regional support package. However, it is probably not high-priority projects that we would have otherwise been focusing on from a council perspective, as I mentioned within my opening remarks.

The CHAIR: Thank you. It is my understanding, just for clarification from your introduction, that the BMX track upgrade sounds like it is going ahead. The government has committed to that. But you seem to indicate that although the council would be grateful for that to happen, that is actually not your highest priority from a sporting facilities point of view. Is that correct, my understanding there?

Anthony NICOLACI: Yes, that would be correct. The upgrades to the BMX facility will leave some really good benefits to our community and the BMX club and the adjacent cycling club, and there will be a number of state, national and even international events that we will be able to attract. It already was at a world-class level. This will help take it to a next wave of that. As I mentioned in my remarks, we probably had other higher priority sports infrastructure projects, including our Shepparton sports and events centre, which is our indoor sports stadium. That is something we have been working on for probably the last decade, and that is probably our number one community priority and number one sports infrastructure priority at the same time. We did try to see how we could get some flexibility in some of the funding announcements with the different programs and try to come up with a great outcome and probably the best legacy that our community could benefit from more broadly because so many more users would use an indoor sports stadium, so not just the social benefits from community participation but then the economic benefits from visitors. Unfortunately, that was not able to be worked through as part of the package of opportunities that was available because we had only been allocated cycling events, so the funding was more towards those sorts of projects if that makes sense.

The CHAIR: Thank you very much. I will pass to Ms Bath.

Melina BATH: Thank you. Thank you, Mr Nicolaci. Thank you for your presentation and clearly your passion for your region. I am sure that is representative of the Greater Shepparton council in general. You spoke about in 2017 your bid for the 2030 games, the 'people's games'. That is a 13-year lead. You said that you had – just let me clarify – requested in 2020 a prefeasibility study or you had made some initial study?

Anthony NICOLACI: I will clarify that one for you there. From 2017 when we launched the idea 14 councils put in funding. It was partnered with sport and rec funding and we did a prefeasibility, which is a very early stage feasibility. We were then advocating for a full detailed business case that might take up to two years to complete, but that was never –

Melina BATH: Perfect, and that was 2017 to 2020, up to about that period?

Anthony NICOLACI: Yes, correct.

Melina BATH: So you were still looking at a 10-year lead, and then we jump to 2022 and we have got the Victorian state government then jumping out with, 'We're going to hold a games in 2026.' Can you tell me your involvement in that? Did Greater Shepparton have any involvement or role in that 2026 preparation of that announcement and/or bid?

Anthony NICOLACI: In terms of the initial announcements, which were between February and April 2022, Greater Shepparton City Council had no involvement in that at all. Once it was announced that the Victorian government was in exclusive negotiations with the Commonwealth Games Federation, we did try to

advocate to see how we could provide some advice or feedback on some of the early learnings, which was in that prefeasibility process because we were very much a key stakeholder.

Melina BATH: You were on the front foot. You knocked on the door, you asked questions of government, you said, ‘Can we give you some information,’ and there wasn’t a response back. Is that correct?

Anthony NICOLACI: Yes, that is probably a good synopsis.

Melina BATH: Okay. I would really appreciate if you had any letters of that ‘Hi, can we give you any assistance?’ If there are any at council – take some of these on notice – that would be really good, and our secretariat can send you a list of the questions.

Did the Victorian government provide you with a copy of the business case post that, since you were still then –

Anthony NICOLACI: We were not privileged to any information of that regard, no.

Melina BATH: Okay. Have you read the business case since then?

Anthony NICOLACI: I have never seen the full business case that was developed. I am not sure if our organisation had any oversight on that. We may have but I am not aware of any of that. I just note that once the initial announcement was made in April 2022, we just worked really hard to make sure that Shepparton did not miss out and we tried our absolute hardest to get involved.

Melina BATH: Can I put it in a maybe less than polite way, but did you feel a bit ripped off after you had come up with this idea? You had led the pack and collaborated with those 14 other councils and then it was like, ‘Well, what about us?’ Is that a sense? You might like to reshape that, but is that a sense you had?

Anthony NICOLACI: We always think Greater Shepparton is a special town and we are always very passionate about our area, so we would always want to make sure that we were given the best opportunity to maximise it for our community. That was all we were asking for, just to maximise opportunities for our community so this whole concept could really benefit our region, which sometimes is neglected. We like to think that sometimes, but we are very passionate and we always want to make our place better to live. That was the whole reasoning behind some of the initial idea, to see more of a focus on regional Victoria holistically but also obviously Shepparton – we wanted that to be a key part of that.

Melina BATH: Thank you. You mentioned – moving along in time – that you had an MOU. Can you provide us a copy of that draft MOU if that is possible?

Anthony NICOLACI: Yes. I am happy to follow that up. If these can be sent through, we can follow up that stuff.

Melina BATH: Also your submission to the VAGO audit – if there is any information from that that you can provide to us, that would be great. I had lots of other questions, but I hear the buzzer.

The CHAIR: Thank you, Ms Bath. Mr Galea.

Michael GALEA: Thank you, Chair. Thanks for joining us today, Mr Nicolaci. You mentioned obviously that Shepparton is one of the cities that will still benefit from the council support package and the \$3 million that you identified. What are Greater Shepparton’s priorities for that funding?

Anthony NICOLACI: There were some guidelines that came with that package, so we needed to adapt our projects to suit that to make sure that our projects submitted fit the guidelines. We submitted a number of different projects last week. I will try to remember them off the top of my head if I can. Initially, as I mentioned in my remarks, a sport and events centre is our main priority. But that is a \$30 million state contribution. We obviously know that \$3 million and \$30 million does not quite work, so we went back to the drawing board. The projects we submitted were some enhancements for our visitor economy, so some shared path network projects. We have also got some projects we have submitted around First Nations arts and culture to suit the demographic of our region. Obviously we have one of the most populated First Nations communities in regional Victoria. We have also submitted some projects for arts and culture around our multicultural community as the most diverse city in regional Victoria. There is a number of other projects to support

accessibility within our sports precinct and major events venues to support more accessible event access for our events program. I am just trying to remember what else we have got on there. We can get that list for you.

Michael GALEA: Thank you. Happy to get that on notice, the rest of that. That is fine.

Anthony NICOLACI: I think there are roughly about eight projects we submitted to make sure we aligned with the criteria that was developed for that program.

Michael GALEA: Terrific. Thank you. You mentioned shared paths amongst the first of them. Is that a general walkability initiative that you are seeking to improve active transport in the city of Shepparton.

Anthony NICOLACI: It is a connection between Shepparton and Mooroopna between KidsTown, which is one of the largest outdoor playgrounds in regional Victoria, and Mooroopna township, so just on the other side of the river in Shepparton. That is a transport project. It is a tourism project. It is a mixture of community and visitor benefits in that project. So we think that has got some great outcomes if that does get funded.

Michael GALEA: Thank you. Speaking of the visitor economy that you mentioned, what are the trends, just briefly, that you are seeing in the Greater Shepparton and the Goulburn Valley right now in terms of tourism?

Anthony NICOLACI: We are an evolving city. We are not traditionally known for being a destination of choice – people like to go where there is water or beaches and those sorts of things. So we have worked really hard at this. We have done a lot of work in the arts and culture space. We have just finalised our new Shepparton art gallery. Projects like this were all about building that and building our brand and being able to really diversify. We are working on a number of other different projects to improve our brand, but we are really trying around that arts and culture at the moment with the new \$50 million art gallery. That is one thing. We are also looking to leverage the Goulburn River region a bit more, so we are doing some partnership work with some of the neighbouring councils as part of the state tourism review to get that Goulburn region more known across the state as well. They are some of the other priorities in our tourism area at the moment.

Michael GALEA: Thank you. Terrific. Just with the brief time I have left, you mentioned you are seeking \$30 million for the sports stadium – \$30 million in state funding. What is the total cost of that project?

Anthony NICOLACI: The total cost of our current project is \$60 million.

Michael GALEA: \$60 million. And you are anticipating that council would fund the other \$30 million, or would that be federal?

Anthony NICOLACI: The council and federal government.

Michael GALEA: And federal. Great. Thank you.

The CHAIR: Thank you. Mr Davis.

David DAVIS: Chair, thank you. Can I thank you for your contribution, Mr Nicolaci. That has been very helpful. I just want to return to a theme that Ms Bath was pursuing. Essentially, what happened is – forgive me if I am wrong in describing it this way and tell me where I am wrong – Shepparton led the way rounding up all the regional cities to push for this distributed Commonwealth Games in regional cities, and then eventually the state government made a decision and went with a model which was not dissimilar at all to the model that Shepparton had promulgated. But effectively Shepparton was not completely cut out but pretty much cut out of the outcome. Why do you think that was? What motivated the state government to come up with a model that so comprehensively cut Shepparton out, when in my view Shepparton was to be commended for its remarkable leadership?

Anthony NICOLACI: I will try to answer that as best I can. I think the initial model that was proposed from Shepparton still needed a bit of work, and that is why you have prefeasibilities and business cases that really delve out the details. Without knowing how the final business case went, there might be some more reasoning with that. We felt we were in a pretty reasonable space. Our initial thoughts behind the concept were around really investing in critical infrastructure in a few cities that were already going to invest in the next 10 years to really bring their facilities up to that Commonwealth Games level. Obviously, that is easier said than done. We did get some feedback around the distance from Melbourne, some of our transport connections

and some of our accommodation stock for visitors et cetera, although I note that our accommodation stock is probably very similar to some of the other cities and would be a very small margin behind even a larger place like Bendigo, as an example. But they were some of the reasons. It was probably more that our existing facilities needed more work than others. That was some of the initial feedback we may have gotten.

David DAVIS: And people in Shepparton were, I think, pretty unhappy with that decision at the time. Is that your –

Anthony NICOLACI: Well, as I noted earlier, we are very proud of our area, and we want the best for our community. That is our job. Our job is to do projects and initiatives that make our place a better place to live and grow a family et cetera. I think there was momentum when the first idea was mentioned. A lot of people at the time thought it would never happen, but we thought there was a lot of merit to the concept and we really just needed that time to plan. Then over a longer period of time we could have delivered it at that regional level. How would that have ended up looking? Well, we may never know now, because there is no concept on the table. But we thought we were well placed to play a role with the hosting cities – not to be the main host. We know we do not have that population or the density and all those connections that a Geelong or a Ballarat or a Bendigo have, but we thought we had a very –

David DAVIS: It should have been a fairer share than what was proposed, in my view – and perhaps in your view too.

Anthony NICOLACI: That is probably a fair comment. We just wanted our fair share. That is all I can say in that regard.

David DAVIS: Secondly, just turning to the future, I also should say one other thing. Turning to the future, it seems that there is still no clarity about what the legacy facility might be. It might be the stadium, but you are not sure. The state government has not yet provided any clarity on the legacy.

Anthony NICOLACI: Our confirmed funding at this point in time is that we are getting some funding under the council support package, which I talked about earlier. That is \$3 million in funding. Then we have been allocated \$2.13 million from the sports infrastructure fund to deliver BMX and cycling related projects as our main legacies. Noting that fund was \$550 million worth, Shepparton's allotment was that much, and we will have four projects funded.

David DAVIS: Just a bit over \$5 million – \$2.1 million and \$3 million?

Anthony NICOLACI: \$2.13 million – so \$2,130,000 – that is our allotment for legacy sporting projects out of the regional support package, out of a funding pool of \$550 million. That is my understanding.

David DAVIS: Council has proposed that it spend half the money on the stadium outcome – the \$30 million – and the other would come from the state and/or federal. Is that what you are –

Anthony NICOLACI: Our initial request when this was being developed late last year was that out of that \$550 million fund we were seeking a \$30 million contribution to our stadium, and then we would find funding for the remaining \$30 million.

David DAVIS: Which would be Shepparton and federal, perhaps?

Anthony NICOLACI: Most likely, yes – and philanthropy and sponsorship.

The CHAIR: Thank you, Mr Davis.

David DAVIS: Yes. I just want to hear where that actually is. Has the state government given any commitment on that?

Anthony NICOLACI: No, they have not. We went with what programs were available to all.

The CHAIR: Thank you, Mr Davis. Ms Ermacora.

Jacinta ERMACORA: Thank you. And thanks for your contribution. I think it was a great initiative by Shepparton to propose the idea, and I thank you for that. I think the whole notion of equality across all the regional cities is a good one. If you look at, say, Warrnambool, where I come from, the population is 35,000, and if you look at Greater Warrnambool it is probably 55,000. It serves a region of 100,000, but there was no Commonwealth Games involvement at all. So in a sense it seems fair that the legacy projects go to where they were going to but these other funds broaden to the whole of regional Victoria. With housing, we have the regional housing package and Regional Worker Accommodation Fund. What is the situation with housing in Shepparton? Do you share some of the challenges of elsewhere?

Anthony NICOLACI: Housing is obviously one of the community's key priorities here, from lots of different things. Affordable housing is a real challenge and critical need within our region, and we are constantly advocating for that. The worker accommodation fund, which is one of the individual funds, is part of the regional support package from the cancellation. I think it is a \$150 million program. That has seen significant interest from Greater Shepparton people to invest to more support critical workforce.

We have got lots of challenges. Obviously we are the fruit bowl of Australia. We are very well known for being the fruit capital of Australia with all the fruit and production and manufacturing things that we have here, and we really struggle to house our workers, particularly with the seasonal process. I think our organisation might have sent off six or eight support letters for different applications in the last few weeks for that program, so we think that that will be a positive thing. I am hoping that Greater Shepparton will get some share of funding out of that if those businesses and people are successful in their applications.

Jacinta ERMACORA: Very good. I was just going to ask about the regional housing worker accommodation fund. This fund is all about partnering between business, council and government. Do you have any specific projects that you have been initiating yourselves as council or involved with from the community?

Anthony NICOLACI: Not for that specific fund. That one, the regional workforce fund, is really being driven by businesses looking to invest and get some funding to help get some project ideas and concepts off the ground and actually make them a reality so we can have more beds for our critical workforce. Council has been doing separate work to that, more in the affordable space. We are obviously constantly working with different groups to try to get more accommodation to support the challenges we have with the homeless community et cetera. So that is probably separate to that funding program specifically. That is more ongoing, which I am sure all of you would have in any regional area at the moment. It is a really big priority. The more investment in that space the better, and quick investment is good investment. But sometimes it takes a long time, and that does not solve the issues.

And for us, as I noted, we have had a lot of issues and challenges lately. COVID aside, we had the biggest flood in nearly 100 years in Shepparton; that displaced more people, and that was a really challenging period. We have had big, bad storms – I know it does not sound that bad, but really bad storms – that really affected our fruit production in the last couple of months as well. So all those things add up. We need people here to help keep our economy ticking, and if we do not have these workers here, our economy stops. And if that stops, a lot of produce for Australia stops too, so it is really important.

Jacinta ERMACORA: Very well explained. Sorry, is my time up?

The CHAIR: Yes. Thank you, Ms Ermacora. Dr Mansfield.

Sarah MANSFIELD: Thank you. Thank you for joining us today. I am interested in the prefeasibility study that was done, led by Shepparton. Who received copies of that prefeasibility work – presumably sports and rec Victoria and the participating councils? Are you able to provide any information on that?

Anthony NICOLACI: Yes. That was a while ago, so I will try to get my recollection as close as I can. But obviously that was a project that was done in partnership with sport and rec. Obviously they have that document, so that is within government. The councils that participated in providing funding to do that – 14 councils provided anywhere between \$1000 and \$6000, and some of those small \$1000 contributions were from very small regional and remote councils that just saw this idea as great for their region, not noting that they thought they might get venues or upgrades; they might get training camps and other flow-on benefits. So I think everyone saw the benefit. That document would have been advocated to both sides of government in that

2020 period when it was completed, so that would have gone to multiple people within government and in that supporting space. The aim for that was that that prefeasibility would then turn into a more detailed business case, and that was what the taskforce that was set up, which was separate to council, was really advocating for. But it never quite went that way.

Sarah MANSFIELD: Okay. In that prefeasibility study, from the public reporting around it there were a number of potential challenges identified in that.

Anthony NICOLACI: Yes, absolutely.

Sarah MANSFIELD: I guess reflecting on that, did you feel that any of those challenges were addressed or emerged during the preparation for the Commonwealth Games, before it was cancelled?

Anthony NICOLACI: I think there probably were a lot of those things, whether it be transport, accommodation challenges – those sorts of things were highlighted in that prefeasibility, and that is where you need time to work through that. I think everything was so short that it just did not allow that time to really plan for it as thoroughly as needed, but that is just a comment from our perspective. But we are not quite ingrained in the detail driving that element of the event, so I cannot comment too greatly on that with any –

Sarah MANSFIELD: No, that is all right. You were talking about how you were potentially getting funding for a project that was not necessarily aligned with your strategic priorities as a council. Can you explain the consequences, particularly any negative consequences, that can have for a council when you have funding for projects that are not necessarily aligned with your priorities?

Anthony NICOLACI: Yes. I would say in this case they are probably projects that are more of a lower priority. I would not say they are not a priority absolutely. We will still get some benefit, and we will try to maximise them as best as we can. But we are getting significant feedback from our community about our sports stadium and the need for an upgrade. We are well behind every other larger regional city that has upgraded their facility in the last 10 years. And we are not thinking we are going to have a great, amazing facility like Bendigo. We just want what is fair and reasonable for Shepparton. Bendigo, Ballarat, Gippsland and Mildura have all done really great regional projects in the last five or so years and we just want our version of that. It is something that we have been working on for a long time, and it is council's responsibility to get that up and going. We cannot just solely rely on government to fund all these things entirely, but it is a partnership approach. That sort of a project would have significant benefits for decades to come and for multiple people within our community, whether you are in sports or not, because our sports and event centre would be a broader project than just sports. It would support arts, culture, music – those sorts of things – as well. But the flow-on benefit to hospitality, to accommodation, to retail – all of those things – from events, you cannot beat, so that would be a great outcome. But we are moving on from that. We have got funding for what we have, and we just need to maximise that. We are obviously very appreciative, but we are always asking for our fair share.

Sarah MANSFIELD: Yes. That is my time.

The CHAIR: Thank you, Dr Mansfield. Ms Tyrrell.

Rikkie-Lee TYRRELL: Thank you, Chair. Anthony, earlier on in your opening statement you mentioned the state's brand reputation. We have heard from Visit Victoria in the past that the cancellation of the games, they think, has enhanced Victoria's reputation, but everybody else that we have questioned has an opposing opinion on that. What is your opinion?

Anthony NICOLACI: We are known as or Victoria is known as one of the best states, if you like, in the world for major events. Obviously that brand is very much Melbourne focused. We feel, as I mentioned in my opening remarks, like when you live regionally – and I know some of you have mentioned you are from regional areas, so you can appreciate where I am coming from – it is harder to get those grand things happening and for your region to be known as a place to live and a place to work and invest and all those things, so we have to fight harder for that. We felt that this project was a great regional development project, probably the best RDV project you could ever come up with, to really highlight why you can do things in the regions and why it is actually better to live in the regions than in a capital city. Those opportunities are now lost because we will never probably be able to have something of that really high level standard that you could promote in the years leading up. Our feedback is some of this funding will help with some projects and we will have some

legacy, but hosting a Commonwealth Games might even be talked about in 50 years time or in 30 years time, and that is the sort of stuff that is lost. There is a little bit of reputation loss for Victoria, no doubt, with this. I am sure that there will be other events and that they will come and replace, but I think for us, what else can you do of this substantial nature for the regions? And for a place like Shepparton, we know we are not that next level, like Geelong, so we cannot do some great things like that; we just do not have the population or the facilities. So that is probably where I was coming from with some of those comments, if that makes sense.

Rikkie-Lee TYRRELL: Yes. Thank you very much. Prior to the games being announced, what other sports was the GSCC advocating for?

Anthony NICOLACI: I think within the prefeasibility that was done independently of council, we looked at a number of things. We obviously wanted a sports stadium so we would host a number of different events that you could host in an indoor stadium, so whether that be badminton, table tennis, squash, netball, basketball – any of those things that were appropriate. We just wanted something that if we built a stadium, which we are planning to do, we could host something in that. I know lawn bowls is an area that we have got some really good facilities, and we have hosted some international events like the Australian Open here previously. They were a couple. We also looked at other pop-up things that we could maximise. I am sure, hopefully, all of you have been to Shepparton, but we have got a great Victoria Park Lake precinct, so we have looked at sports like triathlon being able to be done out of that because we are able to host an international triathlon. They were some of the ones that were earmarked in the prefeasibility, so that is separate to any council thoughts on that process that were independently reviewed as part of that prefeasibility piece.

Rikkie-Lee TYRRELL: Okay. Did you get to choose the BMX and the cycling for Shepparton, or was it just handed to you?

Anthony NICOLACI: After the initial announcement in April of 2022, the press release said Shepparton would be a host and would host cycling and cultural events. We worked hard over the next few months until the October 2022 announcement to advocate for what we thought were appropriate sports that could fit the program and where it was headed. So we threw up a lot of different ideas. BMX was one that was never held in the Commonwealth Games previously, but we have got an international facility, so that is one that got up, but we advocated for a number of others as well.

Rikkie-Lee TYRRELL: All right, thank you. How much has Greater Shepparton City Council expended on the Commonwealth Games from early scoping works through to today? For example, we have heard from Geelong that they expended \$8 million. What is Greater Shepparton City Council's outlay?

Anthony NICOLACI: Ours would not be in that vicinity. It is not a figure that I have right to hand, but we can get that figure. But I would say it is more in the hundreds of thousands of dollars, more in resource staff time as opposed to any other detailed project deliveries or anything like that, just because the nature of what Shepparton was going to host was pop-up events as opposed to permanent events, so it is probably slightly different for other regions.

Rikkie-Lee TYRRELL: Thank you. Can we have that on notice when you have got the opportunity?

The CHAIR: Thank you, Ms Tyrrell. I am afraid we are out of time. Thank you so much, Mr Nicolaci, for appearing today and giving your evidence. You will receive a copy of the transcript for review in about a week, before it is published on our website after that. The committee will now adjourn for the day.

Committee adjourned.